LOCAL TRANSPARENCY INDEX

LTI 2023

Belgrade, October 2023.

About the Research

- Transparency Serbia created this tool and first implemented it in 2015.

- It has been implemented with the support of USAID; Progress has been measured in five consecutive years, 2019-2023

- LTI measures transparency based on pre-set criteria - information are collected from websites, the LSG premises, requests for access to information, obtained from other relevant bodies. They are also obtained from other relevant bodies (Commissioner for Information of Public Importance, Agency for Prevention of Corruption).

- All results are verified in two rounds.

- Scores are based on 95 indicators; the final score (index) can be 0 to 100 points. There are 81 indicators from 8 areas: "Assembly and Council", "Budget", "LSG and Citizens", "Free Access to Information", "Public Procurement", "Information Booklet", "Public Enterprises and Institutions" and "Public Hearings and Competitions"; 14 indicators are in the "Other" category. Indicators are the same as in LTI 2021 and LTI 2022.

- **LTI is the cross-section of the situation at the time of data collection (or verification)**

- **Poor scores in some categories do not necessarily mean corruption is widespread in the related areas.** Similarly**, good scores by no means guarantee that there is no corruption.** Transparency is just a mechanism for easier detection or prevention of corruption**.**

LTI 2023 – Key Findings

- **145 LSGs are ranked, 25 city municipalities are rated, but not ranked.**
- The average LTI score has improved: 40 in 2015 and 2019, 46 in 2020, 48 in 2021, 49 in 2022, and **52 in 2023** (out of the possible 100). The level of transparency, however, remains low.
- 63 LSGs has LTI score equal or higher than the average.
- Almost two thirds **(65%)** of the municipalities improved their score, but **30 %** declined.
- **30 od 145 LSGs have** LTI over 60, 11 more than 70, four over 80, and one has LTI higher than 90 (94).

score/year	2015	2019	2020	2021	2022	2023
max	74	67	83	90	87	94
average	40	40	46	48	49	52
min	11	12	18	21	9	25

Top Rated LSGs

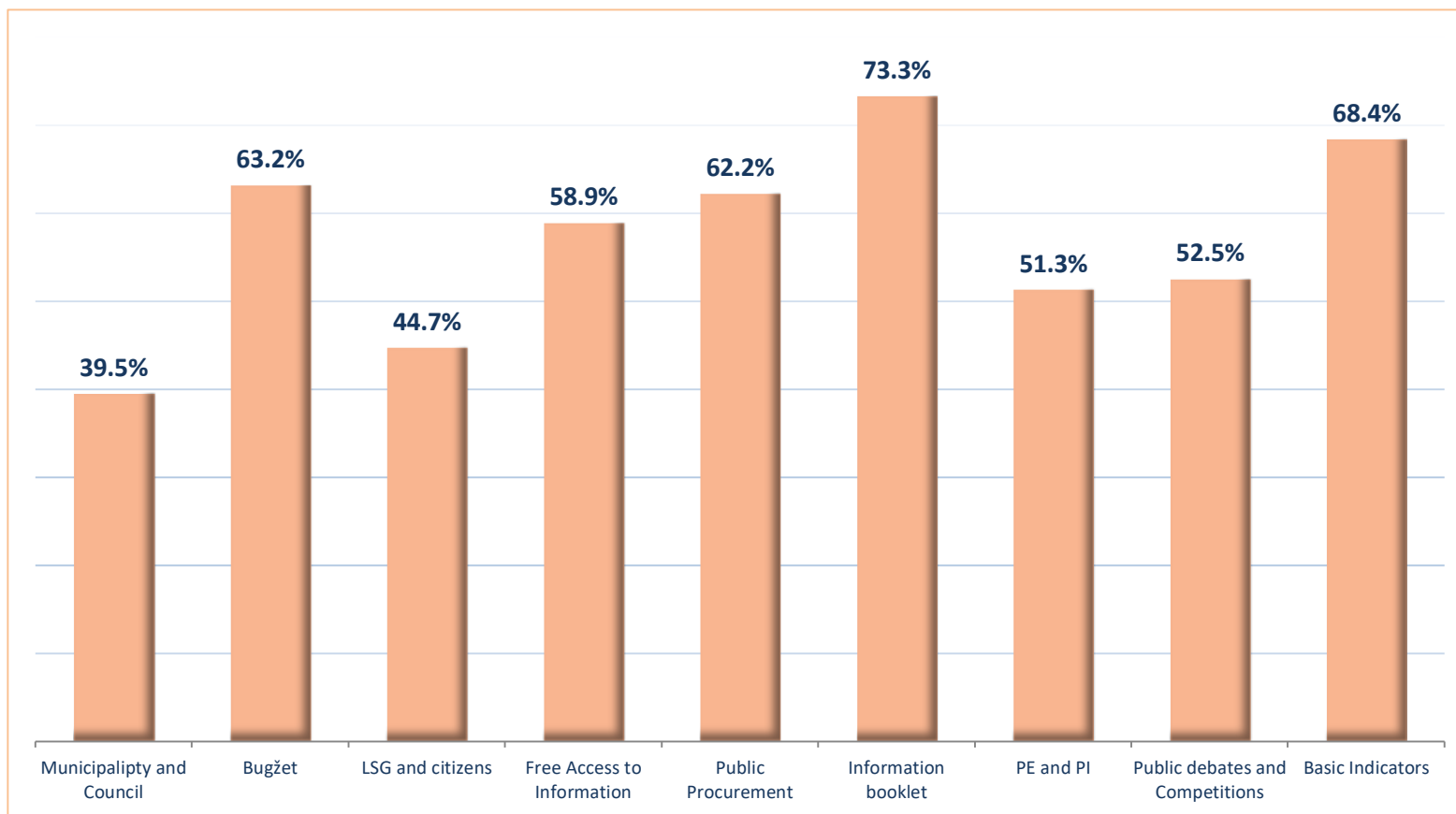| rank	Municipality/City	Position LTI 2022	2019	2020	2021	2022	2023
1	Novi Pazar	1	66	82	78	83	94
2	Sombor	2	52	80	88	78	84
3	Veliko Gradište	4	64	47	71	76	82
4	Kanjiža	9	47	77	83	65	81
5	Sokobanja	3	46	68	75	76	79
6	Bor	9	42	46	62	65	78
7	Leskovac	8	60	75	75	66	77
8	Tutin	22	36	45	42	56	76
9	Užice	5	64	70	62	71	75
10	Pirot	16	46	45	41	59	72

Surčin (72) and Sevojno (60) have excellent results among the city municipalities.
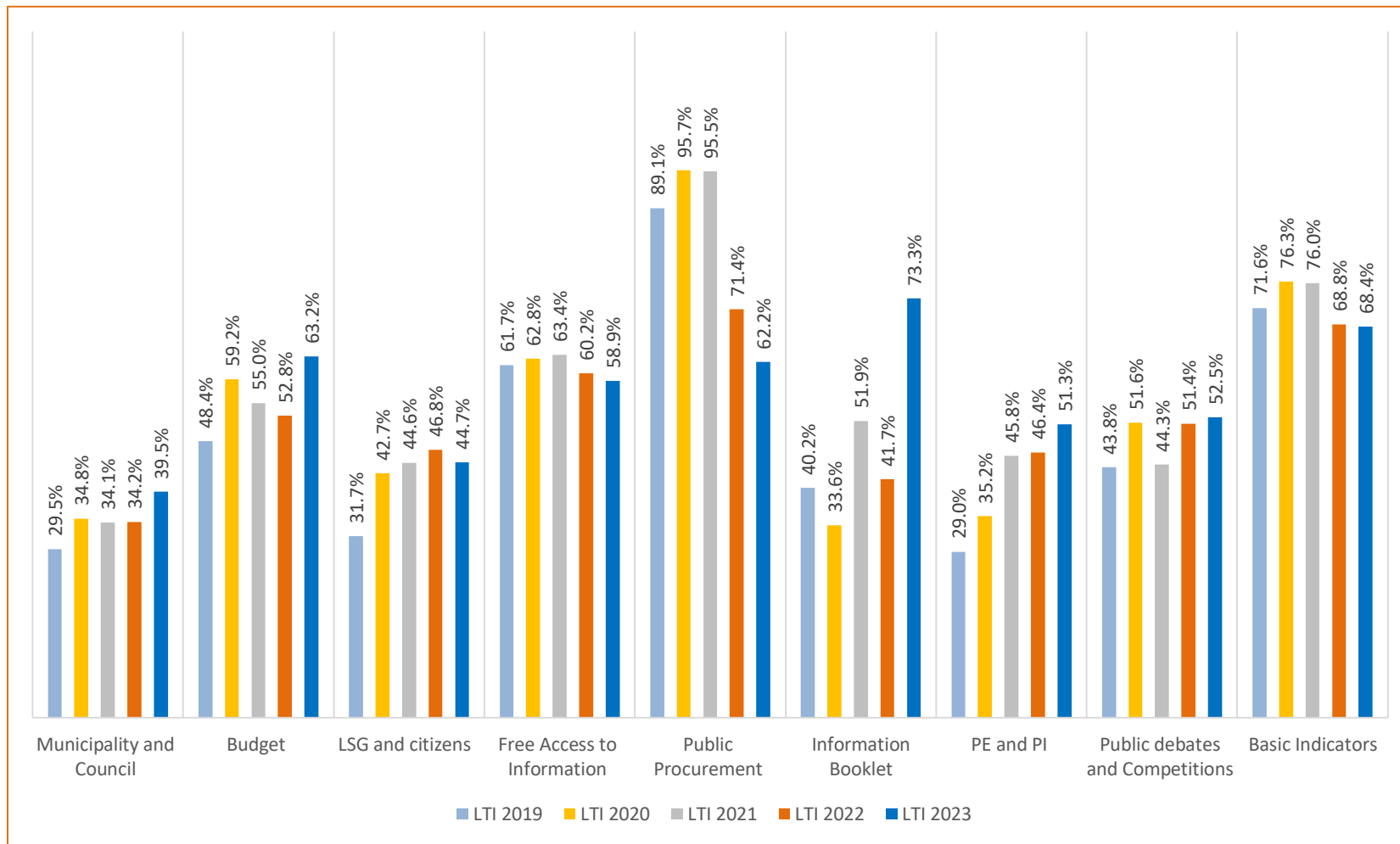
Worst Rated LSGs

rank	Municipality/City	Position LTI 2022	2019	2020	2021	2022	2023
140	Bela Crkva	119	21	18	33	38	34
140	Koceljeva	144	23	22	35	22	34
142	Bogatić	137	19	31	28	33	33
143	Bujanovac	139	32	34	21	28	32
144	Kovačica	142	28	36	38	25	32
145	Preševo	145	13	23	21	9	25

Specific results

- ***Percentage of successful performance of 145 LSGs per fields***

39.5%	63.2%	44.7%	58.9%	62.2%	73.3%	51.3%	52.5%	68.4%
Municipality and Council	Bugžet	LSG and citizens	Free Access to Information	Public Procurement	Information booklet	PE and PI	Public debates and Competitions	Basic Indicators

LSGs Overall Performance by 8 Indicators 2019 vs. 2020. vs 2021. vs 2022. vs 2023.

LTI 2019 · LTI 2020 · LTI 2021 · LTI 2022 · LTI 2023

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Specific Findings - Budget

- Growth continued, the budget reached an eight-year peak of 63.2%.

- Some examples of good practice persist for many years, and **some have been adopted and implemented by other LSGs**;

- On the other hand, **most bad practices are still present**. These include:
  - An insufficient number of published budget documents. The budget itself was not published on the website of three LSG (18 in 2022, 17 in 2021 and 2020, and 34 in 2019).
  - Six-month and nine-month reports on budget execution were published on 52 LSGs' websites; monthly reports on 22.
  - Citizens' budget was published on 85 observed sites (six in 2015, 60 in 2019, 90 in 2020, 94 in 2021, and 95 in 2022).

Specific Findings – Decision Making, Use of Property, Competitions

- Lack of information on the **decision-making** process (Assembly, Council); The agenda of the Assembly's next session is not visible in more than half of the LSGs. Less than half of those who publish the agenda also publish draft documents that will be discussed.

- A big problem is the lack of information on the use of municipal property (lease data).

- There is still insufficient information on distributing money in competitions (media, associations), especially on implementing financially rewarded projects. Still, there is an improvement compared to last year: calls were published in more than 82% (media) and 87% (assoc.) of LSGs, competition results in 75% (70% in 2022), and project implementation reports in 4% of cases.

Specific Findings– Public Procurement, Public Enterprises (PE) and Public Institutions (PI)

- In contrast to previous years, **public procurement is no longer the the best rated category (down to fourth place**, with average falling **from 72.6% to 62.2%)** due to the amendment to the Law.

- Slow but constant growth was noticed in the area of PEs and PIs. The score, however, remains low. A decade after publishing information on PE websites has become mandatory, 23 PEs in the sample do not yet have their own websites. The number of LSGs that have published complete documentation from the process of electing directors of public companies has fallen since last year (from 7,6% to 5,5%), and 16,6% have published at least some documents that provide a relatively high level of transparency (17,2% in 2022).

Specific Findings – Free Access to Information and Case Tracking

- At least 94% of LSGs ignored (at least once) requests for free access to information, and 6% did not respect all decisions of the Commissioner.

- Publishing and updating "Information Booklet" saw growth - more than 73% (58% in 2022) published and regularly updated them.

- 47 (out of 170) LSGs did not respond to the request of the "Mistery Shopper" (45 in 2022).

- Only 10 LSGs provide insight into the status of cases through the website.

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Sustainability of Progress

- A total of 45 LSGs achieved a worse result; seven had the same, **and 93 had a better score.**

- The room for improvement is vast, and the sustainability of the achieved level of transparency is one of the main challenges.

- Once achieved, the level of transparency is by no means a guarantee of sustainable good practice. Written procedures and independent monitoring could help maintain good results. The result is currently mainly achieved thanks to the individual efforts of interested municipal officials or decision-makers (famous political will combined with administrative will).

Comparison with LTI 2022,2021, 2020 and 2019 - Progress

22 LSGs (out of 170) improved their results by 10 points or more compared to LTI 2022

LSG	rang 2023	LTI 2019	LTI 2020	LTI 2021	LTI 2022	LTI 2023	growth 2023/2022	growth 2023/2022 (%)
Kladovo	14	28	35	47	40	68	28	70.00%
Kosjerić	19	30	43	52	40	63	23	57.50%
Rekovac	30	39	37	41	41	60	19	46.30%
Temerin	15	52	59	61	48	67	19	39.60%
Zaječar	22	43	42	33	44	62	18	40.90%
Preševo	145	13	23	21	9	25	16	177.80%
Ada	93	26	37	34	30	47	17	56.70%
Beočin	61	35	42	49	38	54	16	42.10%
Žitište	43	37	44	40	43	57	14	32.60%
Bojnik	39	41	50	45	44	58	14	31.80%

Comparison with LTI 2022,2021, 2020 and 2019 - Decline

5 LSGs recorded a drop of 10 points or more.

LSG	rank 2023	LTI 2019	LTI 2020	LTI 2021	LTI 2022	LTI 2023	growth 2023/2022	growth 2023/2022 (%)
Žabalj	87	36	55	60	62	48	-14	-22.60%
Beograd	99	30	33	46	57	46	-11	-19.30%
Mladenovac *		25	33	41	45	34	-11	-24.40%
Krupanj	38	48	58	55	54	44	-10	-18.50%
Novi Beograd *		27	28	25	29	19	-10	-34.50%

The Best Performance of LSGs by Indicators

Some of the indicators in which more than 90% of LSGs achieved a positive result:

• Is the budget for the current year available on the website?

• Is there information on applying for free access to information on the website?

• Is there a page on the website dedicated to public procurement?

• Has the municipality president/mayor submitted an assets declaration?

• Are spatial plans and/or urban plans posted on the website?

• Are the checklists of municipal (city) inspections posted on the website?

• Is there a list of councilors published on the site?

• The municipality has no unresolved decisions of the Commissioner?

The Least Transparent Areas

Indicators for which less than 5% of LSGs achieved a positive result:

- Is the information on submitting a request for free access to the information visible in the service center (counter hall) or administration premises?
- Do (both/all) mechanisms for reporting corruption and irregularities allow anonymity?
- Is there a record of contacts with lobbyists on the LSG website?
- Are there any data published on the site on how the assembly members voted individually and by name?
- Has a report on the work of the administration for the previous year been published?
- Have the reports on the realization of media projects financed by the municipality been published on the website?

Systemic Problems and Opportunities for Progress

• Many local government websites have a formal framework for raising transparency to a higher level (relevant segments) but do not publish or update the content of these segments. Front page banners often direct users to outdated or invalid information.

• Promoting good practices or good models will help in some areas (e.g. a special page for "public companies", "public procurement", or "budget") throughout the country or in the municipalities involved in specific projects.

• One example of good practice is having special portals or pages on LSG websites dedicated to public procurement, budgeting, urban planning and administrative services.

The Most Important Recommendations for Greater Transparency

- After five consecutive LTI cycles, transparency sustainability is noted as one of the top issues. Apart from a few municipalities that clearly show determination to raise and maintain transparency and a number of those that stagnate at lower levels of the table, most other LSGs have had ups and downs. Therefore, it is recommended to maintain the level of transparency through adopting acts that would prescribe procedures. These acts should undoubtedly contain a clear division of responsibilities and accountability for fulfilling tasks; Models that could serve for this purpose already exist.

- All LSGs should adopt and implement local anti-corruption plans and ensure independent monitoring.

- LSGs should use online mechanisms to communicate with citizens (public hearings and consultations, meetings with mayors, assembly members and other officials, etc.)

- The most important information on the website (budget, assembly, councils, public companies, public procurement, public invitations, etc.) should be systematized.

- Electronic registers of administrative procedures should be introduced in all cities and municipalities.

- LSGs should publish data on their property and its use.

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