***Corruption Perception Index (CPI) for 2015***

**Stagnation in fight against corruption**

Second year in a row, Serbia has made a **mild downfall in the Transparency International's Corruption Perception Index** ranking. With the **score of 40, on a scale from 100 to 0**, this year Serbia takes **71st position** on a list of 168 states (last year its score was 41, ranked as 78th, but the number of countries included in a list was higher - 175).

This result still places Serbia among **countries with widespread corruption,** the same as in previous 15 years. Progress in ranking in the past two years was not the beginning of the positive trend (2013 Index rose from 39 to 42), but more of a reflection of perception based on the promises and expectations. Systemic measures for preventing corruption were not implemented or that was being done with delay and in scope far less than necessary, result, for now, is unrecognizable.

This result is hardly a surprise when even basic strategic documents for curbing corruption - National Anticorruption Strategy and Action Plan from 2013 - are not being implemented consistently, and there is no liability for violation of stipulated deadlines and obligations.

In a situation when **repressive activities in fight against corruption**, highly exploited by the media, don’t have court epilogue, and at the same **time preventive acting is missing or is delayed**, stagnation on the list of corruption perception is no surprise. Index is created on the basis of estimation of experts, representatives of institutions and businessmen, from the researches implemented by international organizations.

Non-transparency **in the process of decision making**, as well as refusing and hesitation of supreme authority organs to publish certain documents even if they violate the Law on Free Access to Information, contribute to creating of corruption perception. **Making exceptions** in implementing procedures creates similar effect – e. g. absence of competition for closing of contracts of large value, implementation of international agreements instead of domestic Public Procurement Law and the Law on Public - Private Partnership.

Although **influence of political parties to public sector**, especially to companies in public ownership, has been recognized for many years as one of the biggest problems, and in 2012 Law that was supposed to contribute to professionalization of public enterprises was adopted, its anticorruption provisions, in the most part and scope are not implemented and adoption of the new law is still in progress.

Numerous problems singled out by Transparency Serbia during and after the election campaign in 2012 and 2014, and in some cases even since 2004, were not resolved and Serbia will obviously enter into **new election cycle without resolved accusations** for purchasing of votes, with regulated „official campaign“ and series of controversial issues related to campaign financing and its control.

In presentation of CPI 2014 we expressed the hope into the reforms in the direction of **public administration reform, work of inspections, as well as the system for issuing permits,** that could have long term consequences to business surroundings and decreasing of corruption perception. Such effects still haven’t occurred. Even when such reforms are implemented completely, which is still not the case, changing of perception takes time.

**Problems that, according to Transparency Serbia, could influence the perception on corruption widespread:**

* **Violation of preventive anticorruption Laws**, as consequence of the absence of „ political will “ (access to information, public enterprises)
* **Insufficient capacities of the organs that supervise and control** implementation of laws; discretionary authorities in determining the object of verification
* **Incomplete legal framework** (necessary: necessary changes and amendments of many laws and firmer constitutional guarantees); violation of legal security by adoption of contradictory or vague provisions in regulations
* **No lessons learnt** on discovered cases of corruption and discovered forms of corruptive behaviour
* **Uninsitutional power** of political parties and individuals, that influences the work of complete public sector
* **Insufficiently transparent decision making process**, impossibility of the citizens to influence its content and unregulated lobbing
* **Unnecessary procedures and state interventions** that increase the number of situations prone to corruption

**Recommendations for anticorruption activities that could, according to Transparency, in long term result in increase of CPI**

* Providing of greater transparency of state organs’ work (including rules and regulations on public debates and lobbying, increase of transparency of data on Government affairs, public enterprises and other institutions),
* Decrease of regulatory and financial interventions of the state (e. g. permits, approvals, subsidies) that create corruption risks, especially when implemented without criteria being previously set
* Thorough reform of public sector organisation
* Respect and strengthening of independent state organs and securing of implementation of their decisions and recommendations
* Creating conditions for unrestricted work of media, freeing the media from politics, business and PR companies
* Judiciary that demonstrates the independency and efficiency in work, with functioning accountability mechanisms
* Greater number of discovered cases through protection of whistleblowers and witnesses of corruption, proactive approach in investigating corruption and measures for control of public officials’ and servants’ property
* Strict control of accuracy and completeness of the report on campaign and political party financing, investigating of suspicions and claims on purchasing of votes in the elections and abuses of public resources in the campaigns
* Consistent resolving of all cases with reasoned suspicions to corruption and establishing of permanent structure of state repressive apparatus that will deal with discovering of such cases, independently from existence of „political support".

**Serbia in this year’s ranking:**

In 2012 methodology for calculating the index was changed, and instead of recent scoring from 0 to 10, scoring from 0 to 100 is introduced. Results from 2011 still cannot be comparable by simple multiplying with 10, due to difference in methodology, but it is still possible to compare ranking on the table and standings compared to other countries. Here is how the Index and standings of Serbia, that is SRJ and SCG, changed from 2000 till today:

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Year** | **2000** | **2003** | **2004** | **2006** | **2007** | **2008** | **2009** | **2010** | **2011** | **2012** | **2013** | **2014** | **2015** |
| **Score** | **1,3** | **2,3** | **2,7** | **3,0** | **3,4** | **3,4** | **3,5** | **3,5** | **3,3** | **39** | **42** | **41** | **40** |
| **Ranking/total number of countries** | **89/****90** | **106/133** | **97/****145** | **90/****163** | **79/****179** | **85/****180** | **83/****180** | **78/****178** | **86/****183** | **80/****176** | **72/****177** | **78/****175** | **71/****168** |

**Ranking of countries/territories regions:**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| ***Rank*** | ***Country*** / ***Territory*** | **Score 2013** | **Score 2014**  | **Score 2015 (changes in ranking)** |
| **35** | **Slovenia**  | **57** | **58**  | **60 (+4)** |
| **50** | **Croatia** | **48**  | **48**  | **51 (+11)** |
| **58** | **Romania** | **43** | **43**  | **46 (+11)** |
| **61** | **Montenegro**  | **44** | **42**  | **44 (+15)** |
| **66** | **Macedonia**  | **44** | **45**  | **42 (-3)** |
| **69** | **Bulgaria** | **41** | **43**  | **41 (0)** |
| **71** | **Serbia**  | **42**  | **41**  | **40 (+7)** |
| **76** | **B&H**  | **42**  | **39**  | **38 (+4)** |
| **88** | **Albania** | **31**  | **33**  | **36 (+22)** |
| **103** | **Kosovo** | **33**  | **33**  | **33 (+7)** |

**Score for Serbia by sources for 2013, 2014 and 2015:**

 **CPI 2013 CPI 2014 CPI 2015**

* **Global Insight Country Risk Ratings\*** 52 42 42
* **Bertelsmann Foundation\*\*** 53 53 58
* **World Economic Forum\*\*\*** 37 43 37
* **Economist Intelligence Unit\*** 38 38 38
* **Freedom House\*\*\*\*** 47 47 47
* **International Country Risk Guide\*** 31 31 31
* **World Justice Project Rule of Law Index\*\*\*\*\*** 35 34 27
* **Score 42 41 40**

\* Experts engaged by the bank/ institution, research from 2014.

\*\* Experts engaged by the bank/ institution, research from 2013.

\*\*\* Perception of residents; examinees are mostly local experts, local businessmen and multinational companies

\*\*\*\* Perception of non residents; examinees mostly come from developed countries, research from 2013.

\*\*\*\*\* Local experts and general population, research from 2013.

Transparency – Serbia

Belgrade, 27 January 2016