



# LOCAL TRANSPARENCY INDEX 2021

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# About the research

- Developed by Transparency Serbia and first implemented in 2015
  - LTI measures achievements of cities, municipalities and city municipalities based on pre-set criteria
  - LTI tracks information published on web presentations, information available in the premises of LSGs, information obtained through the free access to information requests, and data obtained from the other relevant bodies (Commissioner for Information of Public Importance, Agency for Prevention of Corruption)
  - All results are verified
  - It is important to mention, that **poor scores** in some categories **does not necessarily mean that the corruption is widespread** in the related areas. Similarly, **good scores by no means guarantee that the process is free from corruption.** Transparency is just a mechanism for easier detection or for prevention of corruption

# About the research

- LTI 2021
  - Implemented with the support of USAID
  - Plan to measure the progress in four years 2019-2022
  - Scoring based on 95 indicators, the score ranges from 0 to 100 points
  - 81 indicators grouped in 8 categories :“Assembly and Council”,“Budget”, “Municipality and Citizens”,“Free Access to Information”,“Public Procurements”,“Information Booklet”,“Public Enterprises and Public Institutions” and “Public Debates”, with 14 indicators related to other (not grouped) issues
  - Several indicators modified, tested influence on score – expected average increase of score by 3.8

# Key findings of LTI 2021

- The average LTI score **improved** from 40 (average in 2015 and 2019) **and 46 (in 2020) to 48** (out of possible 100). This is, however, **still rather low**.
- Encouraging: **Almost two thirds** (59%) of all municipalities **improved their scores**, 37% registered a decrease
- **20 out of 145 municipalities** have LTI greater than 60 (last year 13), nine have more than 70, and one reached 90
- The largest increases in the areas of “Information booklets” and “Municipals Utility Companies and Public Institutions”.
- There is no a **nation-wide policy**, but dedicated local civil servants **can make a difference** and significantly improve transparency.
- Significant and continuous efforts needed to improve and **maintain** transparency even among best performers

# Key findings of LTI 2021

- Pandemics can be an excuse up to some level, but clear procedures for reaching and **maintaining** transparency must be adopted, prescribing precise responsibilities and accountability.
- The **negative influence of the pandemics** on the average score could be as high as **six points**
- Far **better results are recorded** in areas where transparency is clearly prescribed by laws. Introducing more legal obligations by the central government would contribute to local government transparency
- 13 municipalities, **supported by USAID GAI project** have significantly higher average scores (57) than the rest of LSGs (45).
- Most of the **negative findings identified in the LTI 2020 persist:**
  - insufficient budget information
  - lack of information on **decision-making processes;**
  - lack of information on **real estate** and other municipal property.

## General Observations

- **145 LSGs are ranked**, 25 city municipalities are graded, but not ranked, due to differences in the scope of their competencies
- The score of LSGs ranged **between 21 and 90** (out of 100) / It was 18 - 83 in LTI 2020
- 69 LSGs scored average or above, while nine scored 70 points or higher

score/year	2015	2017*	2019	2020	2021
max	74	67	67	83	90
min	11	11	12	18	21

## Best and worst performers

- Best performers :
  - Bečej 90 (in 2020 it was 83)
  - Sombor 88 (80)
  - Kanjiža 83 (77)
  - Novi Pazar 78 (82)
  - Leskovac 75 (75)
  - Vranje 75 (73)
  - Sokobanja 75 (68)
- LSGs with lowest scores:
  - Preševo 21 (in 2020 it was 23)
  - Bujanovac 21 (34)
  - Jagodina 23 (21)
  - Svilajnac 23 (22)
  - Bogatić 28 (31)
  - Merošina 29 (24)

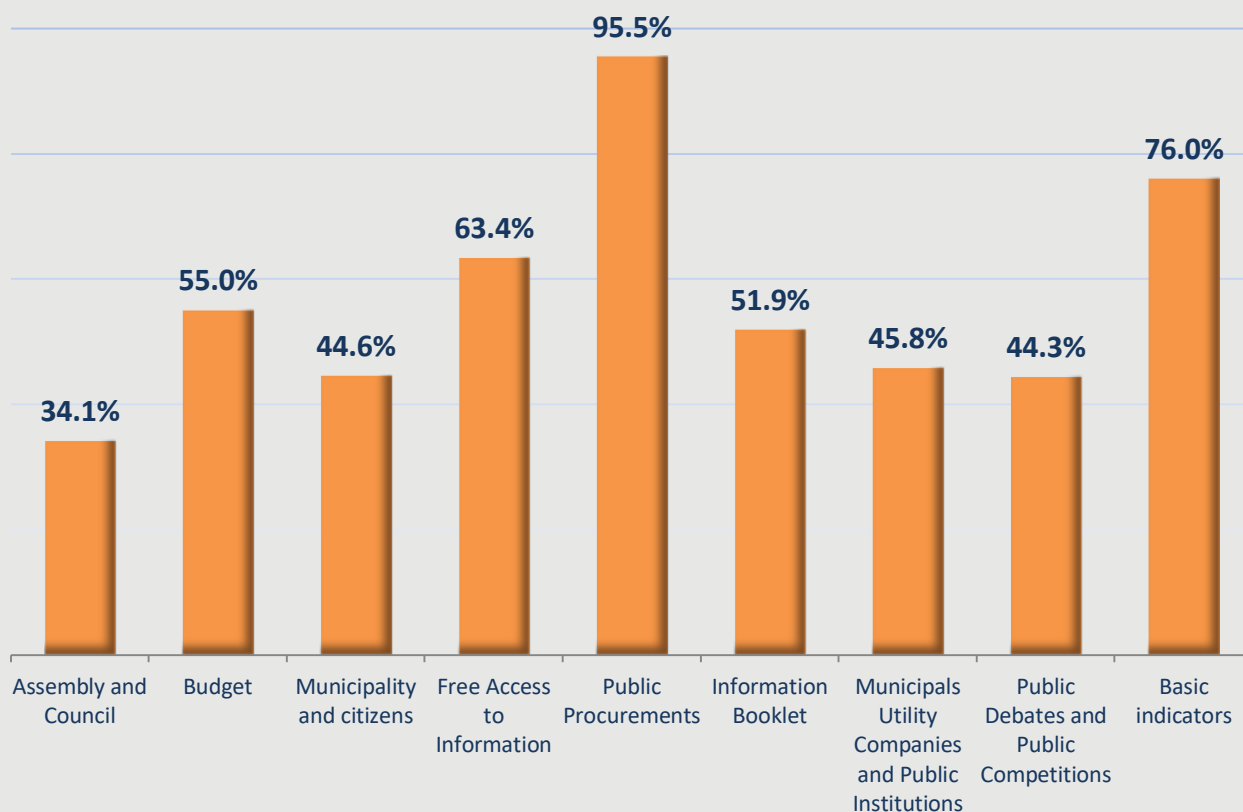


## Specific Findings

- **Transparency is higher when the law explicitly prescribes a duty to publish information**, and provides sanctions for non-compliance. However, a legal obligation to publish information does not always mean that this information will be made public.
- **Some increase** noted in the area “**Local public enterprises and institutions**“ but this field **remains problems for transparency**.
- Some examples of good practices maintained for several years, some **good practices are replicated**; on the other hand, most of the **bad practices also persist**. These include insufficient budget information which was, in this research, probably affected by the slow functioning of the local administration due to pandemic measures.

# Specific Findings

## Percentage of successful performance of 145 LSGs per fields



## Specific findings

- The **budget is not published on websites of 17 LSG's**. (17 in 2020, 34 in 2019). **Citizens' budget published on 94 observed websites** (six in 2015, 60 in 2019, 90 in 2020)
- Seven LSGs published the complete documentation from the recruitment and appointment process of directors of public enterprises, while 3 published at least documents which can provide a relatively high level of transparency
- As in the previous research, **the best scores municipalities and cities have are in the field of the public procurements**. Some recent developments in this area **raise concern that lower scores might be expected in 2022**.
- **LSGs also performed relatively well in the area of “free access to information”** which was the second best area this time.

## Specific findings

- On the other hand, at least **60% of LSGs ignored** requests for information, and **15 % did not even follow all Commissioners' decisions** to provide information.
- **Publishing and updating of the “Information Booklet”** remained serious challenge **for LSGs – more than 50%** failed to publish or regularly update it. Pandemics might have influenced this indicator.
- **Great problem for transparency – information about work of assembly and council.** Even greater - **local public enterprises and institutions.** Some progress noted in this area, but overall score is low.
- Almost a decade after publishing information on PE's websites became mandatory, **20% of PEs from the sample still don't have their websites.**

## Specific findings

- **Pandemics influenced public debates – from 72% in 2020 to 54% of LSGs in 2020 published information of some hearing/debate held during the last 12 months.**
- This year we separated indicators for publishing information about the distribution of municipal funds for media and CSO projects. This revealed that calls are published in more than  $\frac{3}{4}$  of LSGs, results of the competition in 50%, and reports on realization of project in merely 5% of cases.
- Only 15% of LSGs provide access to the status of the case on the website (slight improvement from 11% in 2020).

## Specific findings

- **Agenda of the next Assembly's session is not visible in over a half of LSGs.** Less than half of those publishing agendas also publish draft documents to be discussed.
- Even lesser number of LSGs publish information about Council's sessions – agenda published in 18% of cases.
- City/municipality **council decisions** are available in 14% of LSGs, and those of assemblies in 1/3 of cases.
- **Publishing of other documents:**
  - Most of local development strategy expired in 2020. Percentage of LSGs with valid strategies published on the website plummeted from 78% to 34%.
  - Systematization act of municipal administration 78% (up from 54%)
  - Local anti-corruption plan remained at 70%

# Influence of pandemics on transparency

- Some mechanisms or procedures temporarily altered, canceled or abolished due to health protocols (for instance - service centers not functioning in some municipalities, not organizing physical public debates, not organizing meetings of the mayors and citizens, etc.).
- Indirect consequences – employees working from home or on a sick leave – difficult to keep updated websites or information booklets, to gather information to answer FOI requests or to regularly post certain documents on LSG's website
- „Mystery shopper“ indicator used to determine costs of antiviral measures or at least categories of costs – total for 112 LSGs around 5 million USD (average 44,600 per LSG). Categories: medical needs and protection equipment; computer equipment; disinfection; gift packages for citizens.
- Negative influence of the pandemics on the average score - 6 points

# Indicators where LSGs performed best

- Eight indicators out of 95, with more than 95% LSGs scored positive:
  - publishing spatial plans
  - number of employees in local administration
  - information on the working hours of administration
  - two indicators related to public procurements
  - information on the web site - how to submit FOI request
  - mayor submitted a declaration of assets to ACAS
  - regularly publishing a call for leasing LSG's property
- **Considering pandemic situation, good score** in providing the requested information (FOI request) to the “**mystery shopper**” (78%, down from 84 in 2020)
- **Good performance in fulfilling legal duties also indicate violation of the rules** by some (e.g. submission of assets declaration by the mayor, publishing of data on public procurements, failure to update the Information Booklet)



## Least transparent areas

- There is one standards of transparency that none of the municipalities met:
  - Has information been posted on individual members of assembly votes on legislation debated?
- Three indicators with less than 3% of LSGs having positive score:
  - Are the rental lease reports (commercial premises, agricultural land, with data on leases, price and duration of lease) published on the site?
  - Is there a daily or weekly schedule of the mayor's activities published on the website?
  - Is there a report on contact with lobbyists published on the web site?

## Comparisons with LTI 2020 and LTI 2019 - growth

Overall rang	City or municipality	LTI 2019	LTI 2020	LTI 2021	Improvement points 2021/2020	Improvement ratio 2021/2020 (%)
9	Veliko Gradište	64	47	71	<b>24</b>	51.1%
13	Boljevac	40	40	64	<b>24</b>	60.0%
21	Požarevac	57	39	59	<b>20</b>	51.3%
8	Novi Sad	43	56	73	<b>17</b>	30.4%
77	Malo Crniće	38	28	45	<b>17</b>	60.7%
15	Bor	42	46	62	<b>16</b>	34.8%
134	Bela Crkva	21	18	33	<b>15</b>	83.3%

## Comparisons with LTI 2020 and LTI 2019

- Nineteen LSGs (out of 170) improved their scores 10 points or more compared to LTI 2020. Five saw declines 10 points or more.
- In total, 55 LSGs worsened their scores, seven remained the same and 85 showed improvements (worse than 2020/2019 comparison – 108 LSGs improved their scores, but better than 2019/2015 comparison - 63 showed improvements)
- Results are generally at the same level in most of the areas, with small variations. Exceptions are: Information Booklet (much better after surge in 2020), and Public Debates (decrease, partly caused by pandemics).
- Space for improvements is huge, and that **sustainability of the achieved transparency is one of the main challenges**
- Written procedures and independent monitoring could help to maintain good results, and more than anything, individual efforts of interested civil servants and decision makers

# Comparisons with LTI 2020 and LTI 2019

City or municipality	LTI 2019	LTI 2020	LTI 2021	Improvement points 2021/2020	Improvement ratio 2021/2020 (%)
Pantelej (Niš)*	23	39	23	<b>-16</b>	-41.0%
Golubac	33	53	38	<b>-15</b>	-28.3%
Gadžin Han	46	56	43	<b>-13</b>	-23.2%
Bujanovac	32	34	21	<b>-13</b>	-38.2%
Vrbas	40	54	44	<b>-10</b>	-18.5%

# Selected systemic problems and opportunities

- Even better than LTI 2020, the LTI 2021 shows how **the lack of transparency decreases possibilities to hold local government accountable**. The decisions made at the sessions of local assemblies can be found only at 33.1% of LSGs websites. That is worrying regarding the fact that still 20% of local self-governments have no Official Gazette of the town on their websites or even a link to it. In combination, the lack of transparency for these indicators makes monitoring of city/municipal regulation significantly harder.
- The current budget was not published at all in the websites of 7% units of the local self-government (same as LTI 2020). Furthermore, many budgets (25%) are still not published in a machine-readable or at least searchable format.

# Selected systemic problems and opportunities

- One of the **greatest fields for improvement is**, again, in the area of **Public Enterprises and Public Institutions**
- **LSGs are not making sufficient and systemic efforts to address suspicions of wrongdoing** in the **management of public enterprises** and other public institutions through **increased transparency**.
- Some related indicators disclose the absence of a systemic approach in ensuring transparency: 95.2% of LSGs published calls for leasing property in its possession, and only 4.1% (6 LSGs) published reports about these leases. Still— improvement compared to LTI 2020 when not a single report was found.
- There are significantly **more public competitions, calls, and advertisements on websites than reports and decisions** for competitions and calls in the area of project funding (both media and OSCs).

# Selected systemic problems and opportunities

- One slightly modified indicator disclosed that **adopting documents** or procedures which are supposed to serve for anti-corruption or pro-transparency purposes is **not enough** if those documents and procedures are not implemented, or at least further monitored: In LTI 2020 and LTI 2019 TS scored adoption of Integrity Plans. Since new integrity plans are due in 2021, to avoid copying the same scores, TS made additional conditions for positive mark – adoption of Integrity plan, and reporting (to the Agency for Prevention of Corruption) on its implementation. Average score for this indicator plummeted from 54% to 17%.
- Improvement with the Information Booklet area; however - these documents can be significantly improved – they are often bulky, with unnecessary information (TS worked with USAID GAI in this area)

# Selected systemic problems and opportunities

- A large number of LSGs' websites have a formal framework for raising transparency to a higher level (appropriate sections) on their websites, but do not publish or update the content of relevant sections. Banners from the front pages frequently directed users towards information that is several years old or obsolete.
- Promoting good practices or good models for some sections (such as “Public Enterprises”, or “Public Procurements”, “Budget”) as a positive example nationwide, or to municipalities included in certain projects would be helpful.
- Separate portals or web-pages for public procurement, budget, urban planning and administrative services can serve as a good practice example

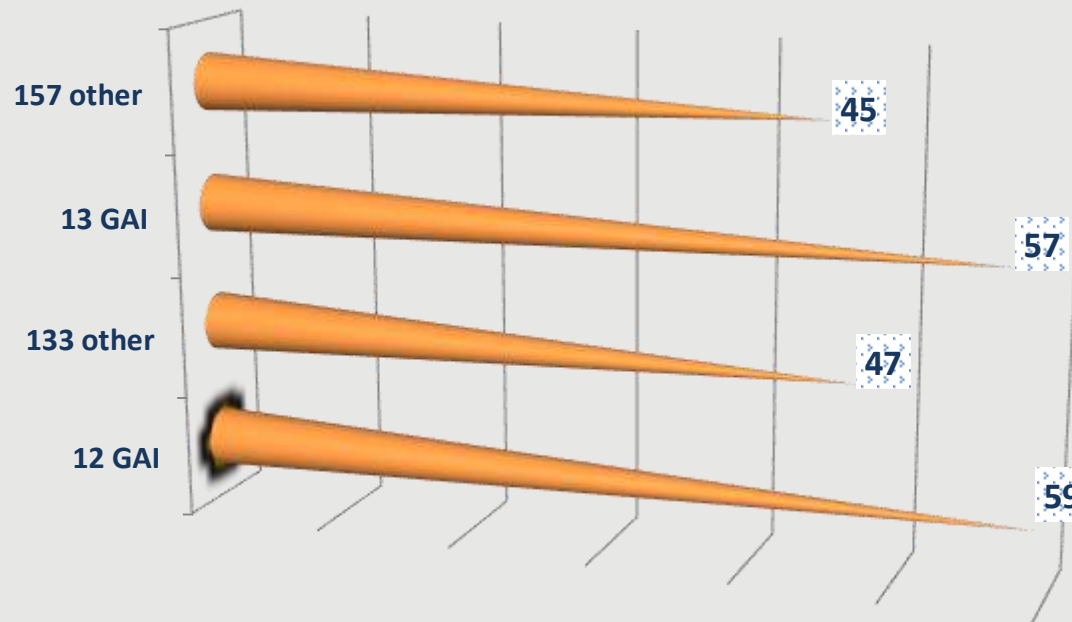


# Recommendations to increase transparency

- Sustainability of transparency is emerging as one of the top issues.
- More effort should be invested in maintaining the level of the raised transparency through developing procedures prescribed by acts.
- Implement Local Anti-corruption Plans and enable independent monitoring
- Enhance use of web sites and budget portals to inform and engage citizens
- Most important information on the website (about the budget, decisions of municipality assembly, council, information about public enterprises, public procurement, public calls etc.) should be systematized
- Electronic register of administrative procedures should be introduced in all cities and municipalities
- LSGs should make transparent data on property owned by them

# Results of LTI 2021 for partner LGs

- *Average score LTI 2021 – LSG's included in USAID/GAI program and other LSGs*



# Comparison of 13 partner LSGs with the nationwide average, by categories

	Indices by categories								
	Assembly and Council	Budget	Municipality and citizens	Free Access to Information	Public Procurements	Information Booklet	Municipals Utility Companies and Public Institutions	Public Debates and Public Competitions	Basic indicators
	(max 16)	(max 14)	(max 15)	(max 6)	(max 4)	(max 4)	(max 18)	(max 10)	(max 10)
12 GAI	53.1%	65.5%	56.1%	61.1%	100.0%	50.0%	60.2%	54.2%	83.3%
133 other	32.4%	54.0%	43.6%	63.7%	95.1%	52.1%	44.5%	43.4%	75.3%
13 GAI	52.4%	54.8%	50.0%	62.8%	100.0%	53.8%	57.3%	50.0%	83.1%
157 other	30.6%	51.8%	42.7%	63.3%	94.6%	53.0%	40.9%	40.6%	72.1%

	LTI 2021/ 2020	Indices by categories								
		Assembly and Council	Budget	LSG and citizens	Free Access to Informati on	Public Procurem ents	Inform ation Bookl et	Municipals Utility Companies and Public Institutions	Public Debate s and Public Compe titions	Basic indicat ors
		(max 16)	(max 14)	(max 15)	(max 6)	(max 4)	(max 4)	(max 18)	(max 10)	(max 10)
Sombor	88 / 80	15	12	14	6	4	4	13	9	10
Žabalj	60 / 55	3	13	7	5	4	3	12	5	8
Sremska Mitrovica	49 / 51	4	11	7	4	4	4	8	2	8
Šabac	50 / 57	6	6	9	3	4	0	15	3	8
Kragujevac	68 / 55	14	11	8	4	4	0	13	6	10
Sjenica	39 / 39	4	5	7	3	4	2	6	2	8
Vrnjačka Banja	64 / 63	12	11	8	2	4	0	12	7	8
Novi Pazar	78 / 82	11	10	13	5	4	4	16	5	10
Raška	53 / 47	6	9	7	5	4	3	8	5	8
Niš	40 / 46	3	6	4	1	4	1	12	6	4
Dimitrovgrad	43 / 51	10	3	5	2	4	0	7	7	8
Vranje	75 / 73	14	13	12	4	4	3	8	8	10
AVERAGE	59 / 58	9	9	8	4	4	2	11	5	8
		53.1%	65.5%	56.1%	61.1%	100.0%	50.0%	60.2%	54.2%	83.3%
Stari Grad *	35 / 28	7	4	3	5	4	4	4	0	8
AVERAGE All 13	57 / 56	8	9	8	4	4	2	10	5	8
		52.4%	54.8%	50.0%	62.8%	100.0%	53.8%	57.3%	50.0%	83.1%