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AGENCY



Standing Conference  
of Towns and Municipalities

National Association of Local Authorities in Serbia

# MODEL LOCAL ANTI-CORRUPTION PLAN

*With Guidelines for Adoption,  
Implementation and Monitoring*



Schweizerische Eidgenossenschaft  
Confédération suisse  
Confederazione Svizzera  
Confederaziun svizra

Swiss Agency for Development  
and Cooperation SDC



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## **With Guidelines for Adoption, Implementation and Monitoring**

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# 1. Introduction

The Action Plan for Chapter 23<sup>1</sup> drafted in the negotiations process for the accession of Serbia to the European Union and adopted by the Government of the Republic of Serbia on 27 April 2016 envisages that preventive mechanisms for tackling corruption should be strengthened at the level of local self-government (LSG), which has been identified as one of the fields<sup>2</sup> particularly vulnerable to corruption<sup>3</sup> in the Screening Report's Recommendations for this Chapter. This document calls for the adoption and implementation of a *local anti-corruption action plan or a local anti-corruption plans (LAP)*<sup>4</sup> by cities and municipalities. LAP is a document that identifies competences, fields, processes and procedures which carry risks of various forms of corruption and propose methods for tackling such risks and ways of their elimination. By implementing local action plans and putting in place adequate mechanisms for overseeing their implementation, LSGs can build their resistance to corruption, irregularities and misuse of public funds, in other words strengthen their capacities to protect, represent and serve the public interest of local communities.

Adoption and implementation of LAPs is also in line with one of the objectives stated in the Republic of Serbia's National Anti-Corruption Strategy 2013–2018 adopted on 1 July 2013. The Strategy identifies the issue of a lack of systemic anti-corruption policy at the LSG level, i.e. a policy that would be applicable to all LSGs, but would also take into

- 
- 1 Chapter 23 is one of 35 Chapters on which Serbia has been negotiating with the EU in the process of its accession to the Union. Chapter 23 covers the areas of the judiciary, fundamental rights and the fight against corruption. The negotiation process for this Chapter was officially opened on 18 July 2016.
  - 2 In the constitutional and legal sense of the word, LSG is part of the vertical, territorial organisation of the country. However, the above documents treat corruption as a *field* that requires particular attention from the perspective of suppression of corruption (such as other *fields*, for instance healthcare, education, public procurement, etc).
  - 3 Republic of Serbia – Negotiation Group for Chapter 23 – Action Plan for Chapter 23, Field 2.2.10, p. 182. Available: [www.mpravde.gov.rs/tekst/2986/pregovori-sa-eu.php](http://www.mpravde.gov.rs/tekst/2986/pregovori-sa-eu.php).
  - 4 LAP has become a common abbreviation denoting any and every type of *local action plans*; however, considering that the idea about adopting local anti-corruption plans has been promoted ever since the adoption of the National Anti-Corruption Strategy in 2013, the abbreviation has come into common use for this type of local plans, which is why it will be used in this document as well. Nevertheless, in case LSGs wish to avoid any potential doubts or uncertainties, they can use some other abbreviation when referring to such plans (e.g. LACP).

account their specific qualities and needs. What follows from the outline of this issue is that there is a need to set in place adequate mechanisms for tackling corruption, which should, as the Strategy states, ensure *transparent work of territorial autonomy, and/or local self-government authorities, as well as of provincial and local public enterprises, the budgeting process, and/or creating and spending budgetary funds, as well as an adequate response of the civil society and media to corruption challenges*.<sup>5</sup> This summary provides a framework for formulating anti-corruption action plans at these levels of territorial organisation and objectives to be achieved by such documents.

With a view to assisting cities and municipalities in their efforts to adopt adequate LAPs, the Action Plan for Chapter 23 has envisaged that the Anti-Corruption Agency of Serbia (ACAS) should draw up the *Model Local Anti-Corruption Plan (Model LAP)* to be used by LSGs as a basis for developing their own action plans. Furthermore, in order to identify the subject matter of the Model and LAPs, i.e. the fields and processes to be included in such plans, the ACAS has carried out an analysis of the legal framework which regulates local self-government, specifically its part which carries a particular risk of corruption.<sup>6</sup> Based on this analysis and other relevant sources of information, as well as information and standards for drawing up action plans, ACAS has prepared this Model LAP, accompanied with guidelines and recommendations for its adoption and monitoring. The Model LAP has been developed with support from and in cooperation with the *Standing Conference of Towns and Municipalities – National Association of Local Authorities in Serbia (SCTM)*.

LSGs have been given a deadline to adopt their LAPs which expires on 30 June 2017.

The responsibility for overseeing the implementation of activities envisaged in the Action Plan for Chapter 23—and thus the oversight of the process of LAPs adoption—will be shared between and entrusted to the Council for Implementation of the Action Plan for Chapter 23, Head of the Negotiating team for Negotiations for Accession of the Republic of Serbia to the European Union, Negotiating Group for Chapter 23 headed by the chair of the negotiation group for this chapter, Coordination Body for the process of accession of the Republic of Serbia to the European Union and the Coordination Body Council which performs duties related to current issues in the accession process.<sup>7</sup>

5 Strategy's objective 3.1.5 – for more details, see p. 4; available at: [www.acas.rs/sr\\_cir/zakoni-i-drugi-propi-si/strategija-i-akcioni-plan.html](http://www.acas.rs/sr_cir/zakoni-i-drugi-propi-si/strategija-i-akcioni-plan.html).

6 Available at: [www.acas.rs/wp-content/uploads/2016/12/Analiza-pravnog-okvira-na-rizike-od-korupcije-lokalna-samouprava-FINAL-cir.pdf](http://www.acas.rs/wp-content/uploads/2016/12/Analiza-pravnog-okvira-na-rizike-od-korupcije-lokalna-samouprava-FINAL-cir.pdf).

7 Republic of Serbia – Negotiating Group for Chapter 23 – Action Plan for Chapter 23, pp. 7-8.

## 2. Principles and values underlying LAP and its adoption, implementation and monitoring

LAP constitutes *a preventive anti-corruption mechanism and a mechanism for introducing the principle of good management and governance* in the operation of LSG authorities and administration and other public authorities at the local level that meet the needs and serve the interests of the local population and community. There are a number of approaches to be taken and concepts to choose from when preparing local strategic and planning documents in the field of combating corruption. Such documents can also have various initiators, diverse starting points and premises and different sources and outcomes.<sup>8</sup> The concept of LAP proposed by this Model is based on *identification of normative, institutional, organisational and practical risks of corruption and implementation of measures aimed at eliminating those risks*, i.e. the causes of corruption, misuse and irregularities and overall removal of bad governance in the broadest sense of the word. The purpose of this document, i.e. its adoption, effective implementation, consistent monitoring and the evaluation of its results is to make LSGs more resistant and sensitive to corruption risks prevalent in the context in which they exercise their competences, i.e. with a view to reducing corruption in the future.

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<sup>8</sup> According to *Local Action Planning in the Field of Combating Corruption*, an analysis published in early 2016 (written by Vanesa Belkić and available at [www.centrir.org/downloads/documents/april2016/2004/LAP.pdf](http://www.centrir.org/downloads/documents/april2016/2004/LAP.pdf)), a total of 12 LSGs in Serbia have adopted some type of local action plan aimed at fighting corruption, while other six LSGs have drafted this document, but never adopted it officially. The majority of LSGs that have in any way dealt with action planning in this field have joined the process owing to the initiatives of CSOs, specifically the Bureau for Social Research (for more details, visit [www.birodi.rs/drustvo-protiv-korupcije](http://www.birodi.rs/drustvo-protiv-korupcije)) and Toplica Centre for Democracy and Human Rights (for more details, visit [www.topcentar.org.rs/Antikorupcijske\\_politike.htm](http://www.topcentar.org.rs/Antikorupcijske_politike.htm)). Available information shows that only two LSGs have initiated the development and adoption of a LAP on their own. As it transpires, the City of Niš is the only LSG of the 12 mentioned that has still been implementing its LAP persistently, mostly thanks to its Local Anti-Corruption Forum, a body set up for the purpose of implementing, coordinating and monitoring the implementation of the LAP and the NGO Bureau for Social Research which initiated the LAP and which provides valuable support to the Forum.

The causes of corruption are various and manifold. They arise in a specific social, political, legal and institutional context, i.e. at certain stages of development of social and personal accountability and integrity. When these circumstances change, so do the causes and manifestations of corruption, which evolve into more perfidious and complex forms. This in turn requires a constant—and not always simple and easy—pursuit of measures to detect, prosecute and prevent specific causes and forms of corruption. And that is the way in which any LAP should be understood, as only one of possible anti-corruption tools to be used by the local level of government, tailor-made to fit the current stage of its development, but which cannot and will not once and for all solve the problem of corruption. However, if properly understood, truly embraced and adequately implemented, it can have a significant impact on the process of resolving the problem posed by corruption. In addition, this Model LAP as well as each individual LAP should be viewed as a ‘living matter’, documents that give an overview of the actual situation, which is contingent, above all, on the current legal framework subject to frequent changes and transformations in the period from the making of the Model to the adoption of individual local plans.

Every LAP is based on a certain perception of corruption risks and objectives defined therein should represent a desirable future situation in which those risks have been eliminated or at least reduced to a minimum. They are therefore briefly enumerated and described below since this will facilitate the understanding of LAP objectives which are frequently defined as antipodes to these risks. They include phenomena common to the entire public sector and identifiable at the local level of government.<sup>9</sup> When their existence is confirmed, they represent some of the fundamental *principles* that are applied to the prevention of corruption. These are:

- Excessive and/or unnecessary discretionary powers of LSG authorities, administration, bodies or officers to make certain decisions or a lack of clear, precise and previously set requirements, criteria and standards for decision-making. Discretionary powers are inevitably used when individual decisions are made, but it is not certain whether or not they are limited and to which extent. In other words, if such powers are not limited and known in advance to all participants in the decision-making process, they can easily lead to corruption. For that reason, a substantial number of LAP's objectives will pertain to the need and importance of minimising discretionary powers and defining requirements, criteria and standards for making decisions in various fields.
- A lack of openness, i.e. transparency of work; corruption usually occurs where it cannot be detected or learnt about and thus cannot lead to some type of condemnation (social, moral, political or legal). In the same way lack of transparency is a potential cause of corruption or a circumstance conducive to its occurrence, so

<sup>9</sup> The main concept of corruption risk has been taken from: Nemanja Nenadić, *Analysis of Republic of Serbia's Needs in Its Fight against Corruption*, Belgrade 2011, the version submitted to the UNDP and members of the Working Group for drafting the new National Anti-Corruption Strategy in Serbia in September 2011.

does increasing transparency always present itself without exception as a necessary measure for its prevention. Therefore the Model LAP will include a number of such measures, because transparency cannot be described as something to be attained conclusively. Instead, it is—just like all principles achieved over and over again—extending its scope in relation to the current stage of development, not only of institutions, but also of the critical public.

- A lack of responsibility and accountability can, for instance, entail the following: issued decisions do not contain rationales and cannot be subject to reviews, a lack of reporting about work and accountability for one's actions, etc. (*accountability* in the broader sense of the word) as well as a lack of moral, political, disciplinary, misdemeanour and criminal responsibility (*responsibility* in the narrow sense of the word). As regards the Model LAP and other tools aimed at preventing corruption, accountability is most commonly used to refer to the former set of issues and the broader understanding of this concept because if the principle of responsibility is not applied, it can lead to nothing else but the breaking of current laws and other regulations. In such cases, any preventive mechanism can only do so much and recommend “a consistent application of the statute”, which does not mean a lot and makes little sense. Therefore, the strengthening of the accountability principle as promoted in the LAP will mostly refer to the broad sense of the word; or put another way, the measures it introduces should ensure not so much the application and respect of the law (because this is in a certain sense implied), but the adoption of a principle according to which everyone should, in a specific way, “be held accountable” for their actions or lack thereof.
- A lack of (adequate) oversight and control, either internal or external (by other authorities and instances or by the public). In principle, there should not be a single situation in which actions by any public authority are not subject to oversight. Even public authorities of highest instances are part of the system of checks and balances stemming from the democratic principle of separation of powers. If there is no oversight mechanism or if it is ineffective, the chances of corruption increase. LAP measures that prescribe different systems of checks and balances, which are often only formally in place, but are essentially not applied or are ineffective, should be viewed in this context.
- Existence of redundant procedures and/or unnecessary interactions and contacts between authorities, administrations, bodies and officers which often do not fulfil purposes for which they have been put in place. Instead, over time they become their own purpose and only serve to exert various corruptive influences. Simplification or streamlining of procedures has thus far been a subject of a variety of more or less successful regulatory reforms in the Republic of Serbia. However, what needs to be stressed at this point is that some other anti-corruption measures are in

conflict of various degrees with the call for simplifying or streamlining procedures. This is because the introduction of control mechanisms often leads to an increase in the scope of regulations and introduction of additional steps to be taken as part of those procedures (e.g. if criteria already mentioned above are laid down, it can lead to new procedural steps). This type of risk must thus be carefully analysed to avoid another extreme, while attempting to simplify procedure or so that abolishing the procedures would not serve as an alibi for abolishing the control measures that need to prevent corruption.

The majority of objectives and measures included in the Model LAP, as well as those to be defined by LSGs themselves should rely on some of the risks of corruption as identified above.

The *values* underlying any LAP and the process of its adoption, implementation and monitoring are mostly the same values that underpin any concept of good governance, along with the respect for some additional values related to the local level of government. These values, along with their connotations, include as follows:

1. *Accountability*: To be regarded as accountable, the process of LAP adoption should entail at a minimum two elements. (1) The first one is that the entire LSG system, namely LSG authorities, administrations, LSG-owned enterprises, other organisations within the LSG system, as well as civil society and citizens, should be aware of their own roles or their own *accountability* in achieving the purpose and objectives of the document; (2) The second principle refers to the fact that accountable preparation and adoption of LAP means that it is important to consider that document as an 'internal' need of LSGs, not as an imposed bureaucratic and administrative obligation that needs to be fulfilled only formally. Accountability as a principle makes no sense if it is not understood as an activity whose aim is to advance combat against corruption, but as an imposed obligation in which no value can be recognised.
2. *Transparency*: Given that transparency is promoted in the Model LAP as one of the main barriers to corruption, the entire process of LAP adoption, implementation of measures and LAP monitoring needs to be made as open and available to the public as possible. The public should have an opportunity and the right to know how this important document has been adopted, the status of measures and activities contained therein and the results of actions taken based on it.
3. *Participation or involvement of citizens and the local community*: Although LSGs are responsible for LAP-related activities and the majority of measures should be implemented by LSG authorities and administrations, the positive results and effects of this document should be felt by the entire community. Therefore, all relevant local actors, such as NGOs, professional, trade and other associations, the media, trade unions, the private sector, informal groups and all citizens need

to be included in the process of its preparation and in particular in the process of overseeing its implementation. Some of the ways to increase participation will be provided in the Model LAP and in the guidelines for its adoption and implementation that accompany it. However, every LSG must invest additional efforts that match the character and level of development of other sectors in the local community and implement most appropriate forms of participation to engage all actors in the local community.

4. *Efficiency and effectiveness*: The process of LAP adoption, implementation and monitoring needs to be carried out by applying the principle according to which the best possible effects and results are obtained with the use of available resources and capacities within the available period of time, which in brief sums up the principle of *effectiveness*. On the other hand, a lack of resources and capacities cannot provide on its own an alibi for not taking any actions since time available for solving certain problems is often too short, so it is very important to be *efficient* in this process. Corruption and all its adverse consequences are phenomena that must be dealt with effectively, quickly and decisively.
5. *Proactivity*: Anyone who has seriously dealt with LSG issues is aware that this level of government functions in the system and framework that are often and for many fields set and given by central or other levels of authority (e.g. provincial). Thus, unlike central authorities, LSGs do not adopt any umbrella, systemic or procedural laws. In that regard, no one expects from LSGs to amend something they cannot amend no matter how much they sometimes want to or their citizens wanted them to. However, although numerous laws and other regulations are not passed at the local level, they are *applied* and govern the real life at that level. This is precisely where there is 'room for freedom of action' for LSGs to recognise the possibilities they have for advancing the implementation of the existing norms in proportion to their needs and specific qualities. Umbrella laws usually provide that LSGs should elaborate in more detail their implementation in their ordinances and so they can incorporate anti-corruption provisions in such acts when adopting them. By means of the LAP, LSGs should identify the points which they can influence and change and regulate, organise and prescribe on their own. In other words, they must approach this process proactively and even creatively because otherwise they cannot produce a practical, operational or useful document; instead, the plan they develop will be intrinsically 'defensive', which is only a euphemism for unenforceable.
6. *Authenticity and respect for specificities of each LSG and local community*: Last but not least, every individual LAP must reflect the character, specific qualities, needs and features of each particular local government and community. Model LAP provides a framework in the sense that it formulates objectives that need

to be achieved and stipulates *minimal* measures that should be taken in order to achieve formulated objectives. Nevertheless, each LSG is free to add other objectives as well, other fields and measures and it certainly must formulate specific activities to implement those measures. Consequently, every LAP should be an authentic and locally-specific document, which can be achieved only if one of the principles from the framework of *accountability* is recalled – a LAP should be regarded as an authentic need, not as an imposed obligation, since in the case of former, LAPs will resemble one another either inadvertently or intentionally.



### 3. Glossary of terms used in the Model of Local Anti-Corruption Plan

To allow for quality and precision of draft LAPs prepared by LSGs, this section of the Model provides definitions of terms which constitute the main elements of the LAP. Every LSG or working group set up by an LSG to draft an LAP (the issue of working groups will be addressed in more detail below) will need to familiarise themselves with the glossary of terms used herein in order to be able to understand properly their tasks and the character of the LAP itself.

- *Field*: Field refers to the competence/purview/remit of an LSG or the framework/context in which it exercises its competence. The field is the most general concept of the Model and it stands for an integral whole which due to its characteristics includes various risks of corruption. This Model LAP includes a certain number of fields, but every LSG may, in the process of adopting its own plan, include other fields it finds relevant aside from the ones that have already been defined, by using the methodology defined herein.
- *Field outline*: It stands for a brief narrative overview of corruption risks the field entails or a description of why it is important to address a specific field from the perspective of public policy that deals with preventing and combating corruption. This outline is important because it contains a *rationale* for including that particular field in the LAP. Even though outlines of fields are based on the *Analysis of Legal Framework for the Corruption Risks for Local Self-Governments*, every LSG may modify them in the process of developing its own LAP or it may include some specific information, cases and phenomena from its practice or other sources of information to specify an outline of the field and adapt it to its own situation. To put it differently, every field outline is subject to modification in the process of LAP adoption. Outlines should be easy to understand, clear and concise so that all their readers, who are not necessarily experts, could comprehend and understand what poses an issue in each specific field from the perspective of corruption.

- *Objective*: An objective stands for a desirable/expected state that needs to be achieved or a state that after the implementation of LAP will allow for suppression of corruption in a given field. A field can have one or more objectives, depending on its character and complexity.
- *Objective indicator*: An indicator or a *measure* of fulfilment of an objective stands for a manner/phenomenon/state that can be used to prove and/or show that the objective has been achieved; differently put, an objective indicator rates the accomplishment/achievement of the objective.
- *Indicator value*: it can be either *base* or *target* (*projected*).
  - *Base value* (also starting, present, current value) stands for the value or measure that reflects the actual situation in the field defined by the objective indicator.
  - *Target value* (also future, desirable, planned, projected value) stands for a value or measure that needs to be achieved after taking specific measures and actions in a given field, i.e. upon the fulfilment of the objective.

Indicator values (both base and target) can be differently expressed depending on the indicator's nature, which can be either (1) quantitative or (2) qualitative.

- *An example of qualitative expression of indicator value*:  
If the *objective* is to curb/minimise irregularities in one of the fields, *the objective indicator* would be, for example, *a number of planned/foreseen control mechanisms in the field*. In that context, the base value would be a number of actual (current) controls in that field at a specific level (e.g. "one control per year"), while the target (projected) value would be the one planned so that it could be said that an increase in that number of controls would serve the objective of reducing irregularities in the field (e.g. "four controls per year at a minimum").
- *An example of qualitative expression of indicator value*:  
If the *objective* is to increase transparency or promote openness to the public of a specific process, *its indicator* may be *to adopt certain standards or public policies/regulations (currently not in place) required for increasing transparency (promoting openness to the public)* – in that regard, the base value can be expressed descriptively – e.g. "there are currently no standards or public policies/regulations in place in this field", while the target (projected) value would be "standards and/or public policies/regulations have been adopted" along with specifying the name of each standard, public policy and/or regulation (*for more details, please see the example in Annex 1*).
- *Measure*: It stands for a next step to be taken to put into operation the elements of the action plan that have been previously described, first and foremost the objective that needs to be achieved. It is formulated as an action that needs to be performed so that its performance could lead to the achievement of an objective.

- *Indicator of measure implementation (quality)*: This indicator is used to determine or rate if a measure has been implemented as well as if it has been implemented as defined. Similar to other indicators, this indicator of measure implementation (quality) can take various forms (quantitative – expressed in numbers, and qualitative – descriptive) and they mostly depend on the character of the given measure.

*Important reminder*: Elements of the Model LAP defined above constitute minimum standards and an example of how every LSG can modify any of those elements in the process of analysing the existing Model and developing its own LAP. In other words, every LSG can include other objectives, indicators and values, as well as other measures and indicators of their implementation (quality) it deems appropriate and necessary for the given field.

### ***Glossary of concepts and terms used in the LAP Format to be adopted by LSGs***

LSGs will have a responsibility to develop certain elements of their own LAPs by themselves and this issue will be covered in more detail in the section related to the character of the Model and the manner of its adoption and adaptation to suit the needs of every LSG. However, concepts that constitute elements of that part of LAP are defined and summarised in this section.

- *Activities*: Each LSG should specify activities to be carried out in order to implement a certain measure. To put it differently, activities stand for further concretisation of a measure or its breakdown into individual steps that make up the measure. A good example of a relationship between a measure and activities can be given based on a measure to define a need for *imposing certain duties on specific LSG authorities or administrations* – in that context, activities could include the setting up of a working group for drafting regulations to assign those duties, producing draft regulations, their adoption, publication and public presentation, etc. *Each LSG will establish a specific manner in which it will implement its own LAP precisely by defining activities aimed at implementation of measures listed in the Model.* The previous example of the measure defined as assignment of specific duties speaks in favour of the fact that ‘assigning duties’ can be implemented in various ways, the adoption of a general legal act being only one of those possible ways or activities (See *Annex 1 – LAP Format to be adopted by LSGs and an example thereof*).
- *Activity indicator*: This type of indicator is used to measure the implementation of the relevant activity. For instance, if an activity is defined as “setting up a working group for drafting a legal act”, the indicator will be “a decision has been issued to set up a working group, the working group has been set up” etc.

- Responsible entity:* This section defines who is, by virtue of their function, title or position, responsible for carrying out the activity in question. In that context, this section can also define who should, operatively and organisationally speaking, take certain actions, as well as who is responsible for that particular activity based on the internal organisation and structure if it is not known at the moment of drawing up a plan who will actually work on it. In addition, the role of responsible entity frequently ‘suggests itself’ from the competences of certain LSG authorities, heads or officers. For instance, if some activities entail the adoption of certain acts within the remit of a city/municipal administration, the responsible entity will be the head of the organisational unit within the administration or the head of administration. And so forth.
- Deadline:* It stands for a time limit before which a specific activity needs to be carried out. Deadlines are important from the perspective of planning LAP implementation and constitute an important tool for its monitoring. Deadlines can be set in different ways depending on the character of activities to be carried out. For instance, there are activities that are implemented on a one-time basis for which final time limit can be set – e.g. a certain date for passing a specific act can be envisaged in advance. When these types of activities are concerned, it is the best way from the perspective of overseeing their implementation to set deadlines with specific dates (e.g. 31 March 2018). There are also activities that on account of their nature need to be repeated periodically (e.g. certain controls, training programmes, etc). Periodical time limits can be defined for such activities (e.g. “once in three or six months, once per year, starting as of...”). Regardless, what is important is that each deadline should be defined and set as precisely as possible, i.e. no dilemmas should remain about time until which or when an activity needs to be implemented. This is because implementation will often be within the purview of those who have not been involved in the actual preparation of the LAP and so detailed guidelines about all LAP elements need to be available to them. The document which requires the adoption of LAPs does not state any deadlines in terms of validity periods of such plans of action. However, good practice in the field of strategic planning and the nature of objectives and measures stated in the Model suggest that LSGs should project that final time limits will be between three and five years from the moment of drawing up or adopting each LAP. In other words, all activities referred to in a LAP should be implemented within five years at least, i.e. the entire LAP should ‘expire’ within a five-year period at most, with a tendency for implementing the majority of activities within three years.
- Remarks:* The remarks section is reserved for any additional instructions, guidelines or clarifications that cannot be subsumed under any of the above-mentioned LAP elements.

## 4. Character of the Model LAP and recommendations for its adoption/implementation

### 4.1. Character of the Model LAP

As a form of decentralisation of power, the LSG system in Serbia is characterised by an important contradiction that causes any public policy that has pretensions to encompass all LSGs to have a different character and various ranges. The current normative and institutional framework which governs LSG is one and the same for all LSGs.<sup>10</sup> Nevertheless, there are significant differences between the characters of local communities managed by LSG authorities, since municipalities and cities differ greatly in the degree of their development and in that regard they have *different capacities and resources at their disposal to exercise their competences*. Consequently, creating a single model that needs to be adapted to each LSG represents a great challenge at various levels. Every model of this kind should provide certain ‘minimum standards’ that need to relate to all LSGs; however, how should LSGs that may already have met those standards be treated in that regard or what does constitute ‘minimum standards’ for LSGs that are typically so heterogeneous? Former practice and monitoring of the work of LSGs have shown that each of them is also distinct from the standpoint of adoption and implementation of various anti-corruption policies and mechanisms at the local level. While some of them have made major advances in that area, others still cannot recognise the importance and significance of this type of public policies and find themselves at a starting position in the process. In such circumstances, would proposing a single model for all LSGs mean bringing to the same level all those LSGs that cannot and maybe should not be brought to the same level since that would be a ‘step back’ for certain cities and municipalities that have already done so much? At the same time, would not that imply that something has been prescribed that certain LSGs cannot recognise for themselves and

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<sup>10</sup> In this respect, there are certain differences between LSGs with the status of cities or municipalities, but they are negligible for this type of conclusion.

also lack willingness or capacities to implement it? Furthermore, how should certain responsibilities related to the implementation of a strategic document or an action plan in the field of combating corruption should be prescribed for each LSG when the actual phenomenon to be dealt with and methods of its suppression are extremely complex and multidimensional; in other words, how should the needs of every LSG be defined in the field of combating corruption so that activities to be undertaken can in the first place be carried out (i.e. be enforceable) in proportion to the needs, resources and capacities of that LSG? On account of all these challenges, the ACAS has decided to develop a Model LAP from which every LSG can—depending on its previous results, capacities and resources—find and use the elements that need to be included in each individual LAP. In other words, elements presented in this Model have been adapted to suit, from the perspective of legal and institutional framework, each and every LSG; however, the Model has such a character that because of its contents, methodology, manner of adoption and finalisation in each individual LSG, it should suit the specific qualities of each of them. Naturally, each LSG is expected to approach the use of the Model made available to them in a responsible and serious manner in a sense that each municipality and city should get the most out of the Model and not neglect or ignore something that is present in the model and they need to adopt and implement. The ACAS does not have at its disposal any mechanisms or capacities for checking the quality and objectivity of each individual LAP; regardless, it will strongly insist on ensuring accountability and transparency in the process of LAPs' adoption so that the concerned public, civil society, the media and citizens can have the final say about their character. This process should have as its result “a tailor-made LAP for each LSG”, nothing less (because that would imply that LSGs can and should, but do not want to implement something) and nothing more (since it would mean that they are not able to implement what has been prescribed despite their wishes or needs).

ACAS has developed this Model LAP whose character is such that it:

1. Covers specific fields common to all LSGs which include various legal, institutional and practical risks of corruption – a list of those fields is not final and each LSG is free to expand the list of fields given herein in its own LAP, according to its specificities and needs.
2. Prescribes the methodology of LAP development that should be the same for all LSGs. Differently put, all amendments to the LAP defined by each LSG should comply with the methodology prescribed herein, i.e. they should incorporate elements presented in the Model.

In what other ways does the character of a *model* reflect itself? What is a result of the fact that the ACAS does not provide a ready-made local anti-corruption plan suitable for each LSG, but instead leaves each LSG considerable room for adopting from the Model what it has not been implementing yet or what it believes to be necessary and enforceable from the standpoint of curbing corruption in a specific local community?

As previously mentioned, the Model covers 17 fields; however, working groups that will be involved in the development of LAPs should analyse in detail the Model's contents and determine what can and should be used from it in accordance with mechanisms that specific LSGs may already have been applying or in proportion to their own needs, resources and capacities. Also, working groups may modify their respective LAPs by including other fields and each LSG is strongly encouraged to do so.

The Model includes only certain elements that are given in strategic or action plans, namely fields, objectives and measures (actions to be taken) with the aim of achieving the objectives from the an adequate anti-corruption perspective. Nevertheless, manners in which measures are to be implemented through concrete activities are left to be defined and formulated by each individual LSG in proportion to its needs, capacities and resources. Aside from this, every LSG establishes deadlines, responsible persons, necessary funds as well as all other LAP elements. This is also a point where the character of this Model document is manifested and which thus suits the specific qualities of each LSG and local community.

## **4.2. Recommendations for adoption/implementation of the Model LAP in individual LSGs**

As regards certain operational and practical steps to be taken in the process of adopting a LAP, this segment includes a description of desirable steps and the course of the process that each LSG should adapt to itself and its specificities.

### **4.2.1. *Setting up a Working Group for LAP development and its operation***

Every LSG should form a working group to:

1. Carry out an analysis of the Model LAP,
2. Establish which elements from the Model the LSG can and should incorporate in its own LAP,
3. Develop other LAP elements required for its implementation (activities, deadlines, responsible persons and others – See Annex 1 “*LAP Format to be adopted by LSGs and an example thereof*”).

Each working group should be a reflection of the respective LSG's system and specificities and comprise representatives of all LSG authorities (both public officials and public servants). Aside from this and given that one of the segments of the Model deals with relations between LSGs and public services, state-owned enterprises and other organisations founded by LSGs, the working group is required to carry out a mandatory



consultative process which would involve representatives of those institutions, at least regarding the parts of the Model that pertain to them.

Permanent members of the working group *must also include representatives of civil society organisations (CSO) – citizens' associations engaged in fight against corruption, i.e. suppression and prevention thereof and other areas related to this subject matter* (e.g. oversight of public finances, monitoring and assessing the work of the LSG – generally speaking, the availability of public information and other similar topics, *where such organisations exist at the local level*), *as well as the representatives of anti-corruption authorities and/or authorities in charge of overseeing the implementation of the LSG's Code of Conduct* (where they exist). Other CSOs or citizens' associations, professional, trade, union and other organisations should be involved in the process at least during the stage of the public hearing and if possible, in other ways as well, such by holding workshops, consultative meetings and the like. In addition, LSGs should aim to engage in activities of their working groups the representatives of other public authorities (both central and provincial) that operate in their local communities, but are not within the LSG system (e.g. representatives from sectors such as the judiciary, security, education, healthcare, social services and others). One of the principles or values described above, namely *participation*, is applied in that manner. Moreover, by widening the range of participants in the process through the engagement of other public authorities, the LAP becomes a responsibility and a document belonging not only to LSG authorities and administrations, but also to a wider local community and its pillars. Engagement of representatives of other bodies and CSOs in the broadest sense of the word is highly significant for smaller LSGs in which civil society is underdeveloped or in which there are no organisations dealing with corruption in the narrow sense of the word.

As regards the number of working group members, it should be such as to ensure that all relevant actors within the LSG and local community are represented therein; on the other hand, the number should not be excessive not to affect the quality of work in the process of developing the LAP. A decision on setting up the working group could give the group an opportunity to form subgroups or teams to deal with specific aspects of the LAP, which would then be analysed, adopted and included in the LAP by the working group at its plenary. This suggestion and its elaboration should be subject to consideration by each individual LSG.

The working group should first analyse the Model and other anti-corruption public policies and documents that may already be in place at the local level. It should then draw up its own work plan and schedule and make a decision about which elements will be taken from the Model and incorporated in the LAP. Finally, it should accordingly define other, locally specific elements of the LAP, starting with the activities to facilitate the implementation of measures and so forth.

The section below provides answers to some prospective or frequently asked questions in the previous stages of this process so that every working group could find answers they need.



*How should measures from the Model be treated if an LSG has already been implementing them?*

It can transpire that a specific LSG has already been implementing some measures envisaged by the Model LAP or that they have been developed within the LSG's normative framework and practice. In such cases, adoption of something that is already in place is not required; instead, it is sufficient to state in the final report that individual measures from the Model are being implemented or are already in place. This is certainly a conditional remark since the analysis should take into account the *character* or *quality of measures*; it is in fact possible that the LSG has already been applying a mechanism defined by a specific measure, but it is not appropriate for the objective as defined in the Model LAP in terms of its quality and essential characteristics. In such cases, the mechanisms of the LSG that are in place should nevertheless be adjusted in accordance with their definitions from the Model LAP.

*What happens if LSGs have already adopted planning documents in the field of combating corruption?*

All local public policies in the field of combating corruption should be looked at as complementary and compatible with each other and by no means as mutually exclusive. In that regard, if an LSG already has its own anti-corruption strategic and/or planning document in place, it is required that its working group go through the Model developed by the ACAS and then judge how to make a compilation of its existing document and the Model LAP. In other words, the LSG should adopt a new LAP in conformity with this Model, to which it will add activities from its anti-corruption plan that is already in place (methodologically adapted to the Model LAP) or new fields not found in the Model but in the existing anti-corruption document. In this way, important and positive initiatives previously undertaken by individual LSGs are not disregarded; instead, what is provided is a comprehensive summary of all previous initiatives and local anti-corruption plans are therefore brought into alignment at the local level, at least regarding the fields for which the ACAS analysis has shown to carry particular risks of corruption.

*What is the relationship between the Integrity Plan and the LAP?*

Integrity Plan (IP) is another internal anti-corruption mechanism whose adoption and implementation is required by the Law on Anti-Corruption Agency.<sup>11</sup> The Model LAP will not focus in more detail on the IP, but what needs to be mentioned is that LSGs

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<sup>11</sup> More information on Integrity Plan can be found at [www.acas.rs/plan-integriteta](http://www.acas.rs/plan-integriteta).

that have adopted their IPs should incorporate in their own LAP all IP activities that correspond to the measures envisaged in the Model and define the same deadlines and responsible persons as in the IP. This will ensure that both documents are implemented as well as that the duplication of effort is avoided, i.e. there will not be several similar anti-corruption mechanisms at the level of one LSG; in addition, this will lead to the tightening of external supervision over implementation of the same measures and activities defined in the IP.

Lastly, the working group should draw up the *Final Report on LAP Development* which will present information about elements taken from the Model LAP and included in the group's Plan as well as what measures have not been taken over and why (e.g. because they are already being implemented or are in place and the like). The Final Report that includes all these pieces of information is a document of great significance that needs to be available together with the LAP so that the concerned public could be in a position to examine critically the process of LAP adoption (*Model of Final Report presented as Annex 2*).

#### **4.2.2. Public hearing on Draft LAP**

After finalisation of the Draft LAP by the working group, a public hearing needs to be organised so that the Draft could be presented to the concerned public to express its opinion about it. Numerous measures contained in the Model LAP strongly encourage the principles of participation and transparency, which is why the very document that promotes them in different areas of LSG work should be subject to those principles. If the working group or the respective LSG is unsure about how to conduct a public hearing on Draft LAP, applicable principles are provided in the Model, in the field related to improving transparency in the process of adoption of local legal acts (*measure 1.1.3 in the Model*).

After receiving suggestions and comments in the course of public hearing, the working group should finalise the LAP and include in its Final Report on LAP Development the comments received during the public hearing or reasons why they have not been accepted.

#### **4.2.3. LAP Adoption**

Measure 2.2.10.37 contained in the Action Plan for Chapter 23 provides that the final version of the LAP should be adopted by the LSG Assembly. This document is thus secured the highest level of legitimacy since it is adopted by the LSG's representative body which is the highest authority that performs the main functions of local administration as defined under the Constitution, statute and LSG's Charter.

#### 4.2.4. *Setting up a body in charge of monitoring LAP implementation*

The same measure foresees the setting up of a permanent working body in charge of LAP implementation and monitoring thereof. The manner of setting up this working body is dealt with in the final section of the Model LAP.

Even though the Action Plan for Chapter 23 envisages the formation of a permanent working body in charge of *implementation* and monitoring of the LAP, the ACAS has taken the stand that the main competence of this body should be the monitoring of LAP implementation, not the implementation itself for at least two reasons.

1. It is not plausible that one and the same body is in charge of both implementation of a document and the monitoring of implementation of the same document since these are two distinct competences that should be mutually exclusive if it is considered that monitoring constitutes a specific type of oversight of implementation. This relates to a specific and conditional type of 'separation of powers', which is why this body cannot have both competences regardless of the measure envisaged in the Action Plan.
2. A local anti-corruption plan cannot and should not be implemented by a special body set up specifically for that purpose; instead, measures and activities contained in that document should be implemented, depending on the field, by all LSG administrations, authorities and bodies in charge thereof and competent for implementing specific measures, as can be clearly seen from the Model LAP. Thus, what needs to be created is a strong, professional, competent and independent body, i.e. a trustworthy body, whose main competence will be to monitor the implementation of LAP and report thereon. This certainly does not mean that this body cannot and should not, in cooperation with other LSG authorities, define its own remit of duties and activities which will not pertain only to monitoring LAP implementation. It will also be engaged in various activities aimed at combating corruption, which is more than useful and desirable and this issue will be covered in more detail in the Model LAP field related to the formation and work of this body (Field 17). Nevertheless, monitoring of the implementation process should be the main mandate of this body since it is one of the fundamental assurances of that document's effectiveness.

Aside from the body in charge of monitoring LAP implementation, every LSG should ensure organisational prerequisites for *internal coordination of LAP implementation*. Both the Model LAP and the LAP itself envisage the participation of many actors at the level of LSG and the entire local community. To ensure the adequacy of the participation process, there needs to be an entity that is in charge of technical and organisational coordination of the activities of all responsible entities from the LAP; this body would make sure that deadlines are observed, monitor the implementation of activities, and remind the responsible entities about their responsibilities, etc. One of the measures referred to in Field 17 of the Model focuses on coordination.

Before presenting the Model LAP, ACAS wishes would like to stress that it is aware of its complexity, different levels of exposure of each individual LSG to the risks outlined below, and a variety of needs, resources and capacities of LSGs to implement the measures envisaged by the Model. Therefore, the ACAS calls all LSGs to assess the level of their exposure to the risks of corruption described below and then evaluate their needs, capacities and resources for implementing LAP measures; we also appeal to LSGs to do their best and adopt from this Model everything that can be used to address current problems and prevent the potential, future ones in this field as well as all that can and needs to be implemented. In addition, the ACAS urges all other actors in local communities to be constructive, creative and critical-minded when cooperating with their respective LSGs in the process of LAP development, adoption and monitoring of its implementation.

## 5. Model Local Anti-Corruption Plan (LAP)

### Field 1: Adoption of regulations by LSG authorities

**Field outline:** An important characteristic of LSG, as one of the levels of government, is that its original competence encompasses the process of adoption of various general legal acts. These acts are applied to an indefinite number of individual cases and situations in the process of governing mutual relations and serve the needs and interests of the local population. Under the current legal framework, the municipal (or city) Assembly is the highest authority which performs main functions of local government and which, pursuant to the Law on Local Self-Government (*Official Gazette of the RS*, No. 129/07, 83/14 – other Act, 101/16 – other Act) adopts regulations and other general acts. When these acts are passed by local representative bodies to regulate issues that are important for the functioning of the local community, they must be implemented in that LSG's territory. This constitutes a very important function of LSGs which must be dealt with in particular from the aspect of combating corruption. The process of adopting regulations by any type of a representative body involves certain risks to advancing and protecting the public interest that stem not only from the adoption procedure, but also from the scope and manner in which these regulations govern certain relations. The most common disadvantages that are experienced in this process are: the process of regulatory development is lacking in transparency at all its stages and regulations are not available; adoption of 'outcome-focused' (or 'outcome-based') regulations which are seemingly passed to govern the common interest, but instead are aimed at serving individual interests; as well as introducing regulations that contain provisions involving risks of corruption which can occur in the process of their enforcement. Due to their specificities and importance, each of these segments needs to be addressed specifically in the LAP.

### Objective 1.1 Increasing transparency in the process of adopting regulations<sup>12</sup>

Objective indicator	Base value	Target (projected) value
Public policies have been adopted/amended at the LSG level to allow for full transparency of the adoption process concerning local regulations.	Number of public policies <sup>13</sup> and/or their character, <i>please provide a description</i>	Number of public policies in place and/or their character, <i>please provide a description</i>

12 Results of the survey *Local Government Transparency Index – LTI* conducted by Transparency Serbia as part of the project of the same name indicate that there is considerable room and a need for improving transparency of the work of LSGs, in particular in the areas of budgeting, adoption and publication of regulations introduced by LSG Assemblies, election of managing directors of state-owned enterprises and public institutions, and currentness of fact sheets. All these areas can and should be improved through LAP development and more information about the results of the research, the elements of work and making those elements available to the public, can be found at [http://transparentnost.org.rs/images/dokumenti\\_uz\\_vesti/Indeks\\_transparentnosti\\_lokalne\\_samouprave\\_LTI\\_nalazi.pdf](http://transparentnost.org.rs/images/dokumenti_uz_vesti/Indeks_transparentnosti_lokalne_samouprave_LTI_nalazi.pdf).

13 The term public policies denotes all documents that are general in character and adopted by LSG authorities/administrations within their competences (e.g. strategic and action documents, rulebooks, decisions, instructions, guidelines, etc). The number of public policies will frequently figure as the value of an indicator. In that

No.	Measure	Indicator of measure implementation (quality)
1.1.1	Define fields in which/ types of regulations for which public hearings must be conducted in the process of adopting regulations.	Fields/types of regulations have been defined by an LSG's general legal act (such as LSG Assembly decision, mandatory guidelines issued by the LSG Assembly, a rulebook governing the process of public hearings, etc).
1.1.2	Impose a duty to publish a report on preparation of draft regulation as part of the public hearing process.	A report on preparation of draft regulation consists of the following components: information about persons who participated in draft preparation; information about reasons for introducing the regulation – a rationale that does not only contain legal grounds, but also a substantially expressed need/analysis/or other data that justify its adoption; information concerning the procedure and timeframe in which the draft was prepared.
1.1.3	Lay down rules for conducting public hearings.	Rules that govern the conduct of public hearings comprise the following elements: publication of a notice of the public hearing which includes the duration of the hearing, forms in which it will be organised and draft regulation that is under consideration; organising at least one public meeting to be attended by the concerned public and officer/official in charge of the field governed by the proposed regulation; publishing a report on the public hearing that includes all proposals received during the public hearing period and information about actions taken in respect of those proposals, along with mandatory stating of reasons for rejecting proposals partly or completely.
1.1.4	Publish general acts on the LSG's website.	All general acts adopted by LSG authorities are available on its website; this segment of the website must be regularly updated, i.e. all new regulations and amendments to the current ones are posted on the website in a timely manner (e.g. not later than within one week).
1.1.5	Impose a duty to provide to specific target groups to which individual LSG's acts pertain additional information and advice (in proportion to the needs and character of the local community) about adopted or amended public policies relevant to those target groups.	This duty should be imposed by a special act or by making amendments to the one that is already in place and thus define the following as the minimum: target groups that will receive additional information and advice about adopted local regulations based on the needs and character of the local community (e.g. farmers, businessmen, pupils, socially vulnerable categories, persons with disabilities and the like); manners of providing additional information and advice to target groups about acts that are related to their situation.
1.1.6	Publish reports on implementation/effects of regulations.	Reports on implementation/effects of regulations are drafted and publicised for all fields for which there is a duty to conduct public hearing or whose public importance is such that implementation of those regulations significantly impacts the quality of life of the population living in the LSG's territory.

manner, we seek to encourage the improvement of public policies in certain fields: if a field (defined by an objective) is currently governed only by an LSG's Charter and Development Strategy, the number of public policies in the section Base value will be two (2); optionally, a description of those public policies or documents can be added. If a more detailed regulation of that field is planned after the implementation of LAP measures, it is expected that the number of public policies, i.e. the target (projected) value will increase. For instance, if measures and activities will result in the adoption of an action plan for a specific field, or a rulebook or implementation guidelines, then the number of public policies, as the target value, will rise to five (5). This is how all those indicators whose values are expressed in this manner should be understood and treated. In fact, LSGs can use other terms as synonymous with "public policies" if they reflect the inherent qualities of this concept such as "general and other acts within the LSG competence".

<b>Objective 1.2 Eliminating risks of corruption by introducing mechanisms for preventing the adoption of 'outcome-focused' or 'outcome-based' regulations</b>		
<b>Objective indicators</b>	<b>Base value</b>	<b>Target (projected) value</b>
Public policies have been adopted at the LSG level to introduce mechanisms for preventing the adoption of 'outcome-focused' or 'outcome-based' regulations.	Number of public policies in place and/or their character, <i>please provide a description</i>	<i>Number of public policies in place and/or their character, please provide a description</i>

<b>No.</b>	<b>Measure</b>	<b>Indicator of measure implementation (quality)</b>
1.2.1	Impose a duty to <i>report interests</i> in adopting general acts.	When participating in the process of adoption of any general act, each public official of any LSG (such as the mayor/ municipal president, assemblyman/ councillor on the municipal or city council of the LSG) has a duty to report to the LSG's assembly or the municipal/city council and the public whether or not they or persons associated with them (within the meaning this term has in the Anti-Corruption Agency Act) have a private interest in the field which that act governs or benefit from it, except if they have such benefit or interest as citizens or part of a group of citizens; A public-access registry of such reports has been established.
1.2.2	Impose a duty to deal with the <i>reported interests</i> .	Pecuniary sanctions (fines) have been prescribed for cases of failure to report an interest and they are at least on par with those foreseen for breaches of the LSG assembly's or council's Rules of Procedure; In the process of creating the registry, the following elements have been defined: the organisational unit/body within the LSG that is in charge of maintaining the registry; how the registry is to be maintained; the manner of overseeing the fulfilment of duty to report interest; the manner of conducting procedures in connection with the breach of duty to report interest; publication of decisions on breaches of this type of duty.
1.2.3	Impose an obligation to draw up a rationale for any draft regulation which emphasises in particular the reasons in favour of the <i>public interest</i> that will be served and/or protected by a specific regulation, i.e. cites the reasons and needs for its introduction, as well as the circumstances in which it is introduced.	Mandatory guidelines have been adopted for drawing up rationales which emphasise in particular the reasons in favour of the <i>public interest</i> that will be served and/or protected by a specific regulation, i.e. cite the reasons and needs for its introduction, as well as the circumstances in which it is introduced ( <i>See how this measure refers to the indicator for measure 2 under objective 1.1 where it is also cited what such a rationale should include</i> ).

<b>Objective 1.3 Eliminating risks of corruption by introducing mechanisms for preventing the adoption of regulations that carry risks of corruption<sup>14</sup></b>		
<b>Objective indicators</b>	<b>Base value</b>	<b>Target (projected) value</b>
Public policies have been adopted at the level of the LSG to introduce the mechanisms for preventing the adoption of regulations that carry risks of corruption.	Number of public policies in place and/or their character, <i>please provide a description</i>	<i>Number of public policies in place and/or their character, please provide a description</i>

<b>No.</b>	<b>Measure</b>	<b>Indicator of measure implementation (quality)</b>
1.3.1	Build the capacity of the LSG for preventing the adoption of regulations with inherent risks of corruption.	Organisational prerequisites have been created in local regulations for exercising this competence/ a person or persons in charge of analysing corruption risks that are present in local regulations have been appointed; training has been provided for persons who will exercise this competence; a duty to submit analyses of corruption risks together with draft regulations in the process of their adoption has been imposed; a duty has been assigned to report, i.e. inform the public about the analyses of corruption risks present in regulations.

<sup>14</sup> The National Anti-Corruption Strategy has recognised the problem of adopting regulations that carry risks of corruption, i.e. has identified a lack of analysis of effects of regulations whose implementation can cause corruption. In addition, the Strategy's objective related to this field also envisages that a duty should be imposed on all regulation proposers to carry out an analysis of corruption risks in the course of the regulatory drafting based on a methodology developed by the ACAS and to describe its results in the proposal rationale. The Revised Action Plan for Implementation of the Strategy provides that the ACAS has a duty to develop a methodology and guidelines for its implementation as well as to provide training materials for regulation proposers about implementation of the methodology used for corruption risk assessment in regulations. This ACAS duty has been provided for in the Draft Law on Anti-Corruption Agency expected to be passed in the future.



**Field 2: Managing conflict of interest at the local level**

**Field outline:** The number of officials at the local level of government in terms of the provisions of the Law on Anti-Corruption Agency (*Official Gazette of the RS*, No. 97/08, 53/10, 66/11 – Constitutional Court Decision, 67/13 – Constitutional Court Decision, 112/13 – authentic interpretation and 8/15 – Constitutional Court Decision) is quite substantial. Local officials carry a lot of weight in the decision-making process. That is to say, they are in a position to make decisions about the common interest and to subordinate it to their private interests by making decisions (general or individual). This is actually one of the broadest definitions of conflict of interest. One of the characteristics of the local community that can be referred to as insufficient competitiveness of human capital (not enough people with required managing and leadership skills, especially in small LSGs whose populations are declining due to demographic movements) often leads to the monopolisation of power and influence, i.e. a situation in which only a small number of individuals hold key positions in different local sectors (the public, private and civil ones). What LSG is specific about in this respect, is that a group of local officials is elected at direct elections, which is why they are subject to somewhat different regulations on incompatible offices and conflict of interest. The manner in which officials come into office at this level of government, namely the fact that this group of officials is directly elected, is often construed as a basis for special type of legitimacy which is considered to absolve councillors from their duty to serve and protect the common interest. This should not be the case, quite the opposite. All these factors are conducive to the manifestations and different types of conflict of interest at the local level and they thus must be subject to regulation by the LAP. Aside from officials, special attention in this field should be devoted to officers or people employed with various LSG bodies.

Conflict of interest cases at the local level must be recognised in local documents as well because it is always questionable how many of those cases ever reach the ACAS for further action if not found out by the local community. Local communities must be the first level at which such models of behaviour are identified, prevented and referred for further action as required.

**Objective 2.1 Increasing transparency regarding private interest of public officials or private interest of associated persons as a circumstance that can lead to the conflict of interest**

Objective indicators	Base value	Target (projected) value
Adopted/amended public policies at the LSG level which allow for full transparency regarding the existence of private interest of public officials or associated persons <sup>15</sup>	Number of public policies in place and/or their character, <i>please provide a description</i>	Number of public policies in place and/or their character, <i>please provide a description</i>

15 Measures from this and some other fields can be implemented by redefining the Code of Conduct for LSG Officials, which has been adopted by the majority of LSGs in Serbia. This document can and should be updated, primarily by introducing new provisions on accountability and by building mechanisms for its monitoring. Until now, that had been the major disadvantage in its implementation. As of November 2012, a vast majority of LSGs, 148 to be precise, had the Code adopted; however, the body in charge of monitoring its implementation was set up by only 31 LSGs and it is uncertain in how many LSGs these bodies have actually taken some action or proceeded in any manner. More detail on this issue can be found at [www.ombudsmanapv.org/riv/index.php/vesti/ostale-vesti/845-eticki-kodeks-ponasanja?lang=sr-YU](http://www.ombudsmanapv.org/riv/index.php/vesti/ostale-vesti/845-eticki-kodeks-ponasanja?lang=sr-YU).

No.	Measure	Indicator of measure implementation (quality)
2.1.1	Impose a duty to report private interests of public officials and associated persons.	When taking up office, public officials of LSGs (such as the mayor/ municipal president, assemblymen/ councillor on the municipal or city council of the LSG) have a duty to report to an LSG body/ office their private interests and those of persons associated with them which include as follows: ownership of any sole-proprietorship business or private company as well as any ownership share they may have in private companies; membership in other managing/oversight bodies of private companies; other ties and relations with entities coming from the private sector that may affect the exercise of public office. A publically accessible registry of such reports has been established.
2.1.2	Impose a duty to deal with reported interests of public officials and associated persons.	Pecuniary sanctions (fines) have been prescribed for cases of failure to report such interests and they are at least on par with those foreseen for breaches of the LSG Assembly's or Council's Rules of Procedure; In the process of creating the registry, the following elements have been defined: the organisational unit/body within the LSG that is in charge of maintaining the registry; how the registry is to be maintained; the manner of overseeing the fulfilment of duty to report interest; the manner of conducting procedure in connection with the breach of duty to report interest; publication of decisions regarding breaches of this type of duty.

Objective 2.2 Putting in place a mechanism for preventing 'public powers peddling' <sup>16</sup>		
Objective indicators	Base value	Target (projected) values
The public has been given access to all contracts signed by LSG authorities, all public services, state-owned enterprises (SOE) and other organisations founded by the LSG with officials (as this term is defined in the Law on Anti-Corruption Agency) and LSG employees (with the exception of employment contracts).	___ the number of publicised contracts <i>versus</i> the number of signed contracts <sup>17</sup>	___ the number of publicised contracts <i>versus</i> the number of signed contracts

16 A phenomenon termed in this analysis as "public powers peddling" should not be confused with "influence peddling" defined by the Criminal Code as a crime of mediation in bribery (under Article 366 of the Criminal Code). A public power peddling does not and must not constitute only mediation in bribery; instead, it represents a much wider phenomenon. Relations between officials at the local level are often defined by the existence various mechanisms which they use together to serve their own personal interests or interests of persons associated with them. By using a range of powers given to them, they are in a position to "peddle" those powers and thus provide each other benefits of different sorts. Practice and cases pending before the ACAS indicate only a fragment of mutual relations between officials that are used by them for exerting influence at the level of the LSG. A first example relates to "purchase" of political support at a local representative body. A municipal president/ mayor had an opportunity to sign on behalf of the LSG contracts for hiring councillors under which they receive compensation for (actual or fictitious) projects that were subjects of such contracts. On the other hand, the councillors with whom he made such arrangements provided political support to the municipal president/ mayor in the local assembly. Thus, mutual influence and dependence was created based on a classic case of abuse of power leading to an overt conflict of interest on both sides. Another example shows how influence is peddled between councillors and people elected by those councillors to sit

No.	Measure	Indicator of measure implementation (quality)
2.2.1	Impose a duty on LSG authorities and all public services, SOEs and other organisations founded by the LSG to publish all contracts they sign with officials (as this term is defined in the Law on Anti-Corruption Agency) and LSG employees (with the exception of employment contracts – e.g. service contracts, temporary assignment contracts, etc).	Adoption of an act to govern this duty; All contracts have been publicised on the LSG's website in line with regulations that govern personal data protection.

Objective 2.3 Reducing the number of conflict of interest cases involving persons employed with LSG authorities (LSG employees)		
Objective indicators	Base value	Target (projected) value
Effective mechanisms for dealing with the conflict of interest involving LSG employees have been put in place. <sup>18</sup>	Number of concluded conflict of interest proceedings <i>versus</i> the number of suspected conflict of interest cases involving employees.	Number of concluded conflict of interest proceedings <i>versus</i> the number of cases of suspected conflict of interest cases involving employees.

on the bodies that manage other public authorities founded by the LSG. In this example, the election of a public institution's managing director at a local assembly ended up in the employment of the councillor who provided the necessary majority vote in that institution or his family members. Such cases can be prevented at a minimum by allowing the public free access to all types of contracts signed by LSGs with their officials and employees (other than employment contracts) or by building transparency in this field and allowing the public to keep abreast of developments and uncover possible cases of conflict of interest.

- 17 At this point, it is important to draw attention to this type of indicator value expressed as a number/effect of certain public policies versus the total number of the phenomena. Considering that this type of indicator value will appear in many cases, it needs to be elaborated in more detail in this first example in which it occurs. Namely, to describe a problem in this field, we could use a situation where such types of contracts are not publicised at all in a certain LSG, while 10 of them are signed each year on average. The base value of the indicator is then zero or 0%. However, if the objective is to take measures to publish at a minimum eight of those ten contracts in three years, then the projected or target value for this indicator will be eight or 80%. Indicator value that is expressed in such a way is used to monitor by means of numbers the progress or effects of individual objective indicators that can be expressed numerically. Their value lies in the fact that they take into account the original situation and calculate the projected progress in relative relations towards the total number of phenomena that need to be dealt with by taking specific measures.
- 18 The Law on Employees in Autonomous Provinces and Local Self-Governments (Official Gazette of the RS, No. 21/16) recognises the problem of conflict of interest involving persons employed with AP and LSG bodies (Articles 39 through 46). However, both this Law and the one pertaining to civil servants from which the manner of providing for this field has been mostly taken, only define what is regarded as conflict of interest but do not sets out how to manage it, i.e. do not lay down how to regulate and act in cases when conflict of interests arises. Therefore, procedure for managing such a complex and important matter needs to be additionally provided for at the level of every LSG and the adoption and implementation of a LAP provide a good opportunity for doing that.

No.	Measure	Indicator of measure implementation (quality)
2.3.1	Regulate by means of a general act LSG matter related to the conflict of interest involving LSG employees.	<p>Procedure for taking action in cases of suspected conflict of interest has been defined;</p> <p>Procedure for reporting suspected conflicts of interest has been defined;</p> <p>The conflict of interest involving LSG employees has been defined as a serious breach of duty in LSG's internal acts.</p>
2.3.2	Set up a body in charge of enforcing the rules that apply to the conflict of interest involving LSG employees.	<p>The makeup of the body has been defined;</p> <p>Procedure for electing members of the body has been defined.</p>
2.3.3	Establish the capacity of the body in charge of enforcing the rules that apply to the conflict of interest involving LSG employees.	<p>Staffing and material conditions for functioning of the body have been provided;</p> <p>Relevant training has been provided to members of the body.</p>
2.3.4	Establish coordination and reporting mechanisms concerning the management of conflict of interest between the body in charge of enforcing the rules that apply to conflict of interest involving LSG employees and the body in charge of monitoring LAP implementation.	<p>Procedure for reporting about cases on which the body has rendered decisions has been put in place;</p> <p>Reports on body's activities have been made public.</p>

**Field 3: Uncovering corruption by protecting whistle-blowers and administering reports and complaints about the work of officers and LSG authorities filed by service users**

**Field outline:** Reports of suspected corruption coming from employees (whistleblowers) and/or persons using services provided by LSGs lead to the uncovering and sanctioning of possible corruption cases that may have occurred. At the same time, these mechanisms serve a preventive purpose as well, since their presence deters those who may get involved in corruption. Being important as they are, it is critical that mechanisms for reporting suspected corruption cases, other irregularities and even actions of officers in cases that are not necessarily always related to corruption are further developed and that their functioning is facilitated in each LSG. In addition, what poses a challenge in this field and requires additional attention is how to provide protection to all persons who report suspected acts of corruption.

As regards reports of suspected corruption and protecting persons who report it, this field is governed by the Law on the Protection of Whistleblowers (*OG RS*, No. 128/2014) adopted in late 2014 and started to be applied as of 1 June 2015. Under Article 16 of the Law, all employers (and thus all public authorities) having more than ten employees are required to provide for procedure of internal whistle blowing by issuing a general act to that effect and post the act in a visible place at the institution. However, the LAP requires the strengthening of the mechanism for implementing and monitoring the Law and the internal act primarily by informing employees about their rights and duties arising from the legal framework, then by putting in place a mechanism for mandatory reporting on act's implementation, and finally by providing adequate training to persons in charge of receiving reports of suspected corruption. Each individual LSG would thus strengthen further this field by its own internal anti-corruption plan, i.e. show its commitment to adequate and substantial implementation of current and binding regulations in the field of whistle-blower protection.

Under Article 71 of the Law on Local Self-Government, "LSG's authorities and administrations are required to allow everyone to file grievances about their work and the misconduct of employees." LSG's authorities and administrations must respond to such grievances within 30 days if the grievant requests an answer. This Article provides a legal framework for rectifying the work of LSG authorities in accordance with grievances filed by parties in various fields, even those connected with corruption, suspected corruption or other types of relations between authorities and citizens the cause or outcome of which is corruption. Damage resulting from a lack of effective complaint mechanisms is twofold. Rights of service users can be breached and infringed on due to the fact that it is not possible to rectify the conduct of officers by means of complaints. At the institutional level, LSGs lose the ability to systematically track complaints and rectify their work according to feedback from the citizens. Therefore, one of the spheres that can be impacted by the LAP is the introduction of efficient and effective mechanisms for filing complaints. Aside from efficient and effective mechanisms for filing complaints, LSGs should also deal with their implementation, i.e. they should respond to such complains as well as analyse their contents. To achieve this, relevant procedure needs to be laid down and responsible persons need to be appointed; also, the procedure should be publicised in such a way as to be made available to the widest possible range of service users.

**Objective 3.1 Achieving full implementation and monitoring of regulations in the field of whistle-blower protection**

Objective indicators	Base value	Target (projected) value
Adequate mechanisms for implementing and monitoring the implementation of the La on Protection of Whistleblowers have been put in place.	Number of procedures conducted in connection with reports of suspected corruption <i>versus</i> the total number of reports;	Number of procedures conducted in connection with reports of suspected corruption <i>versus</i> the total number of reports;

No.	Measure	Indicator of measure implementation (quality)
3.1.1	Set up a mechanism for monitoring the implementation of the Law on Protection of Whistle-blowers.	A duty has been imposed to report about implementation of the internal act which governs the procedure for internal whistleblowing and procedures conducted in connection with whistleblower reports; A duty has been imposed to publish reports or parts thereof concerning implementation of the internal act which governs the procedure for internal whistleblowing and procedures conducted in connection with whistleblower reports pursuant to regulations governing personal data protection.
3.1.2	Establish and build capacities of persons in charge of receiving and acting on whistle-blower reports.	Establishment and building of capacities of persons in charge of receiving and acting on whistleblower reports entails at a minimum as follows: Organising and/or providing adequate training to such persons in this field; Organising training programmes for employees in this field; Organising an anti-corruption forum at which persons in charge of receiving and acting on whistleblower reports can respond to employees' questions and dilemmas and provide advice in this field on a regular basis.

**Objective 3.2 Creating a system for registering of information and modifying LSG's organisation in accordance with external reports and complaints**

Objective indicators	Base value	Target (projected) value
A mechanism has been put in place to allow for filing and acting on reports and complaints received from parties in connection with the work of LSG authorities.	Number of procedures conducted in connection with reports and complaints <i>versus</i> the total number of received reports and complaints	Number of procedures conducted in connection with reports and complaints <i>versus</i> the total number of received reports and complaints

No.	Measure	Indicator of measure implementation (quality)
3.2.1	Ensure the functionality of the mechanism for filing and acting on reports and complaints received from parties in connection with the work of LSG authorities.	Procedure for filing complaints against the work of LSG employees has been regulated; Procedure for filing complaints against the work of LSG employees has been publicised on the LSG's website and on the LSG's premises to be visible to all parties; Duty has been imposed to produce periodical analyses of effectiveness of actions taken by LSG authorities in connection with applications filed by parties; Periodical analysis are publicised on the LSG's website; Training has been provided to persons appointed to take action in connection with applications received from parties.

**Field 4: Relations between LSGs and public services, SOEs and other organisations founded by LSGs and partially or completely funded and controlled by LSGs**

**Field outline:** LSGs establish, finance and oversee the work of institutions, services, organisation and SOEs to which they delegate the exercise of competences to serve the public and common interests of the local population. The number, type and remit of these bodies differs from one LSG to another, but what they all have in common is that the responsibility for their functioning or lack thereof lies with LSG authorities which found and control them and which are required to regulate the work of said bodies from the perspective of anti-corruption mechanisms.

Relations between LSGs and SOEs, services, organisations and institutions founded by them are neither unambiguous nor simple. In certain cases, these entities can seize a lot of informal power and the LSG becomes unable to keep them under proper control. Those relations are additionally complicated by the fact that some of them are financed from their own funds, or they provide services under commercial conditions and not rarely constitute service-provider monopolists, which only adds to their (in)formal power and position. Furthermore, there is a separation of competences between local and state institutions in certain fields of common interest in which one segment is managed and controlled by the LSG and the other by state authorities. Very different capacities of LSGs to deal with delegated competences in this field often results in inconsistent practises, mismanagement and a lack of control over these authorities, which further leads to conditions that are conducive to corruption, in particular 'political corruption'. Local anti-corruption plans should thus contain measures for regulating relations between LSGs and bodies for whose functioning they are responsible.

This section of the Model LAP has been divided into two segments. One of them relates only to the management of SOEs since the legislator has devoted considerably more attention to this type of public government in the existing legal framework. In addition, public attention is also more focused on SOEs than on other LSG-founded bodies in terms of corruption suppression, mostly because of their importance and available budgets. The other segment deals with corruption risks that arise in relations between LSGs and other public authorities, those that do not belong to SOEs, consisting of a broad range of public services, institutions and organisations at the local level. Measures that are common to both types of public authorities (such as oversight and financial control) will be presented in the second segment which focuses on all other public authorities.

**Objective 4.1 Eliminating risks of corruption from the existing system of SOEs management at the local level**

Objective indicators	Base value	Target (projected) value
Public policies have been adopted at the LSG level which minimise the existing discretionary powers, establish decision-making criteria, strengthen the system of oversight and increase transparency of SOE management at the local level.	Number of public policies in place and/or their character, <i>please provide a description</i>	<i>Number of public policies in place and/or their character, please provide a description</i>

No.	Measure	Indicator of measure implementation (quality)
4.1.1	Impose a duty to compile a list of candidates for seats on all supervisory boards (SB) of SOEs with a statement of reasons why they fulfil requirements for sitting on those boards.	Prior to conducting a procedure for appointing the chairman and members of the supervisory board at a SOE, the LSG Assembly forms a special commission/ body (or improves its work where such bodies are already in place) whose task is to compile a list of candidates along with a statement of reasons why they fulfil relevant requirements and this list is then submitted to the Assembly's plenary to appoint the SB chairman and members.

No.	Measure	Indicator of measure implementation (quality)
4.1.2	Provide for a duty to regulate a procedure to be applied when competent LSG authorities consider SB proposals with deadlines for taking action.	An act which governs the procedure for considering SB proposals with deadlines for taking action has been adopted.
4.1.3	Lay down conditions and criteria for appointing members of the Commission in charge of conducting open competitive procedures for electing SOE directors. <sup>19</sup>	An act has been adopted to lay down conditions and criteria for appointing members to commissions in charge of conducting open competitive procedures for electing SOE directors.
4.1.4	Tools for managing the conflict of interest involving members of the commission in charge of conducting open competitive procedures for electing SOE directors have been put in place.	Tools for managing the conflict of interest entail at a minimum as follows: signing a statement that there is no private interest related to persons who have applied for the director's position; putting in place an exemption instrument to be used in cases of existence of private interest; prescribing that commission members for whom it is found that have had a conflict of interest will be held accountable; and putting in place an instrument for annulling decisions for which it is found that have been rendered in circumstances involving a conflict of interest.
4.1.5	Ensure transparency of work of the Commission in charge of conducting open competitive procedures for electing SOE directors.	All documents concerning the work of the Commission in charge of conducting open competitive procedures for electing SOE directors are to be published on the LSG's website (minutes of meetings, decisions, etc).
4.1.6	Minimise discretionary powers of the competent LSG authority in the process of dismissing SOE directors.	An internal act has been adopted whereby: Criteria are laid down to determine if a director has acted contrary to due care of a prudent businessman; if they have been incompetent and negligent in performing his duties or acted negligently; as well as if there has been any <i>considerable</i> departure from the fulfilment of the main objective of SOE's operations; It is determined what constitutes <i>other ways</i> in which a director acted to the detriment of the SOE; Cases are defined in which the competent authority <i>can</i> dismiss a director prior to the expiration of their term of appointment; A deadline has been set for initiating procedure for director's dismissal in cases when they can or must be dismissed.
4.1.7	Lay down conditions and criteria for appointing acting directors.	An internal act has been adopted to lay down conditions and criteria for appointing acting directors.

<sup>19</sup> The Law on State-Owned Enterprises (Official Gazette of the RS, No. 15/16) and the Government's Decree on Standards for Appointing Directors of State-Owned Enterprises (Official Gazette of the RS, No. 65/16) lay down standards and criteria for appointing SOE directors. The biggest responsibility for conducting competitive procedures for electing SOEs' managing directors lies with commissions charged with that task, which is why the majority of anti-corruption efforts in this process are 'transferred' to their members and manner of work. In other words, the integrity of the election process depends on commissions, whose establishment and functioning, as provided for by the Law, carry certain risks of corruption. On the other hand, the Decree that governs the standards for appointment of directors does not deal with the functioning of such commissions from any aspect. As a result, the process of LAP adoption presents a good opportunity for eliminating corruption risks related to the establishment and functioning of election commissions failed to be provided for by other regulations.



No.	Measure	Indicator of measure implementation (quality)
4.1.8	Lay down procedure and deadlines for reviewing and approving the business plans of SOEs.	<p>An internal act has been adopted whereby the following points are laid down:</p> <p>Procedure and deadlines for reviewing or approving SOE business plans;</p> <p>Criteria for adopting annual business plans for the term of the interim financing;</p> <p>Procedure and deadlines for reviewing or approving SOE business plans;</p> <p>Restrictions on expenses related to aid provision, sports activities, marketing and business entertainment;</p> <p><i>Strategic interests and substantial changes in circumstances</i> that are required for amending the business plan and typical of the specific local community;</p> <p>Sanctions are prescribed if SOE bodies fail to submit their business plan to the LSG's assembly within the statutory deadline.</p>
4.1.9	Specify further founder's powers so that in the event of any <i>disruptions in SOE's business operations</i> , the competent authority of the LSG can take measures to ensure conditions for smooth conduct of activities of common interest.	<p>An internal act has been adopted whereby it is defined what constitutes a <i>disruption in operations</i> based on the standards of financial and material operations. This introduces certainty into the actions of SOEs (awareness of what types of disruptions can lead to which consequences or how the founder should deal with those disruptions) and LSGs (when to react to protect the public interest);</p> <p>In addition, the internal act should define measures to be taken by the LSG's competent authority to provide conditions for smooth conduct of activities of common interest.</p>
4.1.10	Lay down conditions, criteria and procedure for giving approvals to SOEs to establish other for-profit companies and make capital investments into already established for-profit companies as well as accountability mechanisms in cases when CEOs of SOEs avoid adhering to the rules.	<p>An act has been adopted whereby:</p> <p>A duty is imposed to state reasons for and the purposefulness of resolutions which give SOEs a possibility to found a for-profit company or make capital investments into an already established for-profit comp may;</p> <p>Conditions and criteria are laid down for making a decision to found a for-profit company or make investment(s);</p> <p>Procedure for giving approval by the founder to found a for-profit company is regulated;</p> <p>Accountability of CEOs of SOEs and sanctions to be imposed on them are laid down in cases when they fail to adhere to the rules on establishment of for-profit companies or making capital investments.</p>
4.1.11	Lay down conditions and criteria for making decisions to found several SOEs to perform the same activity in the territory of the city and the City of Belgrade. ( <i>Remark: This measure is applicable only to those LSGs that have the status of a city and to the City of Belgrade, given that the Law on State-Owned Enterprises allows this possibility only to LSGs with such a status.</i> )	<p>An act has been adopted whereby:</p> <p>A duty is imposed to state reasons for and the purposefulness of resolutions which give a possibility of founding several SOEs to perform the same activity in the territory of the city or of the capital;</p> <p>Conditions and criteria are laid down for making a decision to found a number of SOEs to perform the same activity in the territory of the city or of the capital.</p>

**Objective 4.2 Ensuring that the principles of *good governance* are applied to relations between the LSG and other public authorities (institutions, administrations, bodies and organisations) founded by the LSG**

Objective indicators	Base value	Target (projected) value
Public policies have been adopted at the LSG level to ensure transparency and accountability in respect of conducting operations, selecting heads, monitoring operations and results and financial control of all public services, SOEs and other organisations founded by the LSG.	Number of public policies in place and/or their character, <i>please provide a description</i>	<i>Number of public policies in place and/or their character, please provide a description</i>

No.	Measure	Indicator of measure implementation (quality)
4.2.1	Ensure full availability of information regarding <b>all</b> public authorities founded and partially or completely funded or controlled by the LSG.	A registry of all public services, SOEs and other organisations founded and partially or completely funded or controlled by the LSG has been publicised on the LSG's website. The registry contains information about their establishment, funding, use of funds, management bodies, business results and plans; A duty has been imposed to update the registry regularly.
4.2.2	Impose a duty to publish vacancy announcements for selecting heads of all public services, SOEs and other organisations within the LSG's remit.	An internal act has been adopted to govern public vacancy announcements for selecting the heads of all public services, SOEs and other organisations within the LSG's remit, <i>including as well all components of the work of the Election Commission defined under measures 5, 6 and 7 within Objective 4.2.</i>
4.2.3	Impose a duty to invite applications when selecting management bodies and members of supervisory bodies within the purview of the LSG by applying clear and precise conditions and criteria.	An internal act has been adopted whereby clear and precise selection conditions, criteria and procedure are laid down.
4.2.4	Put in place mechanisms for holding accountable the heads and members of management and supervisory bodies of all public services, SOEs and other organisations founded by the LSG.	A uniform and mandatory methodology for reporting about the operations has been adopted to be used by all SOEs, institutions, bodies and organisations founded by the LSG; A practice has been established to publish on a regular basis presentations and discussions of the business results and effects of SOEs, institutions, bodies and organisations founded by the LSG; A practice has been established to publish conclusions reached at public hearings.
4.2.5	Put in place a mechanism for purposeful financial management of SOEs, institutions, bodies and organisations founded by the LSG.	An internal act has been adopted whereby the following points are laid down: clear and precise criteria for allocating public funds; mandatory elements of financial plans; a procedure for checking if the funds are spent in a purposeful and legal manner.

No.	Measure	Indicator of measure implementation (quality)
4.2.6	Introduce a duty to publish documents related to the financial management of all public services, SOEs and other organisations founded by the LSG.	An internal act has been adopted to regulate the publication of all documents related to the financial management of all SOEs, institutions, bodies and organisations founded by the LSG.
4.2.7	Put in place a mechanism for citizens' control over the management of funds of LSG-founded public authorities.	Established practice of drawing up and publishing the so-called citizens' guide to the budget, namely a document which explains in an easy-to-understand way the process of planning, executing and overseeing the execution of budgets of all public services, SOEs and other organisations founded by the LSG.

**Field 5: Public-private partnerships and concessions<sup>20</sup>**

**Field outline:** A public-private partnership (PPP) stands for a long-term cooperation between the public and private sectors, specifically partners from those sectors with the aim of securing funds, implementing construction and reconstruction projects, managing or maintaining the infrastructure or other public facilities and providing public services. PPPs are usually established to implement projects or provide services traditionally offered by the public sector; the private sector is included in those projects for various reasons and needs and on various grounds, with a proportional share of investments, risks, responsibility and profit among the partners. On the other hand, a concession is a type of a PPP or contractual cooperation between a public partner and a private partner which stipulates a commercial use of natural resources or assets in common use and public ownership or performance of activities of common interest. Competent authorities opt for concessions when they want to concede to a domestic or foreign entity natural resources or assets that are public property for a specific period of time under specified conditions, provided that the private partner pays a concession fee and alone bears the risk of the commercial use of the subject of concession. Due to the similarities between the natures of these two concepts as well as similarities they share from the perspective of corruption risks, PPPs and concessions are usually treated as one and the same type of partnership, as is the case herein.

Considering that partnerships between the representatives of the public and private sectors bear risks of being purposeless and aimed at serving individual or private interests to the prejudice of the public interest, special attention must be devoted to corruption risks in this field. The importance of this issue was acknowledged in the process of adopting the National Anti-Corruption Strategy in the Republic of Serbia for the period 2013-2018 and the Action Plan for its implementation.<sup>21</sup>

The current Law on Public-Private Partnerships and Concessions (*Official Gazette of the RS*, No. 88/11, 15/16 and 104/16) was adopted in 2011. It governs conditions for preparing, proposing and approving PPP projects and manner thereof; it defines which entities are competent or authorised to propose and implement such projects; it also lays down rights and duties of public and private partners. Other points stipulated by the Law are the form and contents of PPP contracts which may but do not have to include any concession elements and legal recourse to be sought in public contracts award procedures; requirements for granting concessions and manner thereof, subject matter of concessions, entities competent or authorised for granting concessions, termination of concessions; protection of rights of participants in public contract award procedures; the establishment, status and competences of the PPP Commission as well as other issues relevant to such partnerships having or not elements of concession or to concessions.

Given the fact that LSGs as *public bodies* can be partners in PPPs as well as that the majority of thus far proposed or implemented PPPs has been implemented on the local level,<sup>22</sup> appropriate internal and institutional mechanisms need to be put in place to eliminate risks of corruption at the local level in connection with the implementation of the normative framework in this field. This Law and secondary legislation provide for various control systems and an important role is assigned to the PPP Commission. Regardless, every public partner, specifically LSGs in this case, have considerable powers when it comes to initiating, evaluating and approving projects as well as in the process of reviewing PPP contracts, which is why certain measures designed to eliminate risks in this field need to be introduced by means of the LAP.

20 Field outline and elements of the Model LAP for this field are based on the Report on Risks of Corruption in the Field of Public-Private Partnerships, published by ACAS in July 2014 (available at [www.acas.rs/wp-content/uploads/2012/12/Izvestaj\\_o\\_JPP\\_-\\_final.pdf](http://www.acas.rs/wp-content/uploads/2012/12/Izvestaj_o_JPP_-_final.pdf)) and the Opinion about Amendments to the Law on Public-Private Partnerships and Concessions published on 8 March 2016 (available at [www.acas.rs/wp-content/uploads/2012/12/Misljenje-o-izmenama-i-dopunama-Zakona-o-koncesijama.pdf](http://www.acas.rs/wp-content/uploads/2012/12/Misljenje-o-izmenama-i-dopunama-Zakona-o-koncesijama.pdf)).

21 One of the objectives of this strategic document (Objective 3.3.3) refers to the elimination of the corruption risks from the field of PPPs and their consistent application. Unlike the Strategy and the Action Plan, which deal with this field at the systemic level, i.e. from the perspective of statutory laws and secondary legislation, the LAP should provide internal and institutional mechanisms to LSGs, so that they could apply solutions found in the Act and secondary legislation with the aim of eliminating risks of corruption that are inherent in those solutions.

22 See, for instance, the list of PPP projects thus far approved by the Public-Private Partnership Commission, available at [www.ppp.gov.rs/misljenja-komisije](http://www.ppp.gov.rs/misljenja-komisije).

<b>Objective 5.1: Putting in place internal mechanisms to eliminate corruption risks in connection with the implementation of regulations that govern the PPP field</b>		
<b>Objective indicators</b>	<b>Base value</b>	<b>Target (projected) value</b>
Public policies have been adopted at the LSG level to ensure elimination of corruption risks in connection with the implementation of regulations governing the PPP field.	Number of public policies in place and/or their character, <i>please provide a description</i>	<i>Number of public policies in place and/or their character, please provide a description</i>

<b>No.</b>	<b>Measure</b>	<b>Indicator of measure implementation (quality)</b>
5.1.1	Define locally specific fields that may be subjects of concession.	An internal act has been adopted which defines locally specific fields that may be subjects of concession according to the natural resources and other public assets existing in the territory of the LSG and in proportion to the needs of the local population.
5.1.2	Lay down procedure and criteria for approving PPP project proposals without concession elements, then for adopting proposals for passing a concession act to be prepared by the competent public body and finally for approving the final draft of the public contract.	An internal act has been adopted whereby: A duty is imposed to prepare a (pre)feasibility study for establishing a PPP; Procedure is established and criteria are laid down for approving PPP project proposals without concession elements; Procedure is established for adopting proposals to pass concession acts prepared by the competent public body; Procedure is established for approving the final draft of public contracts.
5.1.3	Define what constitutes <i>objective grounds</i> for limiting the liability of the members of a consortium which figures as a private partner in a PPP.	An internal act has been adopted which defines what constitutes <i>objective grounds</i> for limiting the liability of members of a consortium which figures as a private partner in a PPP.
5.1.4	Impose a duty to provide additional reasons for determining a specific time period for which a public contract is signed.	An internal act has been adopted which imposes a duty to provide additional reasons for determining specific time period for which a public contract is signed.
5.1.5	Impose a duty on the LSG to make assessments of PPP's effects on the principle of fair competition.	An internal act has been adopted which lays down: Manner in which the LSG will assess if the participation of certain proposers in the process of preparing the project proposal violates fair competition; Steps that need to be taken to offset any potential competitive advantage; Manner of rendering a conclusion that competitive advantage cannot be offset; Manner of ensuring LSG's capacities for making such assessments.

No.	Measure	Indicator of measure implementation (quality)
5.1.6	Lay down conditions and criteria for appointing persons to an expert team in charge of preparing tender documents, assessing the value of the concession, producing a feasibility study for granting the concession and taking all other actions preceding the process of granting the concession.	An internal act has been adopted which lays down conditions and criteria for appointing persons to an expert team in charge of preparing tender documents, assessing the value of the concession, producing a feasibility study for granting the concession and taking all other actions preceding the process of granting the concession.
5.1.7	Put in place tools for managing conflict of interest involving persons that belong to the expert team described in the measure 5.1.6 above.	The tools for managing conflict of interest entail at a minimum as follows: Signing a statement that there is no private interest related to the partner; Putting in place an exemption instrument to be used in cases of existence of private interest; Prescribing that every member of the expert team for whom it is found that has had a conflict of interest will be held accountable; Putting in place an instrument for annulling decisions for which it is found that have been rendered in circumstances involving a conflict of interest.
5.1.8	Lay down an internal procedure for overseeing the implementation of public contracts to be applied within the organisation.	An internal act has been adopted which lays down internal procedure for overseeing the implementation of public contracts to be applied within the organisation.

**Field 6: Managing the public property of LSGs**

**Field outline:** Under the Law on Public Property (*Official Gazette of the RS*, No. 72/11 and 88/13), LSGs are one of legal owners of public property in Serbia. This level of government has been given a possibility to acquire, use, manage, transfer and oversee public property, which constitutes a complex and crucial competence whose exercise involves various risks of corruption. If the process of public property management is not well-regulated, that can create conditions in which public property is used to advance private interests of persons in charge of its management, either directly or indirectly. Risks of such occurrences rise if property relations between different levels of government have not still been completely regulated since the said Law relatively recently, in 2011, granted LSGs the right to dispose of their own property.

In essence, two segments play major roles in ensuring effective regulation of the management of public property. The first one relates to a lack of acts that govern the process of establishing what constitutes public property and aligning the actual value of property with the one registered in the books, as well as those that govern the processes of acquisition, alienation, disposition and control of public property which has been granted to other persons for their disposal. Although the Law does provide for those obligations to a certain extent, it has been left to the competence of LSGs to adopt a considerable share of regulatory acts. A reasonable question therefore arises and that is if all LSGs have managed to regulate these processes and if they are properly and well provided for in relevant regulations.

The second segment in the field of public property management relates to the transparency of its disposal. Establishment of local public property registries is a step in the right direction and allowing public access to those registries is an equally important process. A registry of publically owned immovable property has been created by means of the application software developed for the National Property Directorate and LSGs are required to enter data about immovable property as legal owners of such publicly-owned property. However, the Law does not stipulate that this centralised registry is public. On the other hand, LSG may have their own registries in addition to the one required by the Law on Public Property. Precisely due to the fact that the Law does not preclude LSGs from keeping their own registries (and most of them have had them established anyway or keep them for their own purposes), it is possible and required to strengthen transparency of public property management at the local level. There is not a single justifiable reason why data concerning public property should not be public given all the restrictions already imposed by the regulations on handling of personal data. LSGs can provide for the publication of the public property registry, the registry of public property granted to other persons for their disposal, the registry of persons to whom property has been leased/ who have been granted the use of such property, the registry of persons disqualified from leasing or being granted the use of property on account of misuse, etc. The following points need to be provided for in this respect: the manners of creating such databases and their contents, as well as procedures and accountability concerning their updating and data protection; then, appropriate ways of their publication and conditions and procedure for granting other persons the use of public property owned by LSGs; and finally, how to oversee this process, since the oversight needs to be rigorous and include checks of how outstanding and recovered debts concerning lease payments are managed and controlled.

Under the Law on Local Self-Government, LSGs have competence to set up and manage their own *buffer stock*. Commodity obtained for such purposes constitutes a type of public property whose procurement, storage and use must be precisely provided for in regulations to avoid any misuse in the field. The Law on Buffer Stock governs only the state stocks and sets out that "Autonomous Provinces and LSGs may, depending on their needs and possibilities, set up buffer stocks in accordance with this Law" (Art. 3, Para. 3), without providing any further details. Regarding the LSGs that have set up their own buffer stock, measures need to be prescribed to govern this field of activity in more detail. Necessary legal framework needs to be adopted or the current one needs to be improved by regulating the following elements: procedure for procuring commodities; storage procedures (in particular in cases when individuals are entrusted with storing such stock due to a lack of storage capacities or space owned by the LSG); procedure, conditions and criteria for allocating commodities from the buffer stock; and the system of checks and controls.

<b>Objective 6.1 Putting in place mechanisms for managing LSG-owned property</b>		
<b>Objective indicators</b>	<b>Base value</b>	<b>Target (projected) value</b>
Public policies have been adopted at the LSG level to ensure accountable management of public property owned by the LSG.	Number of public policies in place and/or their character, <i>please provide a description</i>	Number of public policies in place and/or their character, <i>please provide a description</i>

<b>No.</b>	<b>Measure</b>	<b>Indicator of measure implementation (quality)</b>
6.1.1	Pass general acts to govern procedures for acquiring and disposing of the property owned by the LSG.	Such general acts should lay down: A duty to publish invitations to acquire and dispose of public property and the manner of publishing; Conditions, criteria and procedures for alienation of public property or granting other persons the use of such property; Mechanisms of checking the state of public property; Accountability and sanctions for any breach of provisions contained in the general act.
6.1.2	Create a registry of public property owned by the LSG. <sup>23</sup>	Aside from the public property registry, the following elements need to be defined: a body/service or person to be in charge of maintaining the registry, procedure for maintaining the registry and a duty to update it regularly.
6.1.3	Ensure public access to the registry of public property owned by the LSG.	The registry of public property owned by the LSG has been published on the LSG's website; The registry should also include information about public property granted to other persons for their disposal, persons to whom property has been leased/ who have been granted the use of such property, entities disqualified from leasing or being granted the use of property on account of misuse, etc.
6.1.4	Create a legal framework (or improve the existing one where it is already in place) concerning the management of buffer stock.	A legal framework for managing the buffer stock should include the following elements: Procedure for procuring commodities and storage procedures (in particular in cases when individuals are entrusted with storing such stock due to a lack of storage capacities or space owned by the LSG); Procedure, conditions and criteria for allocating stocks from the buffer stock; A system of checks and controls of the buffer stock.

<sup>23</sup> The format of the mandatory application software of the National Property Directorate and data entered therein can be used when creating a registry of public property of any LSG, although other registry formats may also be used depending on the current practice and system of any specific LSG.



**Field 7: Managing donations received by LSGs<sup>24</sup>**

Field outline: Law on Donations and Humanitarian Aid (*Official Gazette of the FRY*, No. 53/01, 61/01 – Corrigendum and 36/02 and *Official Gazette of the RS*, No. 101/05 – Other Act) prescribes that public authorities – state authorities, LSGs, SOEs and public institutions can receive donations in various forms, namely in kind (except from tobacco and its products, alcoholic beverages and passenger cars) or as services, money, securities, property and other rights. However, the Law has failed to regulate a number of issues from the aspect of preventing corruption, such as: specifying that donations also entail gifts to public authorities; laying down conditions for giving donations to public authorities to avoid conflict of interest or affecting the legality, impartiality and objectivity of that authority's work; setting up control mechanisms for checking the feasibility and cost-effectiveness of donations given to public authorities; monitoring if donation funds are being used for earmarked purposes in each specific cases, as well as ensuring transparency of the process of receiving donations by creating a single public registry which would contain information about all donations received by a specific public authority and their use. Lack of proper regulations in this field allows natural persons and legal entities to give donations to public authorities which are supposed to oversee their work or before which they exercise their rights and fulfil their duties. Donors can thus ensure preferential treatment or additional privileges for themselves or avoid sanctions in cases when required LSG controls find irregularities in their work. This type of leverage does not necessarily result in corruption in the narrow sense of the word (because private gain may, but does not have to be derived by a representative of the public authority receiving a donation in the capacity as legal person), but it can severely undermine the integrity of the public authority, public's trust in its work and its legal, impartial and professional conduct towards the donors.

In June 2016, the ACAS launched an Initiative to Amend the Law on Donations and Humanitarian Aid aimed at eliminating all the risks that had been detected. However, since it remains unknown when and if these amendments to the Law will be adopted or started to be enforced, LSGs can by their internal acts envisage elimination of certain risks from this field and thus strengthen their resistance to potential corruptive influences exerted through giving and receiving donations. In that respect, internal acts could provide for setting up control mechanisms to check the feasibility and cost-effectiveness of donations made to LSGs and mechanisms for monitoring if donation funds are being used for earmarked purposes. The aim of control would be, among other things, to check in each specific case if a donation made to an LSG carries some hidden expenses<sup>25</sup> which exceed the value of the donation, as well as if the donation funds are used for intended purposes. Furthermore, it should be foreseen that having used a donation, every LSG as a donation recipient must within a specific time limit draw up and publish on its website a report on the use of every donation. Finally, what also needs to be foreseen is the creation of a single public registry as an electronic database which would contain information about all donations made to the LSG and their use. This would considerably improve the transparency of this process which has thus far been at a very low level.

24 Field outline and elements of the Model LAP for this field have been defined based on the Initiative to Amend the Law on Donations and Humanitarian published by the ACAS on 13 June 2016 and available at [www.acas.rs/wp-content/uploads/2012/12/Inicijativa-za-dopune-Zakona-o-donacijama-i-humanitarnoj-pomoci-080616.pdf](http://www.acas.rs/wp-content/uploads/2012/12/Inicijativa-za-dopune-Zakona-o-donacijama-i-humanitarnoj-pomoci-080616.pdf).

25 Giving donations that involve 'hidden costs' entails a situation in which a donor donates some equipment or supplies whose further use requires specific raw materials or consumables to be procured, but which can be supplied only by the donor. For instance, the donor makes a gift of printers whose value is considerably below the price of toner cartridges needed for their use, but the donor is the only one whose supplies such cartridges. In this way, the donor ensures preferential treatment and non-competitive position at the market, while that LSG pays a substantially higher price for the use of the donation than if it did not receive it or if it obtained printers in another way.

<b>Objective 7.1 Eliminating circumstances which leads to possible influence on the work of LSG authorities by giving donations</b>		
<b>Objective indicators</b>	<b>Base value</b>	<b>Target (projected) value</b>
Public policies have been adopted at the LSG level to introduce mechanisms for eliminating circumstances <i>which leads to possible influence on work of LSG authorities by giving donations.</i>	Number of public policies in place and/or their character, <i>please provide a description</i>	Number of public policies in place and/or their character, <i>please provide a description</i>

<b>No.</b>	<b>Measure</b>	<b>Indicator of measure implementation (quality)</b>
7.1.1	Impose a duty to determine in advance the feasibility and cost-effectiveness of donations received by the LSG.	An internal act has been adopted <sup>26</sup> which imposes a duty to prepare an analysis of feasibility of all donations before they are actually received by the LSG (to establish if the LSG needs a specific donation, regardless of its character); Aside from its feasibility, the analysis should establish if the donation is cost-effective or if it contains hidden costs which exceed or may exceed in the future the value of the donation itself and may increase unreasonably and unnecessarily the costs of its use. The internal act should provide for a duty to reject a donation if it is found that it is not feasible or cost-effective or that it includes hidden costs.
7.1.2	Impose a duty to determine in advance if there are any potential, perceived or actual, conflicts of interest in the process of receiving donations.	An internal act has been adopted which imposes a duty to determine prior to receiving any donation if the donor (either a legal entity or a natural person) is in any specific relation or position towards the LSG in terms that: The LSG controls and oversees donor's operations; The donor exercises his legal rights and fulfils his prescribed duties before LSG administrations and bodies; The donor has a status of an associated person in relation to a public official of the LSG. The internal act should provide for a duty to reject donations if it is found that there are elements of conflict of interest in relations between the donors and the LSG.
7.1.3	Impose a duty to monitor if donation funds are used for intended purposes.	An internal act has been adopted which imposes a duty to monitor if donation funds are used for intended purposes.
7.1.4	Impose a duty to draw up and publish reports on the use of donations.	An internal act has been adopted which imposes a duty to draw up and publish reports on the use of donations; Such reports are publicised on the LSG's website in a timely fashion.
7.1.5	Impose a duty to create a single public registry which would contain information about all donations made to the LSG and how they are used.	An internal act has been adopted which imposes a duty to create a single public registry which would, as an electronic database, contain information about all donations made to the LSG and how they are used; The single public registry of donations is regularly updated on the LSG's website.

<sup>26</sup> Similar to some other fields of the Model LAP, this field can also be regulated by adopting an internal act which would contain implementation (quality) indicators for all stated measures. These indicators are divided into several measures in the Model for ease of reference and to allow more detailed specification of all elements that should result in achieving the stated objective.

**Field 8: Regulating administrative procedures and improving oversight of procedures for exercising rights and duties by users of LSG services**

**Field outline:** There are many procedures in place at the level of LSG under which citizens exercise their rights before local administrations and which involve ‘two-way communication’ between applicants and officers. Such procedures are followed when decisions need to be made about citizens’ rights and duties and are used when parties apply for certain documents and officers issue specific acts based on those documents. Potential problems and corruptive risks that arise in connection with such types of procedures can be identified at a number of levels. Firstly, certain procedures applied before LSG authorities as well as their deadlines, criteria and conditions are not specific enough and this gives officers discretionary powers to resolve cases within various deadlines and even with different outcomes, seek different and inconsistent types of proof and documents along with payment of variable fees or charges. This creates space for corruption, meaning that due to such poorly regulated procedures, parties can exert their potential or actual influence on officers to expedite or delay procedures or issue decisions (even) when requirements are (not) fulfilled. The main problem with these types of procedures is that there is no accurate and comprehensive catalogue of procedures that are applied at the level of local government. As a result, all LSGs should be assigned a task to draw up guidelines or a plan for making a catalogue of procedures they have in place and then make the catalogue and publish it. Thereafter, the measure aimed at eliminating the risk of corruption would be implemented in respect of certain decision-making procedures (where it is, of course, possible and within the purview of the LSGs) in order to reduce the extent of discretion available to officers or specify existing or lay down additional criteria for decision-making, specify deadlines, draft additional guidelines and forms, etc.<sup>27</sup> Another problem that usually occurs in this context is the absence of review of such procedures which would be carried out either by third parties, e.g. stakeholders (which are usually not present in this type of ‘single-party procedures’ since there are no other interested parties which would be aware of such cases) or internally, by executives or some other instances (since it is mostly believed that it is either unnecessary or that capacities for such tasks are insufficient). Under such circumstances, it can happen that a party does not submit necessary documents and a decision that is made is still affirmative and in their favour since everything stays between the party and the officer because various corruption mechanisms can lead the latter to act that way. Such type of risk can be eliminated by introducing a system of crosschecks and periodical and regular reviews of cases not only by executives, but also by employing a system of mutual review of these types of cases by checking how they are handled by officers in charge of them. It is of utmost importance that this type of review mechanism be defined as a procedure in writing in order to preclude mechanism misuse and turning it into a tool for exerting pressure on the work of officers.

**Objective 8.1 Increasing transparency of administrative procedures for exercising rights and duties by users of LSG services**

Objective indicators	Base value	Target (projected) value
A public access registry of all administrative procedures for the exercise of rights and duties by users of LSG services has been created.	Number of publically accessible administrative procedures (that have been made public) <i>versus</i> the total number of procedures used at the LSG level	Number of publically accessible administrative procedures (that have been made public) <i>versus</i> the total number of procedures used at the level of the LSG

27 In the process of implementing its programme “Support to Serbian Municipalities on the Road to EU Accession: enabling high-quality services, stakeholder dialogue and efficient local administration”, SCTM identified a list of administrative procedures at the local level to be used for developing models for all procedures connected with delegated and original competences. The models will include a description, legal grounds, stages and deadlines for making decisions and an application form. They can be used as a way to improve the situation in this field or for producing the future LAP. For more details, please visit <http://dobraprava.rs/info-servis/vesti/priprema-uprave-za-novi-zup> and [www.skgo.org/reports/details/1864](http://www.skgo.org/reports/details/1864).

No.	Measure	Indicator of measure implementation (quality)
8.1.1	Ensure full availability of information about all administrative procedures for the exercise of rights and fulfilment of duties by users of LSG services.	<p>A registry of all administrative procedures (related to both original and delegated competences) for the exercise of rights and duties by users of LSG services has been created and publicised on the LSG's website;</p> <p>The registry contains a description, legal grounds, stages and deadlines for decision-making as well as application forms to be filed to the LSG authority/service by service users and a list of required supporting documents;</p> <p>Administrations/persons in charge of maintaining the registry have been designated;</p> <p>A duty to regularly update the registry has been allocated.</p>

**Objective 8.2 Eliminating risks of corruption related to administrative procedures regulated by LSGs**

Objective indicators	Base value	Target (projected) value
Legal framework that is within the purview of the LSG has been amended to allow further elimination of corruption risks that arise in relation to administrative procedures.	Number of regulations whose adoption is within the purview of the LSG and for which an analysis of corruption risks related to administrative procedures has been carried out.	Number of regulations that have been amended based on respective analyses of corruption risks related to administrative procedures <i>versus</i> the number of those for which an analysis of corruption risks related to administrative procedures has been carried out.

No.	Measure	Indicator of measure implementation (quality)
8.2.1	Carry out an analysis of needs, possibilities and feasibility of further elimination of risks of corruption that arise in relation to administrative procedures whose regulation is within the purview of the LSG.	<p>The analysis of needs, possibilities and feasibility of further elimination of risks of corruption that arise in relation to administrative procedures whose regulation is within the purview of the LSG should take into account as follows:</p> <p>Whether or not there are administrative procedures in place in which it is possible to reduce or limit the scope of officers' discretion, i.e. whether or not it would be necessary to specify further the current criteria for making decisions or lay down additional ones;</p> <p>Specify deadlines; draw up additional guidelines and forms.</p>
8.2.2	Eliminate risks of corruption arising in administrative procedures whose regulation is within the purview of the LSG based on the result of the analysis of needs, possibilities and feasibility.	<p>A plan and schedule for adopting or amending legal acts that are within the purview of the LSG has been created based on the results of the analysis; the adoption or amendment of such acts should result in the elimination of corruption risks arising in administrative procedures whose regulation is within the purview of the LSG;</p> <p>Legal acts have been amended;</p> <p>Administrative procedures have also been amended and updated in the registry.</p>

<b>Objective 8.3 Improving the system of overseeing the conduct of administrative procedures for exercising rights and duties by users of LSG services</b>		
<b>Objective indicators</b>	<b>Base value</b>	<b>Target (projected) value</b>
Internal procedures have been adopted to govern the system of overseeing the conduct of administrative procedures for exercising rights and duties by users of LSG services.	Number of administrative procedures subject to oversight under the internal procedure	Number of administrative procedures subject to oversight under the internal procedure

<b>No.</b>	<b>Measure</b>	<b>Indicator of measure implementation (quality)</b>
8.3.1	Adopt an internal act to govern procedures for overseeing the conduct of administrative procedures for exercising rights and duties by users of LSG services by means of case review.	The act should include the following elements: methodology for selecting the number/class/type of cases to be reviewed based on their number, the number of officers who process them, available reviewing capacities, etc. The methodology should ensure regularity, periodicity and randomness in the process of selecting cases for review to prevent misuses in the review process.
8.3.2	An annual plan and schedule for reviewing cases should be adopted pursuant to the internal act.	The review plan and schedule has been adopted.
8.3.3	Draw up and publish a report on the conducted review in accordance with the internal act.	The report on the conducted review should be made available on the premises of LSG authorities as well as to the public pursuant to regulations on personal data protection. If it is found that there have been irregularities and misuses, review results should lead to taking further action in individual cases (taking disciplinary action or initiating misdemeanour or criminal or other type of proceedings).

**Field 9: Developing aid and solidarity programmes to ensure the exercise of rights of persons with disabilities and protection of rights of vulnerable groups<sup>28</sup>**

**Field outline:** Any process which inherently entails a distribution of public resources by a public authority on any grounds and whatever those resources may be carries a risk of corruption. Taking into account that LSGs are competent for organising and providing assistance to the local population, especially its segments belonging to vulnerable groups, it is crucial that the process of allocating such assistance is provided for in such a manner as to prevent these funds from ending in the hands of persons who (a) administer them (in any way) or (b) do not meet the requirements and criteria for being included in the group of people to whom this type of assistance is intended. This field is very difficult to regulate in a uniform way since it is within every LSG's general competences to determine population categories that can receive assistance and the manner of granting it in accordance with the specificities of their local communities. Therefore, the LAP should provide a mechanism for every LSG to identify and regulate these processes by adopting/amending LSG regulations that govern the process of granting aid or achieving solidarity. The adopted/amended regulations should provide full transparency of the programme and lay down clear criteria for granting aid. They should also ensure that the process is overseen and aligned with the LSG's development strategies. This will reduce discretionary powers in the process of determining which groups will be covered by aid granting procedures and when such procedures will be conducted. In addition, considering that this competence is focused on a variety of marginalised groups that usually have their own associations or are otherwise organised, the LAP should improve cooperation between the LSG and such entities (e.g. by involving the representatives of such organisations and associations in the work of commissions, in the process of the establishment of criteria, overseeing the process of aid allocation and spending of allocated funds, etc). Although the LAP mostly addresses LSG authorities and administrations, one of its aims should be to create links and improve coordination between local actors to serve the common interest of the local population.

After identifying the specific activities to be carried out by the LSG within this competence, what needs to be done is check if there is an existing legal framework at the LSG level which governs such processes and analysed it in detail (e.g. to see if there are any relevant rulebooks, decisions, guidelines); also, practice in this field needs to be analysed from the perspective of corruption risks. In addition, what is required is to put in place or improve procedures for allocating funds so that this responsibility is delegated to commissions which will have their own rules of procedure and whose members will be subject to conflict of interest prevention mechanisms; such commissions will publish documents about their work and the right to file appropriate complaints against commission decisions will be established, i.e. there will be more than one instance in the process of issuing final decisions.

<sup>28</sup> Under Article 20 of the Law on Local Self-Government (2007), this competence has been defined as the development of various forms of assistance to and solidarity with people with special needs as well as persons who are essentially at a disadvantage compared with other citizens. Draft Amendments to the Law on Local Self-Government currently being prepared use the term persons with disabilities instead of persons with special needs and so the new term is used to define this field, which is also in line with the same trend that emerged in other Laws.

<b>Objective 9.1 Minimising discretionary powers of competent LSG administrations and authorities in the process of making decisions about selection of programmes and/or target groups to which aid is allocated</b>		
<b>Objective indicators</b>	<b>Base value</b>	<b>Target (projected) value</b>
All decisions about programmes and/or target groups for which aid allocation is organised are aligned with LSG's strategic and development plans or other documents which impose on the LSG duties to conduct such types of procedures.	Number of programmes and/or target groups to which aid is allocated that are aligned with LSG's strategic and development plans or other documents which impose on the LSG duties to conduct such types of procedures <i>versus</i> the total number of programmes and/or target groups for which programmes are organised	Number of programmes and/or target groups to which aid is allocated are aligned with LSG's strategic and development plans or other documents which impose on the LSG duties to conduct such types of procedures <i>versus</i> the total number of programmes and/or target groups for which programmes are organised

<b>No.</b>	<b>Measure</b>	<b>Indicator of measure implementation (quality)</b>
9.1.1	Carry out an analysis to determine if aid allocation programmes are in line with LSG's strategic and development plans or other national regulations/documents which impose on the LSG duties to implement such types of programmes.	The analysis aimed at determining if former aid allocation programmes were in line with LSG's strategic and development plans or other national regulations/documents which impose on the LSG duties to implement such types of procedures has been carried out.
9.1.2	Impose a duty to align all aid allocation programmes with LSG's strategic and development plans or other regulations/documents which impose on the LSG duties to implement such types of programmes.	The duty should be prescribed so that every decision to implement an aid allocation programme should cite, in addition to legal acts in the narrow sense of the word, LSG's strategic and development plans or other national regulations/documents which impose on the LSG duties to implement such types of programmes.

<b>Objective 9.2 LSG regularly cooperates with civil society organisations (CSOs)/ other local actors to facilitate better coordination in the aid allocation process</b>		
<b>Objective indicators</b>	<b>Base value</b>	<b>Target (projected) value</b>
Cooperation with CSOs/ other local actors has been ensured and formalised to facilitate better coordination in the process of allocating aid.	Number of CSOs/ other actors the LSG has been cooperating with in connection with this competence	Number of CSOs/ other actors the LSG has been cooperating with in connection with this competence

No.	Measure	Indicator of measure implementation (quality)
9.2.1	Impose a duty to involve CSOs/ other actors in the process of preparing, implementing and overseeing aid allocation programmes.	CSOs and/or other actors relevant to specific aid allocation programmes or target groups have been identified; Cooperation agreements / other types of formalising cooperation between the LSG and CSOs and/or other actors which define mutual rights and duties have been signed. Such cooperation agreements / other types of formalising cooperation provide for a duty to include/consult CSOs and/or other actors in the process of defining conditions, criteria and standards, and enable their participation in receiving requests/ applications and programme oversight.

Objective 9.3 Increasing transparency in the process of aid allocation		
Objective indicators	Base value	Target (projected) value
All elements of aid allocation programmes have been made available to the public pursuant to regulations that provide protection of personal data.	Number of aid allocation programmes whose <i>elements</i> are available to the public <i>versus</i> the total number of such programmes, <i>according to the indicator of measure implementation (quality)</i>	Number of aid allocation programmes whose <i>elements</i> are available to the public <i>versus</i> the total number of such programmes, <i>according to the indicator of measure implementation (quality)</i>

No.	Measure	Indicator of measure implementation (quality)
9.3.1	Impose a duty to publish all elements of such programmes pursuant to regulations that provide protection of personal data.	The duty entails the publication of at least these elements: the invitation to apply for aid; conditions, criteria and standards for receiving aid; the manner of submitting requests/ applications for aid and necessary documents; the names and positions of persons/ commission members who participate in the procedure; the ranking list and allocated amounts; reports on conducted procedure/ competitive process.

Objective 9.4 Eliminating risks of corruption that may arise in aid allocation processes		
Objective indicators	Base value	Target (projected) value
Measures for managing the conflict of interest in aid allocation processes have been adopted.	Character of measures for managing conflict of interest in this field, <i>according to the indicator of measure implementation (quality)</i>	Character of measures for managing conflict of interest, <i>according to the indicator of measure implementation (quality)</i>



No.	Measure	Indicator of measure implementation (quality)
9.4.1	Put in place tools for managing the conflict of interest involving commission members and/or persons (officers) in charge of conducting aid allocation procedures.	<p>The tools for managing conflict of interest entail at a minimum as follows:</p> <p>Signing a statement that there is no private interest related to the participants in the competitive procedure/ persons who have applied for aid;</p> <p>Putting in place an exemption instrument to be used in cases of existence of private interest;</p> <p>Prescribing that commission members/persons (officers) for whom it is found that have had a conflict of interest will be held accountable;</p> <p>Putting in place an instrument for annulling decisions for which it is found that have been rendered in circumstances involving a conflict of interest.</p>

**Field 10: Allocation of funds from the LSG's budget to advance the public interests of the local community**

**Field outline:** In addition to Field 9 described above, whose aim is to strengthen solidarity and social cohesion by providing institutional assistance and support to persons who require special assistance programmes on account of their personal or social characteristics, LSGs are also responsible for reallocating funds for various purposes either from public resources or their own budgets for different types of projects and programmes the aim of which is to promote, serve and protect the public interests of their local communities. Since every provision or allocation of funds from public resources is inherently a field that carries a range of risks of corruption and other irregularities and misuses, it requires additional attention from every single LSG.

Under the provisions of the Law on Associations (*Official Gazette of the RS*, No. 51/09) and the Decree on Programme-Stimulating Funds or Lacking Portions of Funds Needed to Finance Common Interest Programmes Implemented by Associations (*Official Gazette of the RS*, No. 8/12) as well as pursuant to numerous acts governing various sectors, fields or remits,<sup>29</sup> LSGs are public authorities in charge of financing activities and projects carried out by citizens' associations or CSOs. Although a lot of effort has gone into increasing transparency, strengthening the system of checks and balances and reducing discretionary powers of all public authorities in this field in recent years, challenges faced in the process of funding associations require that new anti-corruption activities continuously follow the evolution of 'innovative' ways in which public funds intended for citizens' associations are not used for advancing the common interest but to serve various private interests at both ends of the process (of associations' representatives and representatives of authorities that administer those funds). Corruption can be stopped in this field first and foremost by further strengthening transparency of the entire process and by improving internal 'defence mechanisms' of every LSG which can and should prevent the occurrence of various irregularities, misuses and corruption.

LSGs should safeguard and promote another highly important common interest by providing for it funds from their budgets. This refers to co-financing of projects in the field of informing the public as provided for by the Law on Public Information and the Media (*Official Gazette of the RS*, No. 83/14, 58/15 and 12/16 – authentic interpretation) and Rulebook on Co-Financing Projects that Advance Common Interests in the Field of Public Information (*Official Gazette of the RS*, No. 16/16). This field has given rise to considerable controversy and numerous issues and doubts about whether or not public authorities, and even LSGs which play an important part in the process, invite applications and conduct procedures in due manner; in other words, whether or not funds from the budget are used to advance the common interests of local communities or the interests of LSG authorities, certain political parties or certain mass media which are on various grounds closely related to certain individuals or LSG authorities.<sup>30</sup> On account of the tremendous importance and influence of mass media as well as due to high level of corruption risks in this field, LSGs should devote special attention to this field in their LAPs as suggested in the Model and in other ways as LSGs deem appropriate in proportion to their needs and capacities.

29 More details and recommendation for improving the situation in this field can be found in Guide to Transparent Funding of Associations and Other Civil Society Organisations from LSG Budgets published by the Office for Cooperation with Civil Society in 2013; available at <http://civilnodrustvo.gov.rs/podsticajno-okruzenje/transpar%D0%B5nto-finansiranje/transparentno-finansiranje.373.html>.

30 For more details on this topic, please see the results of a research conducted by the Balkan Investigative Reporting Network (BIRN) on monitoring of competitive media financing, available at <http://birnsrbija.rs/ispod-radara-monitoring-implementacije-projektnog-finansiranja> and [www.javno.rs/baza-podataka/budzetsko-finansiranje-privatizovanih-medija](http://www.javno.rs/baza-podataka/budzetsko-finansiranje-privatizovanih-medija).

<b>Objective 10.1 Increasing transparency, accountability and control over the process of allocating funds to citizens' associations</b>		
<b>Objective indicators</b>	<b>Base value</b>	<b>Target (projected) value</b>
Effective public policies have been adopted at the LSG level to ensure full transparency, accountability and control over the process of co-financing of programmes aimed at advancing common interests by associations.	Number of internal public policies and/or their character, <i>please provide a description</i>	Number of internal public policies and/or their character, <i>please provide a description</i>

<b>No.</b>	<b>Measure</b>	<b>Indicator of measure implementation (quality)</b>
10.1.1	Impose a duty to define what constitutes the <i>public interest</i> to be advanced through programmes implemented by associations or impose a duty that every programme should refer to an already defined <i>public interest</i>	Any public interest that is advanced through a programme implemented by an association should be defined at the strategic level, i.e. in LSG's strategic or development plans; each individual procedure for co-financing a programme should refer to a defined public interest or provide a connection and reasons for the way in which that specific co-financing programme will serve, advance and protect the public interest (e.g. by identifying priorities for which funding should be secured over a specific year and defining thematic fields for programmes and public announcements, etc).
10.1.2	Set up a comprehensive and integral internal legal framework at the level of the LSG to govern the co-financing of programmes that advance the public interest and are implemented by associations.	An integral and comprehensive internal legal framework entails at a minimum as follows: (1) an internal act (rulebook) that governs co-financing of public interest programmes implemented by associations; (2) rules of procedure applied by commissions in charge of conducting open selection procedures in this field; (3) decisions to announce public invitations to apply for every individual programme. A legal framework that governs the issue of co-financing programmes that advance the public interest and are implemented by associations should include at a minimum as follows: (1) the manner of laying down conditions, criteria and standards for grading project proposals; (2) imposing a duty to publish all documents produced in the course of competitive selection procedure; (3) regulations to govern the work of commissions in charge of conducting competitive selection procedures which stress in particular the management of conflict of interest; (4) ways to monitor, evaluate and carry out financial reviews of approved projects and programmes.
10.1.3	Ensure full transparency of the process of co-financing programmes that advance the public interest and are implemented by associations.	Full transparency of the process is ensured by publishing all documents that are produced in the course of competitive selection procedures, in particular those issued by selection commissions in charge of conducting such procedures, by ensuring that the meetings of such commissions are open to the public and by allowing participation of citizen watchdogs – as representatives of the concerned public (who do not have the right to vote).

No.	Measure	Indicator of measure implementation (quality)
10.1.4	Put in place elements for managing the conflict of interest involving members of the selection commission in charge of conducting open competitive procedures for co-financing common interest programmes implemented by associations.	Elements of managing the conflict of interest entail at the minimum as follows: Signing a statement that there is no private interest related to participants who have applied for co-financing; Putting in place an exemption instrument to be used in cases of existence of private interest; Prescribing that commission members for whom it is found that have had a conflict of interest will be held accountable; Putting in place an instrument for annulling decisions for which it is found that have been rendered in circumstances involving a conflict of interest.
10.1.5	Provide mandatory tools to allow for monitoring, evaluation and financial review of programmes that advance the public interest and are implemented by associations.	An internal legal framework should be put in place to provide for mandatory tools to allow for monitoring, evaluation and financial review of programmes that advance the public interest and are implemented by associations and it should also include a duty to publish all reports on the monitoring, evaluation and financial review results on the LSG's website.

**Objective 10.2 Increasing transparency, accountability and control over the process of selecting projects for co-financing in the field of public information**

Objective indicators	Base value	Target (projected) value
Effective public policies have been adopted at the LSG level to ensure full transparency, accountability and control over the process of selecting projects for co-financing in the field of information dissemination.	Number of internal public policies and/or their character, <i>please provide a description</i>	Number of internal public policies and/or their character, <i>please provide a description</i>

No.	Measure	Indicator of measure implementation (quality)
10.2.1	Define what constitutes <i>common interest in the field of public information</i> according to the specific qualities of a given local community.	The LSG should define more closely in each individual public invitation what constitutes a locally specific common interest in the field of public information, <i>and include therein as a mandatory provision that reporting about the activities of LSG authorities does belong to the notion of public interest under the law</i> ; LSG's strategic and development plans can serve as a starting point for defining the locally specific public interest in the area of public information.

No.	Measure	Indicator of measure implementation (quality)
10.2.2	Impose a duty to regulate in more detail and with more precision the process of selecting projects for co-financing in an open competitive procedure in the field of public information.	<p>The duty needs to be imposed in writing, by issuing an act/ mandatory guidelines which would provide for precluding misuses and irregularities that have been thus far observed as the most frequent ones. In other words, this type of regulation should at the minimum set out as follows:</p> <p>Preclude discriminatory conditions in public invitations (e.g. invitations cannot be limited only to one type of media or the media located in one specific area);</p> <p>Ban on prescribing that reporting about the work of the LSG and its bodies belongs to the common interest in the field of information dissemination;</p> <p>Limit disproportionate differences between the amounts of funds allocated to media projects which clearly favour certain media at the expense of others;</p> <p>Charge competent authorities with a duty to provide reasons whenever they reject a commission's decision to allocate funds.</p>
10.2.3	Ensure full transparency of the open competitive procedure for selecting projects for co-financing in the field of public information.	<p>Full transparency of the process is ensured by publishing all documents that are produced in the course of competitive selection procedures, in particular those issued by selection commission in charge of conducting such procedures, by ensuring that commission meetings are open to the public and by allowing the participation of citizen watchdogs – as representatives of the concerned public (who do not have the right to vote), etc; in other words, “the public must be fully informed about the flow of money that is spent on the media sector in order to be able to make informed decisions concerning the media they chose as their source of information”.<sup>31</sup></p>
10.2.4	Put in place tools for managing the conflict of interest involving members of the selection commission in charge of conducting open competitive procedures for co-financing projects in the field of public information.	<p>The tools for managing the conflict of interest entail at the minimum as follows:</p> <p>Signing a statement that there is no private interest related to participants who have applied for co-financing;</p> <p>Putting in place an exemption instrument to be used in cases of existence of private interest;</p> <p>Prescribing that commission members for whom it is found that have had a conflict of interest will be held accountable;</p> <p>Putting in place an instrument for annulling decisions for which it is found that have been rendered in circumstances involving a conflict of interest.</p>
10.2.5	Provide mandatory tools to allow for monitoring, evaluation and financial review of projects in the field of public information financed from public funds.	<p>What needs to be done is provide for tools for monitoring, evaluation and financial review of projects that advance the public interest in the field of public information and include a duty to publish all reports on the monitoring, evaluation and financial review results on the LSG's website;</p> <p>In addition, LSGs should require copies of all media contents produced using public finances as a mandatory part of documentation (along with financial and narrative reports) to account for expenditures.</p>

31 Soft Censorship – Changes in the media sector from bad to worse, BIRN Serbia 2015, available at [http://birnsrbija.rs/wp-content/uploads/2016/02/izvestaj\\_meka\\_cenzura\\_final.pdf](http://birnsrbija.rs/wp-content/uploads/2016/02/izvestaj_meka_cenzura_final.pdf).

**Field 11: Inspection oversight**

**Field outline:** Considering the character and extent of powers available to public servants in charge of the inspection sector, what is especially important in the process of inspection oversight is to prevent corruption and misuses that arise from the exercise of delegated powers and thus ensure that the public interest is properly served and protected (e.g. in the field of health and safety). This issue has been recognised, among others, in the process of drafting the premises that underline the current Law on Inspection Oversight<sup>32</sup> adopted in 2015. If this very important competence granted to state administration is susceptible to various corruption risks, damage that may be caused can gravely affect the public interest, health, safety and rights of citizens. Inspection oversight is impacted by corruption primarily due to the contact between persons in charge of oversight and entities that are subject thereto, i.e. because entities subject to oversight can influence the work of public servants, which has also been identified as a problem based on results of various surveys.<sup>33</sup>

LSGs have been given substantial competences in the field of inspection oversight under the provisions of the Law on Inspection Oversight (*Official Gazette of the RS*, No. 36/15), both original and delegated from the central and provincial levels of government. LSGs have been granted powers to provide independently in their regulations for certain issues in the field of inspection oversight, which, in addition to the risks of corruption mentioned above, creates a need for including this field in their local anti-corruption plans. Two areas of competence are particularly important in this regard: (1) risk assessments and the inspection oversight plan and (2) coordination and internal control of inspection oversight that need to be put in place at the level of LSGs.

**Objective 11.1 Minimising discretionary powers and increasing the transparency of actions taken by inspection services**

Objective indicators	Base value	Target (projected) value
Internal acts/guidelines/procedures have been adopted at the LSG level to prescribe that the LSG has a duty to assess the risks and frequency of inspection oversight based on the assessment of risks related to its original competence and a duty to assess risks that are specific to each local community; All elements defined under the foregoing indicator have been made available to the public.	Number of acts/guidelines/procedures/or their character, <i>please provide a description</i>	Number of acts/guidelines/procedures/or their character, <i>please provide a description</i>

No.	Measure	Indicator of measure implementation (quality)
11.1.1	Lay down special elements of risk assessment and frequency of inspection oversight based on the assessments of risks related to the LSG's original competence.	An internal act or guidelines have been adopted to govern this statutory duty, i.e. the specific manner/form of laying down special elements of risk assessment, frequency of inspection oversight and the elements of oversight plan related to LSG's original competences.
11.1.2	Impose a duty to adopt procedures for carrying out assessments of risks that are specific to every local community.	A procedure has been established under an internal act or guidelines; it should include sources of information about locally specific risks for each field in which inspection oversight is performed, assessment of how such risks affect the situation in those fields and assessment of oversight needs in proportion to the risks.

32 For more details, please refer to the document *Premises for Drafting the Law on Inspection Oversight*, available at [www.mpravde.gov.rs/vest/3398/nacrt-zakona-o-inspekcijskom-nadzoru-.php](http://www.mpravde.gov.rs/vest/3398/nacrt-zakona-o-inspekcijskom-nadzoru-.php).

33 According to the results of the 2012 USAID BEP survey, as many as 36% of respondents pointed out that corruption affected the work of inspections. For more information, please visit [www.bep.rs/news\\_2012\\_11\\_16.php](http://www.bep.rs/news_2012_11_16.php).

No.	Measure	Indicator of measure implementation (quality)
11.1.3	Publish special elements of risk assessments and frequency of inspection oversight based on the assessment of risks related to original competences and procedure for assessment of risks that are specific to every local community.	The elements described within the measure have been publicised on the LSG's website; A duty to make regular updates of publicised information has been assigned.

Objective 11.2 Improving the system of coordination and internal control of inspection services		
Objective indicators	Base value	Target (projected) value
Acts have been adopted whereby the system of coordination and internal control of inspection services is put in place/improved.	_Number of acts and their character ( <i>please provide a description</i> )	_Number of acts and their character ( <i>please provide a description</i> )

No.	Measure	Indicator of measure implementation (quality)
11.2.1	Designate which authority, internal organisational unit or body will be in charge of coordinating inspection oversight of the affairs arising from the LSG's original competence.	The competent LSG authority has issued a decision which designates the authority, internal organisational unit or body that will be in charge of coordinating inspection oversight of the affairs arising from the LSG's original competence. The decision should also provide a definition of what constitutes 'coordination' and how it is manifested (in the form of which specific activities) and the relations between instances in charge of facilitating coordination with competent inspection services and the like.
11.2.2	Set up internal control of the inspection arising from the LSG's original competence.	A decision issued by the competent LSG authority designates which authority, internal organisational unit or body will be in charge of controlling inspection oversight of the affairs related to the LSG's original competence.
11.2.3	Lay down forms, frequency and manner of performing internal control of the inspection arising from the LSG's original competence.	A decision should be issued to lay down clear and precise organisational prerequisites and procedures for the performance of control and manners of taking action in cases when irregularities are found in the work of inspection services.

### Field 12: Spatial and urban planning and construction

**Field description:** As can be seen from numerous surveys and analyses of practices, the field of spatial and urban planning and construction accounts for one of the processes that carry the greatest risks from the point of view of corruption.<sup>34</sup> A special segment has also been devoted to this field in the National Anti-Corruption Strategy, which should lead to the elimination of corruption risks inherent in current regulations as well as to the improvement of the practice based on those regulations. Complementary to strategic and statutory levels, internal regulations need to be adopted to govern processes in this field so that irregularities and misuses could be prevented at all levels (by the process of making and enacting laws at the national level, but also through practical implementation of those laws by institutions, especially at the LSG level). Irregularities and misuses mostly occur in cases when in the process of exercising their rights and duties, service users come into contact with officers who are in charge of handling such processes. LSG authorities are instances at which these types of interactions occur since competences related to the field of urban planning and construction projects are actually put in effect at that level, i.e. that is the level at which laws are applied in this field and decisions are made about individual applications and cases. In addition, corruption risks in this field can also occur at the local level when relevant local administrations and institutions adopt and implement their own spatial and planning documents and thus determine by themselves the locally specific scope of application of general statutory provisions on planning. Precisely this determination of scope is what is subject to specific and not so small discretionary powers, which are expected and necessary, but if left uncontrolled and unlimited, they could undermine the common interest at the prejudice of various private interests.

Most recent amendments to the Law on Planning and Construction made in December 2014 (*Official Gazette of the RS*, No. 72/09, 81/09 – Corrigendum, 64/10 – Constitutional Court Decision, 24/11, 121/12, 42/13 – Constitutional Court Decision, 50/13 – Constitutional Court Decision, 98/13 – Constitutional Court Decision, 132/14 and 145/14) encompass a number of relevant issues that carry risks of corruption, such as: consolidated procedure; early public reviews; urban designs; special cases of forming construction lots; fees for development of construction land; as well as the work of commissions for technical inspection of structures.<sup>35</sup> These issues, i.e. the ways they should be provided for in regulations, form an integral part of the Model LAP; in other words, they should be included in each individual LAP in proportion to the needs and previous results of the LSGs in this field.

### Objective 12.1 Eliminating corruption risks that may arise in connection with the work of commissions and other LSG authorities in charge of the field of spatial and urban planning and construction

Objective indicators	Base value	Target (projected) value
Adoption/ improvement of existing internal work procedures and rules applied by commissions and other LSG authorities in charge of the field of spatial and urban planning and construction	Number and character of internal work procedures and rules applied by commissions and other LSG authorities in charge of the field of spatial and urban planning and construction	Number and character of internal work procedures and rules applied by commissions and other LSG authorities in charge of the field of spatial and urban planning and construction

34 For instance, please refer to a survey carried out by the Business Support Network, *Corruption – A Serious Challenge Faced in Implementation of New Law on Planning and Construction*, available at <http://bsn.rs/vesti/korupcija-ozbiljan-izazov-u-primeni-novog-zakona-o-planiranju-izgradnji>.

35 A more detailed analysis of corruption risks in the existing statutory framework for each listed issue can be found in the *Analysis of Legal Framework for the Corruption Risks for Local Self-Government* mentioned above.



No.	Measure	Indicator of measure implementation (quality)
12.1.1	Lay down a duty to handle objections received by relevant commissions during the stage of early public review in the process of drafting spatial or urban plans and rules therefor.	Internal procedures have been adopted to govern the manner of work of relevant commissions and the manner of handling objections received during the stage of early public review;
12.1.2	Improve transparency of the relevant commission's work during the stage of early public review.	All received objections have been publicised as well as the outcomes of actions taken by the commission or other LSG authorities in connection with those objections.
12.1.3	Provide in more detail for decision-making procedures to be applied by relevant LSG authorities when approving or rejecting urban planning designs.	Additional criteria, decision-making procedures and practice of providing rationale by the relevant LSG authority have been adopted and are to be applied in the process of rejecting and accepting urban designs in connection with which the relevant commission submits a request for decision-making.
12.1.4	Lay down procedure to be followed by relevant LSG authorities in <i>special cases of forming development lots</i> if a planning document has not been adopted and when admitting <i>other evidence</i> which confirms that issues concerning property ownership have been resolved.	Procedures to be followed by relevant LSG authorities have been laid down for <i>special cases of forming development lots</i> if a planning document has not been adopted and when admitting <i>other evidence</i> which confirms that issues concerning property ownership have been resolved; It has been defined what constitutes ' <i>other evidence</i> '.

**Objective 12.2 Minimising discretionary powers of LSGs in the process of determining who is eligible for additional reductions when paying fees for structures that have special relevance for development of the LSG**

Objective indicators	Base value	Target (projected) value
An act has been adopted to lay down criteria for granting <i>the status of a structure that has special relevance for the development of the LSG</i> and a procedure to be followed when making decisions about this issue.	Type and character of the act that governs these issues	Type and character of the act that governs these issues

No.	Measure	Indicator of measure implementation (quality)
12.2.1	Lay down conditions and criteria for granting <i>the status of a structure that has special relevance for the development of the LSG</i> .	An act has been adopted which lays down conditions and criteria for granting <i>the status of a structure that has special relevance for the development of the LSG</i> .
12.2.2	Establish a decision-making procedure for granting the status of <i>a structure that has special relevance for the development of the LSG</i> .	An act has been adopted which defines the decision-making procedure for granting the status of <i>a structure that has special relevance for the development of the LSG</i> .

No.	Measure	Indicator of measure implementation (quality)
12.2.3	Lay down conditions and criteria for determining who is eligible for additional reductions when paying fees for <i>structures that have special relevance for the development of the LSG</i> and for reductions of fee amounts that are paid for residential buildings.	An act has been adopted which lays down conditions and criteria for determining who is eligible for additional reductions when paying fees for <i>structures that have special relevance for the development of the LSG</i> , and for reductions of fee amounts that are paid for residential buildings.

**Field 13: Setting up working bodies at the LSG level**

**Field outline:** Article 36 of the Law on Local Self-Government provides that local assemblies can set up permanent or interim working bodies to deliberate on issues within the LSG purview, give opinions about regulation and decision proposals, as well as perform other duties as assigned by the Charter. On the other hand, the Law stipulates that issues related to the number, election, rights and duties of chairmen and membership of such bodies are to be determined by the LSG's Charter. Although the normative framework and jurisprudence do not necessarily indicate that there are any corruption types present in the process of setting up working bodies or in their work, the way in which this field has been provided for by regulations as well as information and analyses of practices therein indicate a considerable level of non-transparency, great discretionary powers of founders of such bodies and bodies themselves as well as possible uneconomical and inappropriate spending of public funds.<sup>36</sup> For instance, the current normative framework does not require from any public authority, even at the LSG level, to create a registry or an integral record which would contain information about permanent or interim working bodies that have been set up, their total number and spending of operating funds, results of their work and objectives they achieve. Precisely in order to protect the public interest, which can be undermined by the way in which such working bodies are currently set up, run and funded in practice, significant improvements could be made in this field. This can be achieved by adopting and implementing a local anti-corruption plan, in particular with regard to identified problems, such as: lack of integrated records about permanent or interim working bodies that have been set up, their total number and spending of operating funds, lack of clearly set objectives, tasks and deadlines, lacking or inadequate legal grounds for setting up working bodies, lack of clear conditions and criteria for electing members of such working bodies and their number, regulations which govern the issue of rights to receive remuneration and the ambiguous relationship between working bodies and regular duties of other LSG authorities and administration.

**Objective 13.1 Putting in place a system for implementing accountability and control in the process of setting up working bodies and their work at the LSG level**

Objective indicators	Base value	Target (projected) value
Public policies have been adopted at the LSG level to put in place a system for implementing accountability and control in the process of setting up working bodies and their work.	Number of public policies in place and/or their character, <i>please provide a description</i>	<i>Number of public policies in place and/or their character, please provide a description</i>

No.	Measure	Indicator of measure implementation (quality)
13.1.1	Impose a duty to set objectives, tasks (activities) and deadlines in which working bodies will accomplish their tasks or report to the founder about their work.	The duty has been imposed by a general act or duties have otherwise been assigned to ensure that each individual act on setting up a working body must list objectives, tasks (activities) and deadlines in which that working body must accomplish its tasks or report to the founder about its work.
13.1.2	Impose a duty to cite legal grounds for setting up each individual working body.	The duty has been imposed by a general act or duties have otherwise been assigned to ensure that each individual act on setting up a working body must also cite legal grounds therefor but which are not only to be referred to as the general competence assigned under the Law on Local Self-Government.

<sup>36</sup> For more information on this field and problems identified therein, please refer to the State Audit Institution's *Performance Audit Report – How justified is it to set up commissions and other permanent and interim working bodies in the public sector?* available at <http://dri.rs/revizije/izvestaji-o-reviziji.136.html>.

No.	Measure	Indicator of measure implementation (quality)
13.1.3	Adopt mandatory conditions and criteria to be applied when appointing members of working bodies.	The duty has been assigned by a special general act, amendments made to the Charter or the Rules of Procedure of the LSG's assembly; conditions and criteria warrant that people who are appointed to working bodies are experts in the fields those bodies deal with.
13.1.4	Regulate the issue of remunerations to be received for serving on such bodies.	The issue of rights to receive remuneration has been provided for by a general act issued by the LSG; individual decisions on setting up working bodies contain a rationale for giving or not giving remuneration as well as a method of its calculation due to differences in the type and volume of work done by working bodies.
13.1.5	Impose a duty to carry out an analysis of the existing institutional framework for the field in question prior to issuing decisions to set up any working body.	Any decision on setting up a working body must also contain a rationale based on which it is possible to determine if the scope of activities or objectives and tasks of the working body overlap with the competences of the existing LSG authorities.

**Objective 13.2 Increasing the transparency of the process of setting up working bodies and their work at the LSG level**

Objective indicators	Base value	Target (projected) value
A public access registry of information about all working bodies at the LSG level has been created.	Number of working bodies at the LSG level about which there is publicly available information <i>versus</i> the total number of working bodies	Number of working bodies at the LSG level about which there is publicly available information <i>versus</i> the total number of working bodies

No.	Measure	Indicator of measure implementation (quality)
13.2.1	Ensure full availability of information about all working bodies established at the level of the LSG.	A registry that has been created and publicised on the LSG's website contains the following information: number, name and make-up of all working bodies; legal grounds for their establishment; a mandate given to such bodies; their objectives, tasks, deadlines, amounts of remuneration given to their members and other relevant data.

**Field 14: Public procurement**

**Field outline:** Public procurements have been the focus of persistent attention of various anti-corruption policies both in Serbia and worldwide on account of their inherent characteristics. A lot of progress has been made towards curbing corruption in this field by passing the new 2012 Law on Public Procurement and several amendments thereto (*Official Gazette of the RS*, No. 124/12, 14/15 and 68/15), the Public Procurement Development Strategy of the Republic of Serbia for the period 2014-2018 and the Action Plan for its implementation. However, certain issues regarding previous implementation of the Law have already required making amendments thereto, which has also demonstrated that it is possible and necessary to make further improvements to the implementation of currently effective regulations in the field of public procurement at the institutional level. The ACAS has come to this conclusion based on, among other things, its visits to institutions in the process of the review of their integrity plans, in which public procurements make one of those areas that are common to the entire public sector.

Efforts to suppress corruption and irregularities that arise in public procurement procedures are usually inconsistent with more or less warranted calls for allowing greater efficiency of procedures, i.e. greater speed at which goods and services are procured to serve the needs of the public sector and to facilitate its adequate functioning. In addition, calls for ensuring much needed competitiveness at the market are also in certain regards inconsistent with anti-corruption policies and measures even though at first glance they should be compatible since greater competition entails greater mutual control between bidders, which leads to minimising potential corruptive influences on contracting authorities. However, this is rarely the case because in fields in which competition is strong and the system is poorly resistant to corruptive influences, both the intensity and the ways in which bidders influence contracting authorities to award them contracts for specific public procurements undergo exponential growth. Amendments made to the Law on Public Procurement in 2015 have resulted in increased efficiency and competitiveness, but at the same time, they have left new and additional room for corruptive influences. This relationship between various demands and expectations of public procurement procedures, which are sometimes mutually limiting, cannot be defined only once or in advance as final. Instead, it is the constant pursuit of an optimum proportion in which such demands will be adequately and reasonably represented, all with the aim of serving the public interest in the best possible way. This is precisely why it is important that each individual institution, even those at the LSG level, should adopt internal regulations on these procedures. While the Law provides a framework which is both general and common to the entire public sector, each individual executive who believes that the anti-corruption aspect of the public procurement procedure needs to be strengthened can achieve that by using various mechanisms of *good governance*. As regards LSG authorities, these mechanisms can be incorporated into their local anti-corruption plans. The 2015 amendments to the Law on Public Procurement include solutions that have apparently increased the efficiency of the procedure, but which can pose a problem from the point of view of corruption risks. This refers to the following aspects, which will be focused on in more detail in the Model LAP: conducting procedures for mixed and low-value procurements, the issue of initiating public procurement procedures for reasons of urgency, proving compliance with requirements for participating in public procurements and transparency of public procurement procedures. In addition, LSGs are invited to add other objectives and measure to this field based on their own practice and problems encountered in the process of implementing public procurements.

**Objective 14.1 Minimising and overseeing discretionary powers in the process of making decisions about types of public procurements to be announced**

Objective indicators	Base value	Target (projected) value
Amendments to internal acts have been adopted in the field of public procurement to facilitate further regulation of how mixed procurements, low-value procurements and public procurements announced for reasons of urgency are to be handled.	Description of the oversight system used for handling mixed and low-value public procurements and public procurements announced for reasons of urgency	Description of the oversight system used for handling mixed and low-value public procurements and public procurements announced for reasons of urgency

No.	Measure	Indicator of measure implementation (quality)
14.1.1	Impose a duty to provide additional rationale for the circumstances, needs and feasibility of conducting procedures for mixed public procurement.	The duty should be imposed by amending the internal legal framework in the field of public procurements to stipulate that in cases when mixed public procurements are announced, special rationales for circumstances, needs and feasibility are to be prepared.
14.1.2	Impose a duty to send invitations to bid to at least one bidder that is engaged in the activity subject to the bid in cases of low-value public procurements (under RSD 500,000) and if this is not possible, to provide a mandatory rationale for making such a decision.	The duty should be imposed by amending the internal legal framework in the field of public procurements to stipulate that in cases of low-value public procurements invitations to bid must be sent to at least one bidder that is engaged in the activity subject to the bid and if this is not possible, that a mandatory rationale for making such a decision must be provided. What is thus eliminated from the process is responsible one's 'personal belief' that those entities to which they send invitations to bid can implement the procurement regardless of the activity they are engaged in.
14.1.3	Impose a duty to define the reasons of urgency.	The duty should be imposed by amending the internal legal framework in the field of public procurements to stipulate that the concept of urgency needs to be defined when possible (e.g. for cases of public procurements that have so far been most commonly announced as urgent by the LSG).
14.1.4	Impose a duty to define "other appropriate ways of providing proofs, which may also include manufacturer's technical documents".	The duty should be imposed by amending the internal legal framework in the field of public procurement to stipulate cases, types of public procurements and manners in which it is defined what constitutes another appropriate way of providing proofs when in order to be considered eligible for participating in a public procurement, bidders are required that their goods, services and works have social and other characteristics (e.g. environmental or safety features, energy efficiency, and the like).

Objective 14.2 Improving transparency and oversight of the public procurement system		
Objective indicators	Base value	Target (projected) value
<p>All documents that are produced in the course of public procurement procedures are made public (unless they are subject to publication restrictions that are defined under other acts).</p> <p>Number of public representatives, citizen watchdogs, who take part in preparation, conduct or oversight of public procurement procedures.</p>	<p>Number and/or character of documents that are produced in the course of public procurement procedures and made public (on average).</p> <p>Number of public procurement procedures in which a citizen watchdog has been engaged <i>versus</i> the total number of public procurement procedures over a specific period of time.</p>	<p>Number and/or character of documents that are produced in the course of public procurement procedures and made public (on average).</p> <p>Number of public procurement procedures in which a citizen watchdog has been engaged <i>versus</i> the total number of public procurement procedures over a specific period of time.</p>

No.	Measure	Indicator of measure implementation (quality)
14.2.1	Impose a duty to publish all documents that are produced in the course of public procurement procedures.	This duty needs to be imposed by making amendments to the internal legal framework in the field of public procurements or by adopting special guidelines for publishing all documents that are produced in the course of public procurement procedures, not only those that are expressly provided for by statutory law as public documents (e.g. protocols of bid evaluation, reports on expert assessments, reports on monitoring and implementation of public procurements, etc).
14.2.3	Define which types of public procurements are to be handled by the LSG and which must involve public representatives – citizen watchdogs.	An internal act has been adopted for the field of public procurements which stipulates types of public procurement procedures in which it is mandatory to involve public representatives – citizen watchdogs. The stipulations of mandatory involvement by public representatives, citizen watchdogs, should be made for the stages of preparation, conduct (work of public procurement procedures committees) or oversight of the awarded public contracts.

**Field 15: Strengthening internal mechanisms of financial control**

**Field outline:** Each individual public authority should be responsible for managing public resources that are within its purview. In order for those authorities to be able to serve this very important function, internal mechanisms of financial control need to be put in place and strengthened; what also needs to be improved are the internal controls over the spending of public funds. Former practice in this field has shown considerable shortcomings, such as the following: the existing budgeting systems of public authorities are neither transparent nor adequate enough from the standpoint of allowing for objective monitoring and efficient control; there is no integrated legal framework for putting this mechanism in place; the scope of entities or public authorities which are required to introduce these mechanisms is limited only to specific state authorities; criteria for putting the mechanisms in place are laid down only in respect of the number of employees and not the available budget; internal auditors are not independent in their work since they are subordinate to the heads of authorities with which they are employed; public authorities lack capacities and trained staff that would be responsible for efficient financial management and control; and so forth. All these shortcomings affect particularly the LSGs that have additionally been troubled by a lack of necessary staff and resources due to which they are unable to oversee the budget and perform internal audits and financial management and control in an adequate manner. In spite of numerous limitations faced by the majority of LSGs in Serbia, their local anti-corruption plans *must envisage at least making arrangements for the process of putting into place an adequate system of internal audit and financial management and control*. They should foresee as well the *building of capacities of budget inspections where they lack capacities for adequate work*. The term of local anti-corruption plans must be such that it allows for conducting mandatory analyses of existing resources and capacities and providing for internal reassignment of staff, their training or employment of new personnel who would be in charge of these fields that play a very important part in the process of curbing corruption.

**Objective 15.1 Putting in place an efficient system of internal audit at the LSG level**

Objective indicators	Base value	Target (projected) value
Adopting public policies at the LSG level which allow for putting into place the system of internal audit.	Number of public policies in place and/or their character, <i>please provide a description</i>	<i>Number of public policies in place and/or their character, please provide a description</i>

No.	Measure	Indicator of measure implementation (quality)
15.1.1	Carry out an analysis of the LSG's needs, resources and capacities for putting into place the system of internal audit pursuant to the <i>Rulebook on joint criteria for organisation and standards and methodological guidelines for conducting and reporting on internal audit in the public sector</i> (Official Gazette of the RS, No. 99/11 and 106/13)	The analysis of the LSG's needs, resources and capacities for putting into place one of three possible models of the internal audit system has been carried out pursuant to Article 3 of the <i>Rulebook on joint criteria for organisation and standards and methodological guidelines for conducting and reporting on internal audit in the public sector</i> (Official Gazette of the RS, No. 99/11 and 106/13).



No.	Measure	Indicator of measure implementation (quality)
15.1.2	Create normative, organisational, staffing, material and technical prerequisites for putting into place the system of internal audit based on the results of the analysis of LSG's needs, resources and capacities.	A legal act has been adopted whereby the system of internal audit is put in place; Amendments to the job classification document have been adopted thus introducing new posts for employees in charge of internal audit; Persons have been employed or current employees have been assigned to conduct internal audits; Conditions have been created for providing training to persons in internal audit and their certification in cases when there is no trained or certified staff (sitting for the exam for certified auditors, attending required training organised by the Central Harmonisation Unit within the Ministry of Finance, etc). Material and technical prerequisites have been created for proper functioning of the internal audit system (by allocating its budget, providing premises and equipment, etc).
15.1.3	Ensure efficient functioning of the internal audit system.	The following documents have been adopted: a three-year strategic plan for the system of internal audit, annual plan for the system of internal audit and plans for individual audits; A system for preparation and submission of audit reports has been adopted; A system for following recommendations from audit reports has been put in place.

**Objective 15.2 Putting in place an efficient system of financial management and control**

Objective indicators	Base value	Target (projected) value
Public policies have been adopted at the LSG level to allow putting in place a system of financial management and control.	Number of public policies in place and/or their character, <i>please provide a description</i>	<i>Number of public policies in place and/or their character, please provide a description</i>

No.	Measure	Indicator of measure implementation (quality)
15.2.1	Carry out an analysis of LSG's needs, resources and capacities for putting into place the system of financial management and control pursuant to the <i>Rulebook on joint criteria and standards for establishing, functioning and reporting on the system of financial management and control in the public sector (Official Gazette of the RS, No. 99/11, 27 December 2011)</i>	The analysis of the LSG's needs, resources and capacities for putting into place the system of financial management and control has been carried out pursuant to the <i>Rulebook on joint criteria and standards for establishing, functioning and reporting on the system of financial management and control in the public sector (Official Gazette of the RS, No. 99/11, 27 December 2011)</i>

No.	Measure	Indicator of measure implementation (quality)
15.2.2	Create normative, organisational, staffing, material and technical prerequisites for putting into place the system of financial management and control based on the results of the analysis of LSG's needs, resources and capacities.	A legal act has been adopted whereby the system of financial management and control is put in place; Amendments to the job classification document have been adopted thus introducing new posts for employees in charge of financial management and control; Persons have been employed or current employees have been assigned to be responsible for financial management and control; Conditions have been created for providing training to persons in charge of financial management and control in cases when there is no trained staff (attending required training and the like). Material and technical prerequisites have been created for proper functioning of the financial management and control system (the budget, premises and equipment, and so forth).
15.2.3	Ensure efficient functioning of the system of financial management and control.	A plan and schedule for the system of financial management and control has been adopted; A system for preparation and submission of reports on financial management and control has been adopted; A system for following recommendations from reports on financial management and control has been put in place.

### Objective 15.3 Strengthening the system of control over the budgetary funds of the LSG budget beneficiaries

Objective indicators	Base value	Target (projected) value
Increasing the number of budget inspectors; Increasing the number of checks carried out by budget inspectors over a specific period of time ( <i>specify the level at which these checks are performed</i> ).	Number of budget inspectors Number of checks carried out by budget inspectors over a specific period of time ( <i>specify the level at which these checks are performed</i> )	Number of budget inspectors Number of checks carried out by budget inspectors over a specific period of time ( <i>specify the level at which these checks are performed</i> )

No.	Measure	Indicator of measure implementation (quality)
15.3.1	Carry out an analysis of LSG's needs, resources and capacities for strengthening the budget inspection service that is founded by the LSG pursuant to the Law on Budgetary System ( <i>Official Gazette of the RS</i> , No. 54/09, 73/10, 101/10, 101/11, 93/12, 62/13, 63/13 – Corrigendum, 108/13, 142/14, 68/15 – other Act, 103/15 and 99/16).	The analysis of LSG's needs, resources and capacities for strengthening the budget inspection service that is founded by the LSG pursuant to the Law on Budgetary System has been carried out.

No.	Measure	Indicator of measure implementation (quality)
15.3.2	Ensure efficient functioning of the budget inspection service founded by the LSG pursuant to the Law on Budgetary System and based on the results of the analysis of LSG's needs, resources and capacities.	<p>Amendments to the job classification document have been adopted thus allowing for an increase in the number of budget inspector posts based on the needs analysis;</p> <p>New budget inspectors have been employed or existing employees have been reassigned to posts within the budget inspection based on the needs analysis;</p> <p>A system for preparation of the plan and schedule for budget inspection checks has been put in place;</p> <p>It has been ensured that measures stated in budget inspection's resolutions will be implemented in accordance with the Law on Budgetary System (e.g. consistent suspension of payments to indirect budgetary beneficiaries in cases of irregularities and failure to take measures stated in resolutions, issuing orders for return of funds, and the like).</p>

### **Field 16: Strengthening the mechanisms of community oversight and control in the process of planning and implementing LSG's budget**

**Field outline:** LSG's budget is a legal document which sets out an estimate of revenues and expenditures over a calendar year. However, a budget is much more than that – it is one of the most important local public policies and the chief instrument for implementing projects that are relevant for the public interest of the local community. If an LSG fails to draw up a well-planned, sufficiently transparent and optimally controlled budget, the risk of improper spending of usually very limited amounts of money available to it becomes extremely high. In addition to the risk of improper spending (i.e. spending that is not proportionate to the actual needs of the local community), other various forms of corruption risks arise and persist in circumstances of poor planning, insufficient transparency and a lack of external oversight of how the funds from the budget are spent. The common denominator of those risks is the misuse of public money for various private interests, may they be personal, group, those of political parties or others. Despite constant efforts to make the process of managing the local budget more open to the public and resistant to the risks of corruption, discretionary decisions or unplanned and improper spending (e.g. by introducing mandatory public hearings on the local budget), this process needs to be constantly strengthened and kept under scrutiny by the concerned public. Once achieved level of progress in this field does not imply that it will self-preserve in the future due to the fact that all public authorities show an 'inherent tendency' to keep information about their budgets out of the public eye as much as possible. In addition, the modern mass media and the emergence and widespread use of the Internet and social media have resulted in a growing need for and a possibility of strengthening transparency of any public policy, even those that related to the management of public finances.

In addition to public hearings, which are one of the most accepted ways of getting the public involved in the process of drawing up local budgets, LSG have a chance to ensure greater participation, higher transparency and better public control in this field by developing their local anti-corruption plans. What needs to be done with this end in view is introduce measures and carry out activities to improve and boost the dissemination of information to the public about the budget cycle; moreover, projects funded from the local budget need to rely more on the needs and interests of the local community and LSG authorities need to be assigned a duty to report more frequently and more thoroughly about the execution of the public budget and expenditures. Special attention should be given to dissemination of information about the state of the local budget in the way, format and language that can be understood by the widest majority of the local population and this can be achieved by assigning a duty to regularly prepare citizens' guides to local budgets.

### **Objective 16.1 Putting in place an efficient system of information dissemination and engaging the public in the process of planning the local budget and overseeing public expenditure**

<b>Objective indicators</b>	<b>Base value</b>	<b>Target (projected) value</b>
Internal procedures have been adopted and the organisational framework has been put in place to allow for increasing transparency, minimising discretionary powers and strengthening citizens' oversight and control over the local budget.	Character of the LSG's framework and practice that exist in this field	Character of the LSG's framework and practice in this field after the implementation of LAP measures

<b>No.</b>	<b>Measure</b>	<b>Indicator of measure implementation (quality)</b>
16.1.1	Impose a duty to disseminate information to the public about the stages and course of each budget cycle.	LSG's internal framework has been adopted to stipulate as follows: Plan and schedule for disseminating information to the public about the budget cycle; Means (ways) of disseminating information; Means (ways) of monitoring the results and effects of information dissemination.

No.	Measure	Indicator of measure implementation (quality)
16.1.2	Impose a duty to properly involve the concerned public in the process of planning and drawing up a budget.	LSG's internal framework has been adopted to stipulate as follows: Plan and schedule of engaging the concerned public in the process of planning and drawing up the budget; Methods (ways) to engage the public should include: Public hearings, Surveys about the priorities of the local community, Other forms of listening to the citizens' voice and collecting project proposals that are relevant to the local community in line with the current and available budgetary framework. Duty to classify, analyse and publish the results of involving the concerned public in the process of planning and drawing up the budget.
16.1.3	Impose a duty to report to the public about the implementation of the local budget.	LSG's internal framework has been adopted to stipulate as follows: Forms of reporting to the public about the implementation of the local budget; Frequency with which reports about the implementation of the local budget are to be presented.
16.1.4	Impose a duty to regularly prepare Citizens' Guides to LSG's budgets. <sup>37</sup>	A Citizens' Guide to the local budget must include at the minimum the following elements drafted in a way that can be understood by the widest majority of the local population: Summary of the processes of planning, preparing, adopting, implementing and overseeing the local budget; List of budget beneficiaries; Outline of budget revenues; Outline of budget expenditures; Summary of programmes/projects funded from the budget; Changes in the local budgeting policy in relation to the previous year(s) and plans for the next year(s).

<sup>37</sup> For more details about the possible format and way of preparing Citizens' guides to LSG budgets, please refer to the example of ten cities and municipalities that took part in the project *Participatory budgeting for 2016 in ten local communities* carried out by the Balkan Investigative Reporting Network (BIRN) and available at <http://birnsrbija.rs/prvi-gradanski-vodici-kroz-budzet-u-10-lokalnih-zajednica-u-srbiji>.

**Field 17: Creating legal, institutional, organisational and technical prerequisites for coordinating the implementation of the LAP and its monitoring**

**Field outline:** Coordination and monitoring of LAP implementation play a key role in its application. That is why it is necessary that every LSG should designate a person/body in charge of coordinating the activities of responsible entities at the LSG level and set up a body that will be responsible for monitoring its implementation and informing the public and other concerned actors in the local community. It needs to be stressed that measures and activities described in the LAP are to be implemented by LSG authorities, while the body in charge of monitoring LAP implementation monitors if these measures and activities are implemented in the way defined by the LAP. It is thus vital that the body in charge of monitoring LAP implementation be independent of the LSG, i.e. its authorities, executives and officers. In that regard, the LSG should organise and ensure that the process of appointing members to this body is carried out in a manner which will ensure that further along the way this body can function independently; it should also create necessary conditions for the work of this body. In addition, the body should cooperate with other LSG authorities to define its own range of duties and activities which will encompass not only the monitoring of LAP implementation, but also include starting its own initiatives; giving advice and opinions about LAP implementation; responding to applications filed on account of suspected non-compliance with the LAP or failure to implement it; giving recommendations about what steps should be taken in case of failure to implement measures or breach of the LAP; as well as proposing citizen watchdogs to monitor the implementation LAP measures for which this tool has not been envisaged.

**Objective 17.1 Creating legal, institutional, organisational and technical prerequisites for monitoring LAP implementation**

Objective indicators	Base value	Target (projected) value
A person/body in charge of coordinating the process of implementation of LAP activities by responsible entities has been appointed. A body in charge of monitoring LAP implementation has been set up <sup>38</sup> . LAP measures have been implemented according to their respective indicators and other LAP elements.	Not applicable (N/A)	Not applicable (N/A)

No.	Measure	Indicator of measure implementation (quality)
17.1.1	Designate a person/body at the level of the LSG to be in charge of coordinating the process of implementation of LAP activities by responsible entities.	The person/ body in charge of coordinating the process of implementation of LAP activities by responsible entities has a duty to take care of the deadlines for implementing activities; notify in a timely fashion responsible entities about due dates and immediate liabilities; bring in technical, organisational and administrative alignment the work of the officers/organisational units and LSG authorities in the process of implementing LAP activities.

<sup>38</sup> A proposal of how to arrange the process of electing members of the body in charge of monitoring LAP implementation and organise its work is given based on the practice and experiences of the Niš Anti-Corruption Forum. For more information and documents, please visit [www.ni.rs/institucije/organizacije/laf](http://www.ni.rs/institucije/organizacije/laf) and [www.lafnis.rs/dokumenta](http://www.lafnis.rs/dokumenta).

No.	Measure	Indicator of measure implementation (quality)
17.1.2	Set up a commission to elect the members of the body that is in charge of monitoring LAP implementation. <sup>39</sup>	<p>1. Local actors that must be appointed to the commission include representatives of LSG authorities, local NGOs and citizens' associations, the local media and citizens as well representatives of other public authorities (both central and provincial) working in the local community, but not forming an integral part of the LSG system (e.g. representatives of judicial and other authorities). It is recommended that the representatives of the LSG and other public authorities (central and provincial) working in the local community should not form the majority in the commission.</p> <p>2. The commission adopts its own Rules of Procedure, lays down conditions, criteria and standards for appointing members of the body in charge of monitoring LAP implementation, announces public invitations to apply for seats on the LAP monitoring body, i.e. announces and conducts the open competitive procedure for the election of body's members. With the aim of ensuring independence of this body, it should be required that under the applicable conditions, candidates or members of the future body among other things,</p> <ol style="list-style-type: none"> <li>1. May not hold an office in any political party;</li> <li>2. May not hold public office in terms of the provisions contained in the Law on Anti-Corruption Agency;</li> <li>3. Are not employed or engaged with any of LSG authorities on any grounds (temporary and permanent placement, outside employment);</li> <li>4. Have a permanent place of residence in the territory of the LSG;</li> <li>5. Have not been convicted of any corruption offences and no court proceedings are conducted against them in connection with such offences.</li> </ol> <p>3. The commission receives and considers applications, evaluates if they meet formal requirements, administers oral and/or written tests to examine candidates and makes a ranking list on the basis of adopted criteria,<sup>40</sup> publishes the ranking list of received applications and records of its work.</p> <p>4. Commission members state in writing that they have no private interest in connection with applicants or they are exempted from the commission if such interest does exist.</p> <p>5. The commission submits to the LSG's Assembly a ranking list of candidates who have applied to serve on the body with a rationale.</p>

39 The body is referred to as "body for monitoring the LAP implementation" in the Model according to its main role or task it is charged with. It is recommended that every LSG should name this body differently and a possibility has been left open to do so; some suggestions include a local anti-corruption body, local anti-corruption committee, local anti-corruption council/forum/commission or something along those lines.

40 Some of the minimal criteria to be applied when making the ranking list, which need to be adopted by the commission in advance, should include the following: (1) familiarity with national and international anti-corruption documents and regulations; (2) familiarity with the situation in the field of fight against corruption, i.e. relevant practices and cases; (3) personal motivation to sit on a body which monitors the implementation of LAP; (4) proposals for improving steps that are taken with the aim of preventing and suppressing corruption, in particular at the local level; (5) view of the place, role and activities of the body in charge of monitoring LAP implementation; (6) experience in fighting corruption; and (7) personal and professional integrity.

No.	Measure	Indicator of measure implementation (quality)
17.1.3	Appoint members of the body in charge of monitoring LAP implementation or adopt an act on setting up such a body.	The LSG Assembly makes a decision about selecting candidates to sit on the body in charge of monitoring LAP implementation or adopts an act on setting up such a body based on the results of the open competitive procedure conducted by the commission or based on the candidates' ranking list; It should be provided that in order to appoint and dismiss the body in charge of monitoring LAP implementation, the majority of all councillors must vote in favour thereof.
17.1.4	Create the necessary technical, staffing and material conditions for the work of the body in charge of monitoring LAP implementation.	Competent LSG authorities and administrations provide the pre-mies, equipment, budget and administrative and technical support (an administrative assistant at least) to facilitate the work of the body in charge of monitoring LAP implementation.
17.1.5	Adopt acts that govern the work of the body in charge of monitoring LAP implementation.	The body in charge of monitoring LAP implementation adopts its own Rules of Procedure and other relevant acts in cooperation with competent LSG authorities and administrations. Acts governing the work of the monitoring body should envisage its activities that can be relevant not only to its functioning but also to facilitating the elimination of corruption risks as well as to achieving some other goals, such as raising awareness of the local community about why suppressing corruption is important and ways in which corruption can be identified and suppressed; strengthening the supervisory role of this body (e.g. by organising seminars, training activities and workshops, publishing reports and disseminating information about the situation in the field of combating corruption at the local level, carrying out or participating in activities and projects related to combating corruption at the local level, organising coordination meetings with representatives of other authorities working in the community, launching its own initiatives, giving advice and opinions regard LAP implementation, responding to applications filed on account of suspected non-compliance with the LAP or failure to implement it, recommending which steps should be taken in cases when LAP measures are either not implemented or breached, as well as proposing the citizen watchdog to monitor the implementation LAP measures for which this tool has not been envisaged). <sup>41</sup>

<sup>41</sup> As regards the fields in which the body engaged in monitoring LAP implementation may take action or steps, please refer to the activities mentioned in the City of Niš Local Anti-Corruption Plan, *Official Gazette of the City of Niš*, No. 55/11.



No.	Measure	Indicator of measure implementation (quality)
17.1.6	Adopt an act to govern the process of monitoring LAP implementation.	<p>The body in charge of monitoring LAP implementation adopts, in cooperation with relevant LSG authorities and administrative units, an act to lay down the manner of LAP monitoring, which includes at a minimum:</p> <ul style="list-style-type: none"> <li>• Manner of and deadlines for reporting to the responsible entities about measures and activities prescribed by the LAP;</li> <li>• Manner of collecting other (alternative) information about the state and status of measures and activities prescribed by the LAP;</li> <li>• Deadlines for drafting and publishing reports on monitoring LAP implementation; reports are submitted to the LSG's Assembly and presented to the public at least once a year;</li> <li>• Measures that need to be taken and how to demand accountability of relevant LSG's services and authorities as well as other public authorities and local actors in the event of failure to implement measures or carry out activities prescribed by the LAP;</li> <li>• Proposal for potential LAP revisions in line with changes of the legal framework, circumstances in the LSG and local community or due to problems and challenges that may arise in connection with LAP implementation.</li> </ul>



## **6. ANNEXES**

6.1. Annex 1:

Format of the Local Anti-Corruption Plan that needs to be adopted by LSGs and an example thereof

Format of LAP table to be used by LSGs (including elements from the Model and additional elements to be defined by each individual LSG)

<b>Field:</b> THE NUMBER AND NAME OF THE FIELD SHOULD BE TAKEN FROM THE MODEL LAP	
<b>Field outline:</b> TO BE TAKEN FROM THE MODEL LAP AND MODIFIED, AMENDED OR REVISED IN LINE WITH INFORMATION AND SPECIFICITIES OF EACH LSG AND LOCAL COMMUNITY (as described in the guidelines for adopting the LAP)	

Objective 1. 1: TO BE TAKEN FROM THE MODEL LAP		
Objective indicators	Base value	Target (projected) value
TO BE TAKEN FROM THE MODEL LAP	TO BE TAKEN FROM THE MODEL LAP AND AMENDED IN LINE WITH THE SPECIFIC INFORMATION RELEVANT TO THE LSG	TO BE TAKEN FROM THE MODEL LAP AND AMENDED IN LINE WITH THE SPECIFIC INFORMATION RELEVANT TO THE LSG

No.	Measure	Indicator of measure implementation (quality)	Activities	Activity indicators	Responsible entities	Deadline	Required resources	Remarks
1.1.1	TO BE TAKEN FROM THE MODEL LAP	TO BE TAKEN FROM THE MODEL LAP	TO BE DEFINED BY THE LSG	TO BE DEFINED BY THE LSG	TO BE DEFINED BY THE LSG	TO BE DEFINED BY THE LSG	TO BE DEFINED BY THE LSG	TO BE DEFINED BY THE LSG
1.1.2	TO BE TAKEN FROM THE MODEL LAP	TO BE TAKEN FROM THE MODEL LAP	TO BE DEFINED BY THE LSG	TO BE DEFINED BY THE LSG	TO BE DEFINED BY THE LSG	TO BE DEFINED BY THE LSG	TO BE DEFINED BY THE LSG	

**Note:**  
Make as many copies of the second segment of the table as needed (for each individual objective)  
Example of one LAP objective for one field

<b>Field 1: Adoption of regulations by the City of _____ / _____ municipal authorities</b>		
<b>Field outline:</b> As can be seen from various analyses and surveys, in principle, the process of adopting regulations in Serbia is not transparent enough and the concerned public is often prevented from participating in the process even when there is a reasonable interest for involving the public. Also, regulations are publicised only to a limited extent to comply with what is considered the statutory minimum (such as publishing regulations in official journals which are not the typical or most common sources of information for the wider public). The Action Plan for Implementation of the National Strategy envisages that LSGs should amend their charters or rules of procedure of their assemblies with a view to strengthening the instrument of public hearings and thus potentially increasing the impact of the concerned public. In addition to amendments to the local legal framework, the LAP can and should substantially enhance further public participation in other ways as well, not only by envisaging public hearings which are certainly the most important instrument.		
<b>Objective 1.1: Increasing transparency in the process of adopting regulations</b>		
<b>Objective indicators</b> Public policies have been adopted at the level of the City/municipality of _____ to allow for full transparency of the process of adopting regulations	<b>Base value</b> <i>At the moment of LAP development, transparency of the adoption process is defined only by the Charter, which provides that the work of City/municipal authorities must be public or that City/ municipal Assembly meetings are open to the public.</i>	<b>Target (projected) value</b> <i>During the period of LAP implementation, at least two additional general legal acts need to be adopted to allow full transparency of the process of adopting regulations (the one concerning the fields/types of regulations for which public hearings must be held in the process of adoption of relevant regulations and the one concerning organisation and conduct of public hearings). Thus, the target value for this indicator will be at least three general legal acts in this field.</i>

No.	Measure	Indicator of measure implementation (quality)	Activities	Activity indicators	Responsible entities	Deadline	Required resources	Remarks
1.1.1	Define fields in which/types of regulations for which public hearing must be conducted in the process of adopting regulations.	Fields/types of regulations have been defined by an LSG's general legal act (such as LSG Assembly decision, mandatory guidelines issued by the LSG Assembly, a rule-book governing the public hearing process).	The City/municipal Assembly should adopt a decision on fields in which/types of regulations for which public hearings must be conducted in the process of adopting regulations	The City/municipal Assembly has adopted the decision.	Speaker of the City/municipal Assembly	31 December 2017	No additional resources are needed to carry out this activity.	In the process of determining for which fields/types of regulations public hearings must be held, existing statutory solutions on mandatory public hearings must be consulted and these can and should be expanded to include the fields/types of acts for which the LSG believes that they require mandatory public hearings.

No.	Measure	Indicator of measure implementation (quality)	Activities	Activity indicators	Responsible entities	Deadline	Required resources	Remarks
1.1.2	Lay down rules for conducting public hearings.	Rules that govern the conduct of public hearings comprise the following elements: publication of a notice of the public hearing which includes the duration of the hearing, forms in which it will be organised and draft regulation that is under consideration; organising at least one public meeting to be attended by the concerned public and officer/official in charge of the field governed by the proposed regulation; publishing a report on the public hearing that includes all proposals received during the public hearing period and information about actions taken in respect of those proposals, along with mandatory stating of reasons for rejecting proposals partly or completely.	Adopt a Rulebook on holding public hearings which includes the elements mentioned in the indicator of measure implementation (quality).	The Rulebook on holding public hearings has been adopted.	Head of City/Municipal administration	31 March 2018	No additional resources are needed to carry out this activity	

**Note:**

Make as many copies of the second segment of the table as needed (for each individual objective)

## 6.2. Annex 2: Format of the Report on Adoption of the Local Anti-Corruption Plan

*The Report on the Adoption of the Local-Anticorruption Plan* is a document which should include all necessary information about the process of LAP adoption. It is very important as it will be used for assessing the quality of the process and therefore the quality of the document itself. What constitutes a particularly significant part of reporting is the attitude of the working group towards the measures defined in the Model since LAP's compliance with what has been envisaged in the Model depends on it. The Report on the Adoption of the Local Anti-Corruption Plan needs to be publicised on the LSG's website or made available to the public in other ways used by the LSG for disseminating information about its work.

One of possible models of Report's contents is given below and every LSG or working group can amend it using some other elements.

### Model of the Report on the Adoption of the Local-Anticorruption Plan for the City/Municipality of \_\_\_\_\_:

**1. Information about the working group that was in charge of preparing the Local Anti-Corruption Plan** (date of setting up, names and positions of group members, their tasks and other relevant information about the working group).

**2. Information about the activities of the working group** (how many meetings they have had, mode of operation and rules of procedure, problems and challenges that have arisen in their work and other relevant information about group's activities).

**3. Analysis of the Model LAP and the relation towards the elements of the Model.**

For each measure envisaged by the Model LAP, enter its status in relation to the municipal/city LAP according to the following classification:

1. *The measure has been completely taken over from the Model LAP;*
2. *The measure has been taken over with some modifications;* if the status of the measure is such that the working group has taken the measure from the Model and modified it, it is important to registry modifications so that changes could be monitored property in relation to the Model;
3. *The measure has not been taken over;* if the measure has not been taken from the Model LAP, reasons for not taking over the measure need to be stated. Reasons may include, for instance, that it has already been implemented or it is being implemented (it must be stated since when, in which way, which acts govern the issue and the like), that it cannot be implemented (along with reasons), that the measure is not within the purview of the LSG and the like.
4. *The measure has other status;* if its status differs from any other previous classification, enter the status as it is and provide a description.



For ease of reference, the working group could highlight the text of this important part of the Report or its background using the colours of *traffic lights* by marking with green the measures that have been taken over, while those that have been partly taken over would be marked with orange/yellow; finally, those that are not taken from the Model LAP would be marked with red.

Example:

	Status of the measure in the adoption process	Reasons
<b>Field 1.</b> <i>Adoption of regulations by authorities of local self-government (LSG)</i>		
<b>Objective 1.1</b> <i>Increasing transparency in the process of adopting regulations</i>		
<b>Measure 1.1.1</b> <i>Define fields in which / types of regulations for which public hearings must be conducted in the process of adopting regulations.</i>	The measure has been completely taken over from the Model LAP, i.e. it has become part of the LAP of the municipality of _____.	
<b>Measure 1.1.2</b> <i>Impose a duty to publish a report on preparation of draft regulation as part of the public hearing process.</i>	The measure has been taken over with certain modifications.	The measure has been specified in more detail and it now reads: <b><i>Impose a duty to publish a report on preparation of draft regulation within seven days from the day of finalising the draft regulation as part of the public hearing process.</i></b>
<b>Measure 1.1.3</b> <i>Lay down rules for conducting public hearings.</i>	The measure has not been taken over from the Model LAP.	The measure has already been implemented in the municipality of _____, i.e. the rules for conducting public hearings have been established by the <i>Guidelines on holding public hearings</i> adopted by the _____ (name of the LSG) on _____ (date).

**4. Comments about the public hearing organised in the process of LAP development** (this segment of the report should provide all information about the public hearing, such as when it was held or when it started and how long it lasted; how it was conducted, i.e. types of activities that were carried out; a summary of suggestions and comments received during the public hearing process and how the working group handled these comments, specifically, which of them have been endorsed in the original form, which comments have been modified and then endorsed and which comments have been rejected and why, etc).

**5. Closing remarks** (in this segment of the report, the working group can discuss/focus on issues that could not be included in any other segment of the report mentioned above).

### **6.3. Annex 3 List of legal and other acts used for the analysis of corruption risks and development of the Model of Local Anti-Corruption Plan**

Note: The list is formed according to the order of mentioning and citing

1. Action Plan for the EU Accession Negotiating Chapter 23.
2. National Anti-Corruption Strategy in the Republic of Serbia 2013-2018 (*Official Gazette of the RS*, No. 57/13)
3. Action Plan for Implementation of the National Anti-Corruption Strategy in the Republic of Serbia for the Period 2013-2018 (*Official Gazette of the RS*, No. 79/13.)
4. Law on Local Self-Government (*Official Gazette of the RS*, No. 129/07, 83/14 – other Act 101,/16 – other Act)
5. Law on Anti-Corruption Agency (*Official Gazette of the RS*, No. 97/08, 53/10, 66/11 – Constitutional Court Decision, 67/13 – Constitutional Court Decision, 112/13 – authentic interpretation 8/15 – Constitutional Court Decision).
6. Criminal Code (*Official Gazette of the RS*, No. 85/05, 88/05 – corrigendum, 107/05 – corrigendum, 72/09, 111/09, 121/12, 104/13, 108/14)
7. Law on Employees in Autonomous Provinces and Local Self-Governments (*Official Gazette of the RS*, No. 21/16)
8. Law on Whistle-blowers Protection (*Official Gazette of the RS*, No. 128/14)
9. Law on State-Owned Enterprises (*Official Gazette of the RS*, No. 15/16)
10. Decree on Standards for Appointing Directors of State-Owned Enterprises (*Official Gazette of the RS*, No. 65/16)
11. Law on Public-Private Partnerships and Concessions (*Official Gazette of the RS*, No. 88/11, 15/16 and 104/16)
12. Law on Public Property (*Official Gazette of the RS*, No. 72/11 and 88/13)
13. Law on Donations and Humanitarian Aid (*Official Gazette of the FRY*, No. 53/01, 61/01 – Corrigendum and 36/02 and *Official Gazette of the RS*, No. 101/05 – other Act)
14. Law on Associations (*Official Gazette of the RS*, No. 51/09)
15. Decree on Programme-Stimulating Funds or Lacking Portions of Funds Needed to Finance Common Interest Programmes Implemented by Associations (*Official Gazette of the RS*, No. 8/12)
16. Law on Public Information and the Media (*Official Gazette of the RS*, No. 83/14, 58/15 and 12/16 – authentic interpretation)
17. Rulebook on Co-Financing Projects that Advance Common Interests in the Field of Information Dissemination (*Official Gazette of the RS*, No. 16/16)

18. Law on Inspection Oversight (*Official Gazette of the RS*, No. 36/15)
19. Law on Planning and Construction (*Official Gazette of the RS*, No. 72/09, 81/09 – corrigendum, 64/10 – Constitutional Court Decision, 24/11, 121/12, 42/13 – Constitutional Court Decision, 50/13 – Constitutional Court Decision, 98/13 – Constitutional Court Decision, 132/14 and 145/14)
20. Public Procurement Development Strategy of the Republic of Serbia 2014-2018 (*Official Gazette of the RS*, No. 122/14)
21. Rulebook on joint criteria for organisation and standards and methodological guidelines for conducting and reporting on internal audit in the public sector (*Official Gazette of the RS*, No. 99/11 and 106/13)
22. Rulebook on joint criteria and standards for establishing, functioning and reporting on the system of financial management and control in the public sector (*Official Gazette of the RS*, No. 99/11 dated December 27, 2011)
23. Law on Budgetary System (*Official Gazette of the RS*, No. 54/09, 73/10, 101/10, 101/11, 93/12, 62/13, 63/13 – corrigendum, 108/13, 142/14, 68/15 – other Act, 103/15 and 99/16).

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