UNODC
United Nations Office on Drugs and Crime

Draft Country Review Report of The Republic of Serbia

Review by *[names of reviewing States]* of the implementation by *[name of State under review]* of articles 5-14 and 51-59 of the United Nations Convention against Corruption for the review cycle 2016-2021

I. Introduction

1. The Conference of the States Parties to the United Nations Convention against Corruption was established pursuant to article 63 of the Convention to, inter alia, promote and review the implementation of the Convention.

2. In accordance with article 63, paragraph 7, of the Convention, the Conference established at its third session, held in Doha from 9 to 13 November 2009, the Mechanism for the Review of Implementation of the Convention. The Mechanism was established also pursuant to article 4, paragraph 1, of the Convention, which states that States parties shall carry out their obligations under the Convention in a manner consistent with the principles of sovereign equality and territorial integrity of States and of non-intervention in the domestic affairs of other States.

3. The Review Mechanism is an intergovernmental process whose overall goal is to assist States parties in implementing the Convention.

4. The review process is based on the terms of reference of the Review Mechanism.

II. Process

5. The following review of the implementation by [name of State under review] of the Convention is based on the completed response to the comprehensive self-assessment checklist received from [name of State under review], and any supplementary information provided in accordance with paragraph 27 of the terms of reference of the Review Mechanism and the outcome of the constructive dialogue between the governmental experts from [names of the two reviewing States and the State under review], by means of [telephone conferences, videoconferences, e-mail exchanges or any further means of direct dialogue in accordance with the terms of reference] and involving [names of experts involved].

[Optional paragraph 6:

Option 1

6. A country visit, agreed to by [*name of State under review*], was conducted from [*date*] to [*date*].

Option 2

6. A joint meeting between [*name of State under review*] and [*names of reviewing States*] was held at the United Nations Office at Vienna from [*date*] to [*date*].

Option 3

6. A country visit, agreed to by [*name of State under review*], was conducted from [*date*] to [*date*]; and a joint meeting between [*name of State under review*] and [*names of reviewing States*] was held at the United Nations Office at Vienna from [*date*] to [*date*].

]

III. Executive summary

7. [1. Introduction : Overview of the legal and institutional framework of [country under review] in the context of UNCAC implementation

2. Chapter […]

   2.1 Observations on the implementation of the articles under review

   2.2 Successes and good practices

   2.3 Challenges in implementation [where applicable]

   2.4 Technical assistance needs identified to improve implementation of the Convention

3. Chapter […]

   3.1 Observations on the implementation of the articles under review

   3.2 Successes and good practices

   3.3 Challenges in implementation [where applicable]

   3.4 Technical assistance needs identified to improve implementation of the Convention]

IV. Implementation of the Convention

A. Ratification of the Convention

Please provide information on the ratification/acceptance/approval/accession process of the United Nations Convention against Corruption in your country (date of ratification/ acceptance/approval of/accession to the Convention, date of entry into force of the Convention in your country, procedure to be followed for ratification/acceptance/approval of/accession to international conventions, etc).

Vast majority of the United Nations member states joined forces in fighting corruption as a comprehensive response to a global problem by ratifying the most important international treaty and first legally binding international Anti-Corruption instrument - the United Nations Convention against Corruption (UNCAC), which is considered to be a revolutionary step in international law.

Fighting corruption is **one of the key priorities of the Government of the Republic of Serbia**, which has demonstrated a decisive commitment from leadership to the shared values and international standards, aimed at eradicating and establishing 'zero tolerance' towards this form of crime through both preventive and repressive measures.

The Republic of Serbia is a member state to the United Nations and was one of the founding states back in 1945 under the auspices of its predecessor – the Federal People's Republic of Yugoslavia.

In December 2003 and on the 22nd of October 2005 respectively, Serbia has signed and ratified the United Nations Convention against Corruption. The Instrument of Ratification was deposited with the Secretary General of the United Nations on 20 December 2005. Hence, theConvention entered into force for the Republic of Serbia on 19 January 2006.

Article 16 (2) of the **Constitution of the Republic of Serbia** ("*Official Gazette of the RS*", No.98/06 and 115/21) expressly states that the generally accepted rules of international law and ratified international treaties form an integral part of the Serbian legal system and as such are *directly* applicable.

B. Legal system of [name of State under review]

Please briefly describe the legal and institutional system of your country.

The Constitution of the Republic of Serbia, as the highest, basic and general legal act of a state, defines the basic principles of the functioning of the state. The Constitution of the Republic of Serbia (please see Article 1) stipulates that **the Republic of Serbia is a state of the Serbian people and all citizens living in it, based on the rule of law and social justice, principles of civil democracy, human and minority rights and freedoms and belonging toEuropean principles and values**.

Article 4 of the Constitution of the Republic of Serbia prescribes the issue of the Division of Power by stipulating that the legal order is unified. The organisation of power is based on the division of power into legislative, executive and judicial. The relation among the three branchesof power shall be based on checks and balances.

Judiciary power belongs to the courts, which are independent. The rule of law and an effective judicial system represent, *inter alia*, conditions necessary for Serbia to join the European Union and constitute key tenets of the Serbian Constitution of 2006 (amended in 2022) which rests upon uncontested constitutionally guaranteed rights, including independence of the judiciary that is accountable only to the Constitution and the law, pursuant to art. 142, court decisions are passed in the name of the people, must be based on the Constitution and may only be reviewed by legally authorized court in the proceedings prescribed by the law, and by the Constitutional Court in the proceedings upon constitutional complaint.

Pursuant to art. 144 of the Constitution A judge shall be independent and shall rule in accordance with the Constitution, ratified international treaties, laws, generally accepted principles of international law and bylaws, adopted in line with law, and improper influence ona judge while performing judicial function is prohibited.

The **Criminal Procedure Code** ("*Official Gazette of the Republic of Serbia*" no. 72/11, 101/11, 121/12, 32/13, 45/13, 55/14, 35/19, 27/21 and 62/21) has introduced **prosecutorial investigation** as one of the most important novelty in the judicial system of Serbia, as it led to significant changes in criminal proceedings. Investigations, which were under the responsibility of the investigating judge according to the former regulation, are now conductedby a public prosecutor that undertakes a greater role in the process and, as a result, has more authority in prosecuting perpetrators of criminal acts and ingathering evidence. Specifically, the prosecutorial investigation envisages that the public prosecutor bears the burden of proving the charges (**adversarial procedure**) instead of the previous solution according to which the court took evidence *ex officio*. Owing to the amendments made to the Criminal Procedure Code, the public prosecutor now takes full responsibility for the collection of evidence, which facilitates the efficiency in handling criminal cases. The right to collect evidence and other material evidence that can be taken voluntarily belongs also to the defence. Considering that only public authorities (public prosecutor and the court) are authorised to take evidence, the defence may request from them to undertake certain evidentiary proceedings.

The Code provides that the public prosecutor is authorised to:

1. manage pre-investigation proceedings;
2. decide on not undertaking or deferring criminal prosecution (principle of opportunity);
3. conduct investigations;
4. conclude plea agreements and agreements on giving testimony with the defendant orconvicted person;
5. file and represent an indictment before a competent court;
6. abandon charges;
7. file appeals against court decisions which are not final and submit extraordinary legalremedies against final court decisions;
8. conduct other actions in line with art. 43 Criminal Procedure Code.

In a separate communication addressed and e-mailed to the secretariat (uncac.cop@unodc.org), please provide a list of relevant laws, policies and/or other measures that are cited in the responses to the self-assessment checklist along with, if available online, a hyperlink to each document and, if available, summaries of such documents. For those documents not available online, please include the texts of those documents and, if available, summaries thereof in an attachment to the e-mail. If available, please also provide a link to, or the texts of, any versions of these documents in other official languages of the United Nations (Arabic, Chinese, English, French, Russian or Spanish). Please revert to this question after finishing your self-assessment to ensure that all legislation, policies and/or other measures you have cited are included in the list.

Please note that the document that contains the list of laws referred to in the self-assessment checklist is attached to the report, and that the legislation available in English language is also provided.

Please provide a hyperlink to or copy of any available assessments of measures to combat corruption and mechanisms to review the implementation of such measures taken by your country that you wish to share as good practices.

The Republic of Serbia is subjected to various monitoring bodies. Relevant assessments of undertaken measures to combat corruption and mechanisms to review the implementation include, but are not limited to, the following:

1. GRECO Compliance Reports on Serbia are available via the official website of theMinistry of Justice of the Republic of Serbia:
   https://www.mpravde.gov.rs/tekst/23513/izvestaji-o-uskladjenosti-republike-srbije-sa-greko-preporukama.php
   https://www.mpravde.gov.rs/sr/vest/31522/objavljuje-se-drugi-izvestaj-uskladjenosti-republike-srbije-sa-greko-preporukama-u-okviru-cetvrtog-kruga-evaluacije-.php
   as well as on the official website of the Council of Europe:
   https://www.coe.int/en/web/greco/evaluations/serbia.

2. MONEYVAL reports on Serbia are available via http://www.fatf-gafi.org/countries/#Serbia.

The Republic of Serbia highly appreciates the valuable benefits of the monitoring processes, using external reports to assess the effectiveness of the anti-corruption bodies in fighting corruption and using the recommendations made to strengthen the state authorities in combatting corruption, therefore in achieving most important strategic goals of the Republic of Serbia.

Given the comprehensive overview in the anti-corruption field through various reportingavenues, conducted analysis and implemented projects, the Ministry of Justice is enabledto monitor and review the effectiveness of the competent bodies in combatting corruptionin a systematic, robust and productive manner.

Please provide the relevant information regarding the preparation of your responses to the self-assessment checklist.

Focal Point: Ms. Milica Pavlović
Institutions consulted:

- Anti-Corruption Agency;
- Anti-Corruption Council;
- National Assembly;
- General Secretariat of the Government;
- Ministry of Foreign Affairs;
- Ministry of Interior;
- Ministry of Public Administration and Local Self-Government;
- Ministry of Human and Minority Rights and Social Dialogue;
- National Bank of Serbia;
- Ministry of Finance;
- Administration for the Prevention of Money Laundering within the Ministry of Finance;
- Tax Administration within the Ministry of Finance;
- Chamber of Commerce of Serbia;
- State Audit Institution;
- Public Procurement Office;

- Serbian Business Register Agency;
- Association of Serbian Banks;
- Ombudsman;
- Republic Public Prosecution Office;
- State Prosecutorial Council;
- Supreme Court of Cassation;
- High Judicial Council;
- Judicial Academy;
- National Academy for Public Administration;
- High Civil Service Council of the Human Resources Management Service;
- Public Policy Secretariat;
- Commissioner for information of public importance and personal data protection;
- Directorate for the Administration of Seized Assets within the Ministry of Justice;
- Sector for International Legal Assistance of the Ministry of Justice.

During the preparatory stage of the Report, data was collected from a **variety of sources** giving due consideration to the Guidance provided to filling in the revised draft self-assessment checklist on the implementation of chapters II (Preventive measures) and V (Asset recovery) of the United Nations Convention against Corruption. The self-assessment checklist was disseminated amongst **relevant stakeholders** (please see the list of consulted institutions above) for completion. The Ministry of Justice was guided by the principles of inclusiveness and transparency at all times. Furthermore, throughout the process, the nominated focal point was available to provide any assistance required to actors involved in the process of providing necessary information ensuring the completeness and accuracy of the Report. Once received, the responses were reviewed and the Report drafted. Multidisciplinary approach was key in accomplishing collaboration amongst all relevant stakeholders in drafting the Report, which we are pleased to share with UNCAC reviewing experts.

Please describe three practices that you consider to be good practices in the implementation of the chapters of the Convention that are under review.

Even though the Convention is *directly* applicable in the Republic of Serbia, it is important (1) to be vigilant that national legislation is fully aligned with its content, especially when introducing new legislative solutions, in order to keep up with the latest trends, developments, social and technical issues, and (2) to provide regular trainings on the best practice regarding the implementation methods of UNCAC provisions followed by (3) regular implementation monitoring and awareness raising. The Republic of Serbia adheres to these general but highly crucial practices.

Please describe (cite and summarize) the measures/steps, if any, your country needs to take, together with the related time frame, to ensure full compliance with the chapters of the Convention that are under review, and specifically indicate to which articles of the Convention such measures would relate.

The Republic of Serbia, as an accession candidate country to the European Union, is currently undergoing an *extensive judicial reform process*, which, *inter alia*, entails amendments to the Constitution of the Republic of Serbia aimed at ensuring full compliance with the chapters of the Convention (in particular art. 11 of the UN Convention against corruption). According to the

revised Action Plan for the negotiating Chapter 23, which has been adopted at the Government session on the 10thJuly 2020, the constitutional amendment process was completed on 9th of February 2022.

C. Implementation of selected articles

II. Preventive measures

Article 5. Preventive anti-corruption policies and practices

Paragraph 1 of article 5

1. Each State Party shall, in accordance with the fundamental principles of its legal system, develop and implement or maintain effective, coordinated anti-corruption policies that promote the participation of society and reflect the principles of the rule of law, proper management of public affairs and public property, integrity, transparency and accountability.

(a) Summary of information relevant to reviewing the implementation of the article

Is your country in compliance with this provision?

The Republic of Serbia **is in compliance** with this provision.

Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Thus far, the Republic of Serbia had two National Anti-Corruption Strategies and a third National Anti-Corruption Strategy is anticipated, demonstrating firm commitment of the Serbian authorities to develop, implement and maintain effective anti-corruption policies since 2005.

- The **first National Strategy for the fight against corruption** ("*Official Gazette of the RS*", no. 109/05) was adopted in 2005 and its accompanying Action Plan was adopted in 2006. In July 2006, the Government established the Commission for the Implementation of the National Anti-Corruption Strategy and GRECO Recommendations. The first implementation report was published in 2011 by the Anti-corruption Agency (which has now been re-named to Corruption Prevention Agency as of September 2020). Implementation report contained findings on the fulfilment of recommendations and activities from strategic documents during the period from their adoption until the end of 2010.

- The **second National Strategy for the Fight against Corruption** for the period from 2013 - 2018 ("*Official Gazette of the Republic of Serbia*", no. 57/13) was adopted by the National Assembly of the Republic of Serbia on July 1st, 2013. The Action Plan for the Implementation of the National Anti-Corruption Strategy was adopted by the Government of the Republic of Serbia on August 25, 2013, whereas on June 30, 2016 the Revised Action Plan for the Implementation of the National Anti-Corruption Strategy was adopted by the Government. The revision of the Action plan for the implementation of the National Anti-Corruption Strategy was necessary in order to harmonize and avoid duplication of activities with the Action Plan for Negotiating Chapter 23 - Judiciary and Fundamental Rights, which was adopted at the Government session on April 27, 2016.

The Strategy recognises that corruption poses as an obstacle to the economic, social and democratic development of Serbia and formulates the elimination of corruption as its main objective, carefully defining goals and means to effectively combat corruption. The Strategy emphasized that there is a developed awareness and political will in the Republic of Serbia to achieve significant progress in the anti-corruption field, whilst fully respecting democratic values, the rule of law and protection of fundamental human rights and freedoms. The concrete measures and activities for its implementation were laid down within the accompanying Action plan.

Although corruption is a phenomenon that permeates the entire society, the Strategy defined certain areas in which action was given a *priority* and which were recognised as centred issues to building and strengthening systemic anti-corruption mechanisms. Hence, the following priority areas were identified: political activities, public finances, privatisation and public-private partnership, judiciary, police, spatial planning and construction, health care system, education and sports as well as the media. Specific objectives were defined for each field. Apart from portraying concrete measures and activities, Action Plan includes strategic goals, deadlines, responsible subjects and resources for its implementation. Indicators of fulfilment of activities were also defined, based on which the degree of their implementation was monitored, as well as indicators for assessing the achieved success of the set goals.

In supervising the implementation of the Strategy, the Anti-Corruption Agency has been designated to prepare Annual reports on the implementation of the Strategy. As a result, the Anti-Corruption Agency, in accordance with its powers, prepared **six Annual reports** on the implementation of strategic documents for the fight against corruption (for the years: 2013, 2014, 2015, 2016, 2017 and 2018).

- Currently applicable anti-corruption strategy is contained within the subchapter 'Fight against Corruption' of the **revised Action Plan**[1] **for the negotiating Chapter 23** which has been adopted at the Government session on the 10thJuly 2020 and is available in both Serbian and English language at the official website of the Ministry of Justice.

[1] Please note that the Action Plan for the Negotiating Chapter 23 - Judiciary and Fundamental Rights was a precondition for the opening of negotiations in Chapter 23, which was opened in July 2016. After the four years of implementation of the AP for NC 23, in coordination with the European Commission, it was decided that it is necessary to update it in order to comply with the EU interim benchmarks due to the need to change deadlines and activities and to specify individual stakeholders. The Revised AP for NC 23 as adopted by the Government of the Republic of Serbia at its session held on July 10, 2020 is available at https://www.mpravde.gov.rs/tekst/30402/revidirani-akcioni-plan-za-poglavlje-23-i-strategijarazvoja-pravosudja-za-period-2020-2025-22072020.php

According to this document, the **Operational Plan for Prevention of Corruption in areas of special risk** was adopted in September 2021 and it includes an overview of all previous anti-corruption policies since 2005, their level of implementation as well as impact assessment of implemented measures thus far. **This Operational plan represents the main basis for drafting the new ambitious national anti-corruption strategy.** Operational plan is intended to bridge the period between the two major national anticorruption strategies and an Action Plan on Chapter 23 on one hand, and the anticipated **Second National Anti-Corruption Strategy** on the other. Operational Plan for Prevention of Corruption in areas of special risk reiterates firm commitment of the Republic of Serbia towards major reforms currently underway in the field of prevention and repression of corruption and their consolidation within the legal system of the Republic of Serbia, setting a clear path in creating and developing anti-corruption policies ahead.

Apart from that, in order to achieve the fulfilment of the interim benchmarks related to the implementation and impact assessment of measures taken to reduce corruption in vulnerable areas, the revised Action Plan also envisages the adoption of:

a. An Operational Plan for fight against corruption in the health area;
b. An Operational plan for fight against corruption in the taxation area;
c. An Operational plan for fight against corruption in education area.

Monitoring the implementation of the revised Action Plan activities

The responsibility for monitoring the implementation of the activities envisaged by the revised Action Plan will be entrusted to the **Coordination Body for implementation of the Action Plan for Chapter 23** (hereinafter: Coordination Body). Expert and administrative-technical support to the Coordination Body will be provided by the Secretariat of the Coordination Body for implementation of the Action Plan for Chapter 23.

Government of the Republic of Serbia has established the Coordination Body and has appointed members among the highest rank of public office holders / heads of institutions in charge of the implementation of the main portion of the activities from the Action Plan. Every member of the Coordination Body is accompanied with deputy member.

The role of civil society in monitoring the implementation of the Action Plan

The mechanisms of cooperation with the civil society, created during the screening process, the preparation of the Action Plan for Chapter 23 and the monitoring of its implementation before the revision, resulted in significant progress in terms of transparency and inclusiveness, but also showed certain shortcomings. **After the adoption of the revised Action Plan for Chapter 23, an improved consultation mechanism with civil society in the process of monitoring the implementation of the Action Plan is developed.** This new improved consultation mechanism will include the coordination with the National Convention on the European Union, as the institutionalized platform which gathers the representatives of high number of relevant Serbian civil society organizations.

Participation of society guaranteed by the national legislative framework

Legislative framework for **participation of society** has been improved in Serbia and successfully applies in practice. Its provisions on consultation process of citizens, businesses, CSOs etc.,

during and throughout the development phase of regulations and public policy documents are clearly regulated by the following acts: Law on the planning system of Serbia („Official Gazette of the RS", No. 30/18); Law on state administration ("Official Gazette of the RS", No. 79/05, 101/07, 95/10, 99/14, 47/18 and 30/18 – other law); Regulation on the methodology of public policy management, policy and regulatory impact assessment and content of individual public policy ("Official Gazette of the RS", No. 8/19) documents as well as the Rulebook on good practice guidelines for exercising public participation in the drafting of laws and other regulations and acts ("Official Gazette of the RS", No. 51/19).

In order to further clarify all provisions of the Law on planning system of Serbia and accompanying Regulation on the methodology of public policy management, policy and regulatory impact assessment and content of individual public policy documents, a Draft Manual on Policy consultations and coordination has been prepared under IPA 2015 Public Administration Reform Support Project. It is expected that the Manual on Policy consultations and coordination will be applicable soon.

- It is also worth mentioning that the Corruption Prevention Agency also adopted the '**Anti-Corruption Agency Strategic Plan**'[2] covering the period from 2019 until 2023 (for more information please see below an answer to art. 5 (2) of the report).

- Considering the new Government was established on the 28th of October 2020, important steps to improve the **inter-ministerial policy coordination** have also been undertaken by Serbia, including a set-up of effective and efficient policy coordination mechanism at national level via the **Action Plan for the Implementation of the Government`s Program for the period 2020-2022**[3]which was adopted on January 28th, 2021. By adopting the APIGP, the existing mechanism for central coordination and oriented result based management of public policies is further strengthened at the national level.

Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.

(b) Observations on the implementation of the article

[*Observations of the governmental experts with regard to the implementation of the article. Depending on the scope of the review cycle, findings with respect to the way in which national law has been brought into line with the article, as well as to the implementation of the article in practice.]*

[*Observations on the status of implementation of the article, including successes, good practices and challenges in implementation*.]

(c) Successes and good practices

[2]Please see: http://www.acas.rs/wp-content/uploads/2019/05/STRATEGIC-PLAN-ENG-03_print.pdf
[3]Please see: https://rsjp.gov.rs/en/news/action-plan-for-the-implementation-of-the-governments-program-for-the-period-2020-2022-adopted/

[*Identification of successes and good practices in implementing the article, where applicable.*]

Paragraph 2 of article 5

2. Each State Party shall endeavour to establish and promote effective practices aimed at the prevention of corruption.

(a) Summary of information relevant to reviewing the implementation of the article

Is your country in compliance with this provision?

The Republic of Serbia **is in compliance** with this provision.

Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Recognising that prevention is always better then cure, Serbia has concentrated on developing efficient preventive mechanisms and tools to deter perpetrators from committing corruption related criminal offenses by adopting a **set of anti-corruption laws**, with particular emphasis on the preventive aspects, such as:

- the **Law on Lobbying** ("*Official Gazette of the RS*", no. 87/18 and 86/19 – other law) which entered into force in August 2019;
- the **Law on Anti-Corruption** ("*Official Gazette of the RS*" no. 35/19, 88/19, 11/21 – authentic interpretation, 94/21 and 14/22) which is applicable since September 2020;
- the **Law on Determining the Origin of Property and the Special Tax** ("*Official Gazette of the RS*" no. 18/20 and 18/21) which was adopted by Parliament on the 29th of February 2020 with one year deferred application;
- the **Law on Prevention of Money Laundering and Terrorist Financing** ("*Official Gazette of RS*" no. 113/17, 91/19 and 153/20);
- the **Law on protection of Whistle-blowers** ("*Official Gazette of the RS*" number 128/14) which became applicable in 2015 etc.

Please note that the Republic of Serbia has, from a global perspective, one of the most advanced legislations in place in the field of whistle-blower protection, since the law was adopted pursuant to best practices, relevant Council of Europe recommendations (in particular in compliance with the Council of Europe Recommendation on Protection of Whistle-blowers-2014) and existing mechanisms for the protection of persons ready to report corruption or other types of irregularities and wrongdoings. In 2015, a **widespread campaign**[4] "*now the whistle-blowers are strong*" was nationally airing in order to inform and equip citizens about their rights stemming from the law. This activity enabled the Ministry of Justice to promote effective practices aimed at effectively preventing corruption within the Serbian society.

[4] Please see: https://www.youtube.com/watch?v=uI7sDZNDtns

Primary institution responsible for corruption prevention is the Anti-Corruption **Agency** (hereinafter: the Agency). The Law on Anti-Corruption is the fundamental anti-corruption piece of legislation which regulates issues such as conflict of interest, asset and income declaration, gifts, incompatibilities, accumulation of public functions as well as the legal status, competencies, organisation and operation of the Agency.

NOTA BENE: *Given that the implementation of the new Law on Anti-Corruption commenced on September 1, 2020, provisions relevant for UNCAC Chapter II within the purview of the Anti-Corruption Agency (hereinafter referred to as: The Agency) have been described as per the new Law on Anti-Corruption. Nonetheless, practice has been indicated based on the previous Law on the Anti-Corruption Agency (hereinafter referred to as: The Law on the Agency), having been in force until August 31, 2020 and on the current Law. In addition, the National Assembly of the Republic of Serbia adopted the Law on Amendments and Supplements to the Law on Anti-Corruption on September 23, 2021, which entered into force on October 5, 2021.*

The Agency (www.acas.rs) has the status of a legal person and is an *independent* state authority accountable to the National Assembly of the Republic of Serbia for performing the work within its purview. The previous Law on the Agency entered into force on 4 November 2008, thus enabling the establishment of a new institution of the Republic of Serbia to fight corruption. The new Law on Anti-Corruption has been implemented as of September 1, 2020.

The Agency became operational as of January 2010 and has preventive, control and oversight competences, i.e. verification of assets of public officials; control of financing of political activities; resolving conflict of interest and incompatibility of offices; monitoring of the implementation of the national anti-corruption strategic documents; corruption risk assessment in legislation; general corruption risk assessment; monitoring of adoption and implementation of the integrity plans; conducting ethics and integrity trainings; cooperation with all relevant international anti-corruption stakeholders; cooperation with national stakeholders; including civil society organizations, etc. As per the Law on Lobbying, the Agency also has a broad scope of competences related to the regulated field of lobbying.

According to Article 39 of the Law on Anti-Corruption, the Agency shall submit **annual report** on its work to the National Assembly, no later than by 31st of March of the current year for the preceding year. The Agency shall also submit extraordinary reports upon request of the National Assembly or on its own initiative. At the request of the National Assembly or on its own initiative, the Agency may submit to the National Assembly reports on the state of corruption and on the risks of corruption in public authorities.

The purpose of the competences entrusted to the Agency indicates that they are focused on attaining the following **general goals**:

1. Realising public interest and combating corruption, for the purpose of which the Agency has the duty to: decide on incompatibility of offices and conflict of interest; oversee public officials' assets and keep a register of public officials, assets and gifts; oversee the financing of political

entities;

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

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

4. Providing mechanisms for establishing and improving integrity within the institutional and regulatory framework, for the purpose of which the Agency has the duty to: oversee the implementation of the strategic anti-corruption framework and issue opinions on its application; coordinate the process of introducing integrity plans to the public sector, and oversee their implementation; oversee and report on the process of implementing the strategic documents; analyse risks of corruption in regulations and launch initiatives for amendments and passing new regulations in order to prevent risks of corruption; conduct research and analyses in order to provide empirical know-how for the formulation of anti-corruption public policies;

5. Presenting the work of the Agency to the public and international cooperation, for the purpose of which the Agency has the duty to: cooperate with the representatives of the international community and international authorities; cooperate and coordinate its work with other state authorities; cooperate with civil society organisations; conduct anti-corruption campaigns; enable work transparency.

The Agency's establishment and start-up was undoubtedly an important step in strengthening the rule of law in the Republic of Serbia. This was a practical expression of our firm belief that corruption is not eradicated solely by repressive measures that remove the consequences corruption poses, but also by undertaking appropriate preventive action in terms of its causes and sources. With the establishment of the Agency, conditions were created for a long-term removal of the causes for the occurrence of corruption through institutional action on a broader scale. Bearing in mind the complexity of corruption, which is a phenomenon that penetrates all state and social systems, it was not justified to entrust this competence to any existing entity, but it was necessary to establish a body which would independently deal exclusively with these affairs. By eliminating the causes of corruption, the Agency is creating conditions for building the integrity of public authorities and public officials, aimed at strengthening citizens' trust in institutions and their representatives.

The new legal framework in corruption prevention

As a result of a ten-year implementation of the Law on the Agency and assessment of the existing legal and institutional framework to prevent and sanction acts of corruption, there was a need to introduce the new Law, in line with the specific GRECO Recommendations from the Fourth Evaluation Round (https://www.coe.int/en/web/greco/evaluations/serbia) as well as the Action Plan for Chapter 23 (within the EU pre-accession negotiation process) and relevant recommendations deriving from European Commission Progress Reports.

The new Law on Anti-Corruption was adopted by the National Assembly of the Republic of Serbia on May 21, 2019. The Law on Anti-Corruption[5] entered into force on the eighth day from its publication date at the "*Official Gazette of the Republic of Serbia*" but is applicable since September 1st, 2020.

The goal of adoption of the new Law was furthering the protection of public interest, strengthening integrity and accountability of public authority bodies and public officials, thus decreasing corruption related risks. The new Law provides improved legislative solutions and regulates with greater certainty issues of conflict of interest, accumulation of functions, asset disclosure of public officials as well as the legal status, competencies and organization of the Agency, considerably extending its powers and enhancing the Agency's effectiveness.

Pursuant to art. 6 of the new Law on Anti-Corruption, the Agency:

- Supervises the implementation of strategic documents, submits to the National Assembly a report on their implementation along with recommendations to be acted upon, provides responsible entities with recommendations on means to eliminate identified shortcomings in the implementation of strategic documents and initiates amendments to strategic documents;
- Adopts general enactments;
- Institutes and conducts proceedings to determine the existence of violations of this Law and pronounces measures in accordance therewith;
- Decides on the existence of conflict of interest;
- Performs tasks in accordance with the law governing the financing of political activities and/or the law governing lobbying;
- Files criminal charges, requests for initiating misdemeanour proceedings and initiatives for initiating disciplinary proceedings;
- Maintains and publishes the Register of the Public Officials and the Register of Assets and Income of Public Officials in accordance with this Law;
- Verifies assets and income reports submitted by public officials;
- Maintains and verifies data from records specified in this Law;
- Acts upon complaints submitted by natural and legal persons;
- Provides opinions about the application of this Law, on its own initiative or at the request of natural or legal persons, and takes positions of importance for the application of this Law;
- Initiates adoption or amendment of regulations, provides opinions on the corruption risk assessment in draft laws in areas particularly susceptible to the risk of corruption and opinions on draft laws governing issues covered by ratified international agreements in the field of preventing and combating corruption;
- Investigates the state of corruption, analyses risks of corruption and prepares reports with recommendations to eliminate risks;
- Supervises the adoption and implementation of integrity plans;

[5]Full text of the Law on Anti-Corruption is available: http://www.acas.rs/wp-content/uploads/2020/09/Zakon_o_spre%C4%8Davanju_korupcije_ENG.pdf. Text of the Law on Amendments and Supplements to the Law on Anti-Corruption is available here: https://www.acas.rs/law-and-regulations/laws/law-acas/.

- Adopts the Training Programme and instructions in the field of prevention of corruption and monitors the implementation of training in public authorities;
- Performs tasks related to international cooperation in the field of prevention of corruption;
- Performs other tasks set forth by the law.

The role of the Agency has also been significantly reinforced by the Law on Anti-Corruption in terms of providing necessary mechanisms for the establishment and improvement of integrity within the institutional and regulatory framework.

Strategic Plan of the Agency for the period 2019-2023

Recognising the significance of enhancing the effectiveness in a systematic manner as well as assessing it against clearly defined multi-level indicators, the Agency adopted its strategic plan for the period 2019-2023 (http://www.acas.rs/wp-content/uploads/2020/10/STRATESKI-PLAN-ENG-2020.pdf) with the corresponding Annual Operation Plan.

In its strategic planning, the Agency seeks to prevent the occurrence of corruption, improve efficiency and effectiveness in the exercise of its competencies, analyse and monitor the situation, identify strategic goals and operational objectives and achieve them through the implementation of the annual plans.

With the resolute intention to use the lessons learned for further improvement of its work and believing in the importance of strategic planning and operation, strategic goals of the Agency have been carefully defined. In this process, the Agency was guided by the fact that the fight against corruption is not and cannot be successful without cooperation with **all** stakeholders at national and international level, particularly with the citizens whose trust in the institutions and the integrity of public sector employees should be continuously built, because, in various ways, the citizens are first in the line to suffer the negative consequences of corrupt behaviour and insufficiently developed personal and institutional integrity of both the public sector employees and the holders of public authority.

Prevention, as the main pillar of the Agency's activity, entails identifying the phenomena and situations that provide opportunities for corrupt behaviour. These opportunities do not necessarily lead to acts of corruption, but are ever-present in the form of temptation inducing those who work in such environments. In addition to identification, preventive activities include the design and establishment of mechanisms with the purpose of eliminating opportunities for corruption *before* they lead to corrupt behaviour. The Agency is also entrusted with the competencies aimed at establishing and implementing oversight and control over the proper and purposeful use of public authority bestowed to officials encouraging them to take care of the protection of public interest in the areas in which they carry out their official duties.

Prevention of corruption also implies strengthening the citizen awareness of its detrimental effects, and rooting out corruption as it significantly contributes to the creation of a favourable economic environment for doing business, which is essential for advancing the economic

development of the country and attracting new foreign investments, as well as for achieving the necessary progress in the negotiation process for full membership in the EU.

Bearing this in mind, the **key strategic goals** of the Agency's activities pertain to:

1. Strengthening the **integrity** of the public sector (with five operational objectives);
2. Increasing the level of **society's involvement** in preventing corruption (with three operational objectives);
3. Improving the implementation of anti-corruption regulations (with three operational objectives);
4. Improving the international cooperation and implementation of international standards in the area of prevention of corruption (with two operational objectives) and
5. Improving the exercise of the Agency's competencies (with seven operational objectives).

The Agency pays due attention to ensure its work is **result-orientated** and subject to measurement against both *quantitative* and *qualitative* indicators, reflected in its operational plan as part of the strategic plan, being fully aware that improvement of effectiveness should be a never ending process.

In that regard, corruption prevention mechanisms which the Agency has been implementing, as a primarily prevention oriented institution, have been continuously analysed in order to define possibilities for its improvement and enhancement of its effectiveness, thus striving to achieve the full compliance with the national and international legal and strategic framework and priorities.

Measures could be divided into **two groups**, some of which largely depend on the Agency itself whilst the other ones are related to the proper cooperation and coordination with external stakeholders at both national and international level.

Measures, initiatives and practices undertaken by the Agency aimed at increasing the effectiveness in the past two years include the following:

- Internal restructuring in the form of more functional organizational units and mechanisms for internal coordination in order to operate as a consistent entity and in compliance with the extended scope of competences provided for by the new or amended pieces of legislation, such as the new Law on Anti-Corruption as well as the Law on Lobbying (in force as of August 14, 2019) preceded by the state of play analysis and corresponding challenges which should be overcome;
- Increased budget funds for the proper functioning of the Agency;
- Expanded support through international development assistance in parallel with the enhanced absorption capacity;
- Implementation of merit based procedures for promotion and retention of highly qualified personnel as well as attracting the new employees;
- Capacity building through various specialized training programs in cooperation with prominent international and national experts;

- Increasing the number of corruption prevention tools adopted and the level of quality of its implementation;
- Introduction of the new corruption prevention mechanisms and providing support to its proper application;
- Prioritizing its control competences in line with the risk assessment criteria;
- Enhancing possibilities for data exchange among the relevant institutions;
- Bolstering IT infrastructure of the Agency, on the basis of the state of play analysis and Strategy for IT development;
- Proactive acting through increased initiation of proceedings *ex officio;*
- Decreasing backlog of cases from the previous years;
- Introduction of various modalities of cooperation with youth, media and civil society;
- Consolidation and harmonization of existing data bases, records and evidences kept by the Agency, including through IT tools;
- Substantial improvement of the existing procedures and documents, on the basis of the past experience;
- Analysis of the business processes and simplification of internal procedures, thus eliminating redundant ones as to focus time and resources to more efficient and effective work of the Agency's staff.

The Agency has also developed the procedures of internal reporting on the implementation of the Annual Operational Plan for implementation of the Strategic Plan.

Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.

- The Law on Anti-Corruption : http://www.acas.rs/wp-content/uploads/2020/09/Zakon_o_spre%C4%8Davanju_korupcije_ENG.pdf
- The Law on Amendments and supplements to the Law on Corruption Prevention: https://www.acas.rs/law-and-regulations/laws/law-acas/.
- Annual reports of the Agency: http://www.acas.rs/izvestaji/godisnji-izvestaj/
- Relevant information and statistics for 2019: http://www.acas.rs/wp-content/uploads/2020/10/AR19.pdf
- Relevant information and statistics for 2020: https://www.acas.rs/wp-content/uploads/2021/04/Annual_Report_2020_APC_F_Ivan.pdf
- Strategic Plan of the Agency for the period 2019-2023: http://www.acas.rs/wp-content/uploads/2020/10/STRATESKI-PLAN-ENG-2020.pdf

(b) Observations on the implementation of the article

[*Observations of the governmental experts with regard to the implementation of the article. Depending on the scope of the review cycle, findings with respect to the way in which national law has been brought into line with the article, as well as to the implementation of the article in practice.]*

[*Observations on the status of implementation of the article, including successes, good practices*

and challenges in implementation.]

(c) Successes and good practices

[*Identification of successes and good practices in implementing the article, where applicable.*]

Paragraph 3 of article 5

3. Each State Party shall endeavour to periodically evaluate relevant legal instruments and administrative measures with a view to determining their adequacy to prevent and fight corruption.

(a) Summary of information relevant to reviewing the implementation of the article

Is your country in compliance with this provision?

The Republic of Serbia **is in compliance** with this provision.

Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

The Ministry of Justice, in its capacity as an authorised Bill proponent, has prepared important legislation in the field of anti-corruption with a view to create a comprehensive and sustainable legal framework for enhanced efficiency of relevant state authorities. By defining the normative framework, the Ministry of Justice considerably contributes towards equipping relevant preventive and repressive bodies in their effective and efficient fight against corruption. The Ministry shall continue to effectively *monitor* the implementation of the legislation and under the watchful eye collectively improve, through cooperation with other state authorities, adequacy and effectiveness in preventing and combatting corruption, particularly giving due consideration to the recommendations addressed to the Republic of Serbia within various monitoring processes and external reports.

The **Sector for Normative Affairs** within the Ministry of Justice is in charge of performing normative, analytical and administrative tasks related to:

- drafting and monitoring the application of laws and other regulations and international agreements within the scope of the Ministry;
- development and improvement of the legal system in the areas within the scope of the Ministry;
- legal and technical formulation of regulations prepared by the Ministry;
- preparation of opinions regarding the application of regulations within the scope of the Ministry;
- preparation of opinions on drafts and proposals of laws and other regulations prepared by other state administration bodies;
- providing opinions on laws and other general acts proposed by MPs and other authorised proponents;

- monitoring the situation and application of regulations within the scope of the Ministry and in accordance with that indicating potential need and direction of normative regulation;
- monitoring the regulations of the European Union and harmonisation of domestic regulations within the scope of the Ministry with the EU *Acquis* and other normative affairs.

Apart from that, the Ministry of Justice, as a leading institution for the Negotiating Chapter 23, periodically prepares reports on achieved progress in the field of combating corruption as part of the **regular reporting** to the European Commission on the state of the reform process currently underway in the Republic of Serbia.

For the purpose of preparing the contributions for the European Commission's **Annual Progress Report** of the Republic of Serbia and completing the questionnaire on corruption prepared by the European Commission, the Ministry of Justice coordinates, collects and analyses necessary information from relevant state bodies and institutions.

The questionnaire in the field of anti-corruption consists of *four parts*, which provide answers to questions in the following areas:

1. **Strategic documents** – indicating the existing strategic and action documents with the implementation timeframe, the mechanism for monitoring the implementation of the strategic documents, the financial resources for the implementation of these documents, the data on the strategic documents in particularly sensitive areas, as well as the involvement of civil society and the non-governmental sector in the development and **monitoring of national anti-corruption policies**;
2. **Legislative framework** – a detailed overview of the legislative framework as well as information on the compliance with the GRECO recommendations;
3. Institutional framework – segregation made based on prevention and repression mechanisms;
4. **Results** – information mainly contains statistics on annual basis, inter alia, this section provides statistics on criminal investigations of corruption offenses and financial investigations, data on confiscated property in cases of corruption offenses and information on final judgments.

In addition to preparing contributions for the purpose of the European Commission's Annual progress report of the Republic of Serbia, the Ministry of Justice also prepares and coordinates the **reporting on Interim Benchmarks** on a six-month basis within the Negotiating Group 23.

For the purpose of reporting on the fulfilment of these benchmarks, the **Track Record tables** are completed in order to enter statistics and to monitor the fulfilment of the set benchmarks.

One of the effective ways to reduce the scope of corruption is to discover and eliminate risks of occurrence and development of corruption, and not solely corruption as giving and receiving bribes, but corruption in a sense of existence of ethically and professionally unacceptable actions that might provoke different manifestations of corruption and other irregularities in the operation of institutions.

An **Integrity Plan** represents a document which is being developed as a result of the self-assessment of a degree of institution’s exposure to risk of occurrence and development of corruption, and exposure to ethically and professionally unacceptable acts. The objective of the adoption of the

Integrity Plan is to strengthen the integrity of an institution, which implies individual honesty, professionalism, ethics, institutional truthfulness, as well as the way of conduct in line with the moral values. Strengthening the institutional integrity reduces risks that public authorities are being discharged in contravention to their initial intention when established, which then contributes to the improvement of institutional performance quality, and thereby increases public trust in their operations.

The objective of the Integrity Plan is to ensure an efficient and effective functioning of public institutions. That can be achieved through the following actions: simplification of complicated or elimination of unnecessary procedures, overseeing and reducing discretionary rights of managers, monitoring the transparency in work, setting standards, building a more efficient internal control system, eliminating inefficient practices and non-compliance with regulations, creation of such an organizational culture to stimulate accountability, professionalism and ethical conduct of its managers and employees. In order to implement all these actions, prior to the development of the Integrity Plan it is necessary to conduct analysis about, for instance, complicated or unnecessary procedures, how discretionary rights of managers are reflected and what their consequences are, in which areas the employees need training, which internal enactments, procedure or criteria for actions need to be established etc.

The purpose of the Integrity Plan is not to resolve individual corruption cases, but to establish mechanisms that will eliminate circumstances and reduce risks of corruption and unethical and nonprofessional actions in all areas of the institution's functioning. A specific objective of the Integrity Plan is to raise awareness of public officials and employees about damaging effects of corruption in order to reach "zero-tolerance for corruption".

According to art. 93 of the Law on Anti-Corruption **integrity is a set of values and actions of public authorities, other organizations and legal persons that enable public officials, employees and persons engaged to perform tasks in public authorities to abide by the laws and codes of conduct, and act ethically to avoid corruption and improve performance**. The Integrity Plan is adopted after the assessment of one's own integrity and implemented to improve the assessed integrity.

The Integrity Plan (Article 94 of the Law on Anti-Corruption) must contain the following:

1. Areas and processes that are particularly susceptible to the risks of corruption and the assessment of the degree of risk of corruption;

2. Preventive measures that serve to eliminate the risks of corruption and time limits for their undertaking;

3. Information on persons responsible for the implementation of measures from the Integrity Plan.

Further provisions on Integrity Plans are contained in Articles 95-98 of the Law on Anti-Corruption.

In comparison to the previous Law on the Agency, there are important novelties regarding the Integrity Plans in the new Law on Anti-Corruption. The Law on Anti-Corruption provides elaborated definitions of the terms: 'integrity' and 'Integrity Plan' (Article 93 of the Law on Anti-Corruption). The obligation to implement and not just merely adopt the Integrity Plans has been clearly highlighted by the Law on Anti-Corruption i.e. the Integrity Plan shall be adopted and implemented by the bodies of the Republic of Serbia, the autonomous province, the local self-government unit, the city municipality, organizations entrusted with the exercise of public powers, institutions and public enterprises as well as other legal entities with over 30 employees whose founder or member is the Republic of Serbia, the autonomous province, the local self-government unit or the city municipality (Article 95 of the Law on Anti-Corruption).

The new provisions of the Law on Anti-Corruption managed to overcome previous lack of clarity pertaining to the responsibility for Integrity Plans, by introducing direct responsibility of the manager of the entity (responsible for adopting Integrity Plan) to adopt, implement and report on the level of implementation of the Integrity Plan pursuant to Article 97 of the Law on Anti-Corruption.

Misdemeanour liability of a responsible person within the public authority body has been introduced in case the public authority body fails to submit the Integrity Plan and the report on the implementation of the Integrity Plan to the Agency (Article 104 of the Law on Anti-Corruption) or in case the public authority body fails to appoint a person who shall be executing coordination tasks in relation to adoption, implementation and reporting on the implementation of the Integrity Plan (Article 104 of the Law on Anti-Corruption).

Pursuant to the Law on Anti-Corruption all public sector institutions in Serbia, including ministries and the Government are obliged to conduct corruption risk assessment and develop their Integrity Plans - instruments for institutional corruption risk management. The Integrity Plan consists of preventive (legal and practical) measures which contribute to efficient risk management in public institutions, particularly in areas and working processes that are prone to corruption. These legal and practical measures are as follows: development and implementation of internal procedures aimed at strengthening of control of working processes in order to decrease discretionary powers of public officials, establishing of internal whistle-blowing system which should enable efficient detection of corruption cases and other irregularities committed by employees as well as public officials, development of software applications, analysis and publication of data aimed at enhancing the proactive transparency in public institution, establishment of internal systems for implementation of codes of ethics, training on ethics and integrity for public officials and civil servants which contribute to developing an organizational culture based on ethics and integrity. In other words, these measures are aimed at ensuring that officials and employees of public institutions are not engaged in corrupt practices.

The Integrity Plan is to be revised/drafted **every three years**. Thus far two three-year cycles have been completed.

As mentioned above, all public sector institutions in Serbia, including ministries and the Government are obliged to conduct self-assessment of corruption risk and develop Integrity Plan. Development of Integrity Plan implies, for each new cycle, evaluation of existing instruments for fighting against corruption, internal procedures and administrative measures. The **Manual for Integrity Plan**

Development and Implementation ("Official Gazette of the RS", No. 48/21 – clean text) (http://www.acas.rs/plan-integriteta/) have been prepared by the Agency.

In that regard, the Agency has established the system of support to the public sector institutions (at all levels) for development of Integrity Plan, i.e. analysis, self-assessment, and corruption risk management.

Furthermore, the Agency is responsible for the supervision over the process of developing and adopting the Integrity Plan and assessing their quality. For controlling the quality and objectivity of the Integrity Plan, the Agency has developed a **methodology for collecting and analysing data**, including the questionnaires used when visiting institutions for interviewing employees and executives. Given the large number of made Integrity Plans, the quality and objectivity check of Integrity Plan has to be carried out on a sample. When selecting institutions, equal representation of institutions by systems, or by type of institution, as well as by their regional affiliation are taken into account.

In the first cycle, the Agency pursued control of quality and implementation of the Integrity Plan on a selected sample. Control visits conducted and reports on the quality and implementation of the Integrity Plan have been designed for 78 institutions, including ministries and the Government. In the second cycle, the Agency supervised 48 institutions from different systems (judiciary, healthcare, education, social policy, public administration and local self-government) in 15 cities and local self-government units, after which the Agency drafted 48 reports with recommendations for improvement of the quality of these documents and implementation of envisaged measures.

Control conducted in specific institutions has been an **additional control mechanism** on whether the institutions have implemented concrete measures envisaged in their Integrity Plan. Controls conducted on a sample of institutions have also given input on what the key trends and systemic shortcomings in development and implementation of the Integrity Plan are, which was valuable for the second cycle of their development and implementation. This analysis also represents impact assessment of Integrity Plan as the risk assessment corruption tool. All findings from the first cycle are summarized within the Report[6] on Self-Assessment of Integrity of Public Sector Institutions.

In 2020 the Agency prepared the content for the third cycle of Integrity Plan development, based on the lessons learned/analysis of data from the previous cycles

In relation to the development of Integrity Plan, the Agency coordinates the process of corruption risk self-assessment through development of the Guidelines and Integrity Plan models to serve as a tool for development of Integrity Plan of public sector institutions. In the first cycle of the Integrity Plan development and implementation, the Agency developed 69 models of Integrity Plan. In the second cycle, the Agency developed 42 models of Integrity Plan for public sector institutions, including models for all ministries and the Government. For the third cycle the Agency also developed 42 models of integrity plans.

[6] Please see http://www.acas.rs/wp-content/uploads/2010/07/PI_izvestaj.pdf

The Integrity Plan development represents a systemic method and is performed through the following stages: preparatory stage, corruption risk assessment stage and the final stage, i.e. planning of measures for corruption risk management and the improvement of integrity with the elements crucial for the implementation of these measures (deadlines, responsible person). The assessment of the effectiveness of the current risk management measures is carried out in the preparatory stage. When the Working Group in a public institution assesses the effectiveness of the existing risk management measure, it has to take into account whether the existing measure is being implemented and if so, whether it achieves the expected effects. In other words, the Working Group must analyse whether that enactment is really being applied and whether it attains expected effects. If the enactment was adopted but is not being applied or is partially applied and is insufficiently clear to those who need to apply it, such a measure cannot be deemed as a risk management measure.

It was mentioned that the Integrity Plan is to be revised/drafted every three years and that two cycles have been finalized thus far. The first cycle lasted from 2012 to 2015, whereas the second one lasted from 2016 to 2019. **The new (third) cycle of corruption risk assessment and implementation of preventive measures will last from 2021 to 2023**.

In the first cycle, out of 4,483 public sector institutions at all levels (central, provincial, and local), 2,121 (47%) drafted their Integrity Plan. In total 334,519 improvement measures were adopted. In the second cycle, out of 2,716 public sector institutions at all levels (central, provincial, and local), 1,657 (64%) drafted their Integrity Plan. In total 190,999 improvement measures were adopted. In both cycles total of 525,518 measures for risk assessment management have been adopted. The significant difference in numbers occurred since the Methodology for risk assessment has been changed.

In order to support the institutions in development of Integrity Plan in the second cycle (based on lessons learned from the first one) the Agency has provided the following:

1. the Action Plan for the Implementation of the Integrity Plan for all common risk areas to assist the institutions in its implementation (www.acas.rs/акциони-план-за-спровођење-мера-из-пла/);

2. Video guide "*Reporting on the implementation of Integrity Plan*" in order to assist the person responsible for monitoring the Integrity Plan implementation within the application (https://www.youtube.com/watch?v=Hp6_kNhMhWg&feature=youtu.be);

3. Upgrade of the applicative software for Integrity Plan implementation (within the Twinning Project "*Prevention and Fight against Corruption*";

4. Models of three key internal documents in order to facilitate the implementation of risk management measures in the areas most institutions marked as risk-prone (within the USAID Government Accountability Project): http://www.acas.rs/plan-integriteta/.

In addition, public sector institutions have the possibility to make their Integrity Plan publicly available. (http://plan.acas.rs/acas_pi/izvestaj.jsp).

Based on lessons learned from the second cycle, the Agency drafted methodology, structure and content of model Integrity Plan for the third cycle (2021-2024). The Agency has also been preparing further upgrade of the existing software for development and monitoring of integrity plan implementation.

In 2021, the Agency drafted Questionnaire for Impact Assessment of the integrity plans from the second cycle. The Agency has also been preparing the video educational materials which will be focused on the substance and purpose of the corruption risk assessment.

The Law on Corruption Prevention further stipulates that the Agency shall:

1. initiate the adoption or amendment of laws and other regulations;
2. issue opinions on corruption risk assessment of draft laws that are within the field of special risk of corruption occurrence and opinions on draft laws that govern matters covered by ratified international treaties in the area of prevention and fight against corruption (please see Article 6 of the Law on Corruption Prevention).

Another novelty introduced by the Law on Anti-Corruption provides a definition of the notion of the '*the field of special risk of corruption occurrence*' to be the field, which has been identified as especially risky by the strategic document (Article 2 of the Law on Corruption Prevention), whereas 'strategic document' shall imply Strategies and Action Plans within the domain of fight against i.e. prevention of corruption (Article 2 of the Law on Corruption Prevention). Furthermore, pursuant to Article 35 of the Law on Anti-Corruption , the Agency shall initiate the adoption of regulations, for the purpose of eliminating corruption risks or ensuring compliance of regulations with the ratified international treaties in the area of fight against corruption. **Article 35 of the Law on Anti-Corruption imposes an obligation on state authorities to seek and obtain an opinion on corruption risk assessment from the Agency during the preparatory phase of drafting laws that govern issues encompassed by the ratified international treaties in the anti-corruption field or are within the field of special risk of corruption occurrence**. This legal solution shall enable the Agency to analyse all draft laws within the areas prone to corruption, which was not the case with the previous Law on the Agency, given that the public authority bodies did not have this obligation.

With the support of OSCE Mission to Serbia, the Agency developed the Methodology for Corruption Risk Assessment in Legislation with the corresponding trainings for the Agency's staff. Text of the Methodology is available here: https://www.acas.rs/wp-content/uploads/2021/04/ASKMetodologijaweb.pdf

In accordance with the Operational Plan for the Prevention of Corruption in areas of a particular risk that was adopted in September 2021, the Agency currently prepares the trainings for the application of the Methodology for Corruption Risk Assessment in Legislation, for the staff of the Ministry of Finance, Ministry of Economy and Bankruptcy Supervision Agency

The Revised Action Plan for Chapter 23-Subchapter Fight against Corruption envisages monitoring of the implementation of the new Law on the Anti-Corruption on an annual basis which will be performed by the Agency and other relevant institutions as well as the analysis of the effects of implementation of the new Law on Anti-Corruption, which will cover the period from the beginning of its implementation and the next three years (this activity will be performed by the Agency, Misdemeanour courts, Republic Public Prosecutors' Office and other relevant institutions.

Also, with the support of OSCE Mission to Serbia, the Agency developed the Methodology for assessing the effects of implementation of the new Law on Anti-Corruption.

Moreover, the impact assessment of measures taken to reduce corruption in eight vulnerable areas (health sector, taxation, customs, education, local self-government, privatization process, public procurement and the police) is also foreseen by the Revised Action Plan for Chapter 23 which will be performed by the Agency. The Agency is currently developing the Methodology for drafting the Impact assessment of measures undertaken to reduce corruption with the support of IPA 2013 Project "*Prevention and Fight against Corruption*" (Service Contract). Consequently, all relevant institutions will undertake corrective measures based on impact assessment findings.

In the period October 1-8, 2021 the Agency organized meetings with the representatives of the Public Procurement Office, Budget Inspection of the Ministry of Finance, Ministry of Justice, Republic Public Prosecutor's Office, Misdemeanour Appellate Court, Supreme Court of Cassation, Ministry of Health, Customs Administration, Ministry of Economy, Ministry of Interior, National Entity for Accreditation and Quality Assurance in Higher Education and Tax Administration as to discuss preliminary questionnaires and data, which will be submitted to the Agency by the competent institutions in the process of impact assessment. In accordance with their inputs, the Agency drafted final indicators and sent questionnaires, based on which data will be collected from the institutions involved.

Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.

- The Law on Anti-Corruption: http://www.acas.rs/wp-content/uploads/2020/09/Zakon_o_spre%C4%8Davanju_korupcije_ENG.pdf
- Integrity Plan related documents: http://www.acas.rs/plan-integriteta/
- Annual reports of the Agency: http://www.acas.rs/izvestaji/godisnji-izvestaj/
- Relevant information and statistics for 2019: http://www.acas.rs/wp-content/uploads/2020/10/AR19.pdf
- Relevant information and statistics for 2020: https://www.acas.rs/wp-content/uploads/2021/04/Annual_Report_2020_APC_F_Ivan.pdf
- The Methodology for Corruption Risk Assessment in Legislation: Text of the Methodology is available here: https://www.acas.rs/wp-content/uploads/2021/04/ASKMetodologijaweb.pdf
- The Revised Action Plan for Chapter 23-Subchapter Fight against Corruption: https://www.mpravde.gov.rs/tekst/30402/revidirani-akcioni-plan-za-poglavlje-23-i-strategijarazvoja-pravosudja-za-period-2020-2025-22072020.php

- The first Report on monitoring of the implementation of the Revised Action Plan for Chapter 23-subchapter Fight against Corruption: https://www.acas.rs/wp-content/uploads/2021/04/Report_RAP23_APC_F.pdf
- Serbian contribution to the Eleventh Session of the Open-Ended Intergovernmental Working Group on Prevention: https://www.unodc.org/documents/treaties/UNCAC/WorkingGroups/workinggroup4/2020-June-9-10/Contributions/Serbia_EN.pdf

(b) Observations on the implementation of the article

[*Observations of the governmental experts with regard to the implementation of the article. Depending on the scope of the review cycle, findings with respect to the way in which national law has been brought into line with the article, as well as to the implementation of the article in practice.]*

[*Observations on the status of implementation of the article, including successes, good practices and challenges in implementation*.]

(c) Successes and good practices

[*Identification of successes and good practices in implementing the article, where applicable.*]

Paragraph 4 of article 5

4. States Parties shall, as appropriate and in accordance with the fundamental principles of their legal system, collaborate with each other and with relevant international and regional organizations in promoting and developing the measures referred to in this article. That collaboration may include participation in international programmes and projects aimed at the prevention of corruption.

(a) Summary of information relevant to reviewing the implementation of the article

Is your country in compliance with this provision?

The Republic of Serbia **is in compliance** with this provision.

Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

The Republic of Serbia has ratified **all** major international instruments in the anti-corruption field. Proactive approach of the Republic of Serbia towards subjects of international law resulted in establishing intensive cooperation with other State Parties and various partner international organizations, bodies and initiatives, aimed at promoting and developing measures set forth by UNCAC.

In particular, the Republic of Serbia, via its formally appointed representatives of the Ministry of Justice, closely collaborates on corruption related matters with the following:

On international level:

- United Nations – UNODC;
- Council of Europe[7] – GRECO,MONEYVAL, CEPEJ and Venice Commission;
- Organization for Security and Co-operation in Europe [OSCE];
- Organisation for Economic Co-operation and Development [OECD];
- International Anti-Corruption Academy [IACA];

On regional level:

- Regional Cooperation Council [RCC];
- Regional Anti-Corruption [RAI];

On European level:

- EUROJUST and European Judicial Network – aimed at facilitating Mutual Legal Assistance requests etc.

❖ UNODC Regional Programme for South Eastern Europe 2020-2023[8]

- Under the auspices of the Berlin Process, the Ministers concluded that corruption, money laundering and financial crime are *shared* security threats and committed to deepening regional cooperation and strengthening collective response. Hence, Security Commitments Steering Group (SCSG) agreed in 2020 to create and deliver an illicit finance and anti-corruption roadmap ("the Roadmap"). The initiative to lead the facilitation and design of the Roadmap is entrusted to UNODC (as a guardian of UNCAC)whereas appointed contact points[9] of the Republic of Serbia take **active participation**. This roadmap is expected to result in the delivery of tangible improvements to the implementation of the existing national anti-corruption / anti-illicit finance measures, and international standards and recommendations, including those stemming from the European Commission's annual reports with respect to the EU enlargement process.

- The Republic of Serbia is also actively engaged in UNODC project "*Fostering sustainable development by supporting the implementation of the United Nations Convention against Corruption in countries along the Silk Road Economic Belt*";

[7] Please see the list of **all** ratified by Serbia Council of Europe treaties:https://www.coe.int/en/web/conventions/search-on-states/-/conventions/treaty/country/SAM/RATIFIED?p_auth=n7iJPHnI

[8]https://www.unodc.org/documents/southeasterneurope/UNODC_SEE_RP_27-11-2019_final.pdf

[9] Representing Ministry of Justice, Corruption Prevention Agency, Ministry of Internal Affairs and Financial Investigation Unit of the Ministry of Finance.

❖ Regional Anti-Corruption Initiative Work Plan 2021-2022[10]

▪ The Republic of Serbia, in its capacity as Regional Anti-Corruption Initiative member state, is actively engaged in various RAI activities according to its' two-year Work Plan. One of the most important activities is the **International Treaty for Exchange of Data for Verification of Asset Declarations** (hereafter: Treaty), which was developed and negotiated as a legal framework for ensuring international exchange on data disclosure, during the ADA-funded Regional Programme (2015-2020). **The signing ceremony of the treaty by the Minister of Justice of the Republic of Serbia has been taken place on 19th March 2021.**

▪ Apart from that the Republic of Serbia is also engaged in currently active RAI projects aimed at regionally strengthening anti-corruption system, such as the project '*Breaking the Silence: Enhancing Whistleblowing Policies and Culture in Western Balkans and Moldova*' (April 2020 – March 2023) which is funded by European Union. Within this project Serbian Representatives in RAI from the Ministry of Justice provided to the engaged RAI experts Answers to the tailor made questionnaire which served as a basis for developing RAI *Gap Analysis* of the legal framework on whistle-blower protection for the project beneficiaries.

Furthermore, the Anti-Corruption Agency is equally strongly committed and focused on enhancing international cooperation (particularly given that this activity has been expressly prescribed by the new Law on Anti-Corruption). In that regard, the Agency staff together with representatives of the Ministry of Justice of the Republic of Serbia are part of the Serbian Delegation to GRECO[11], whereby the Director of the Agency acts as the Head of Delegation.

The Agency is actively involved in all UNODC activities related to the prevention of corruption, including the **Open Ended Inter-Governmental Working Group for Corruption Prevention and Conference of State Parties**. The Agency participates in the ACN OECD as a National Coordinator. Two years in a row (2019, 2020) the Agency was elected to be a Vice-Chair of the Network of Corruption Prevention Authorities as well for the president in 2021 (NCPA - https://www.coe.int/en/web/corruption/ncpa-network),being also one of its founding members back in 2018 (https://rm.coe.int/declaration-for-a-ncpa/168098e817).It also cooperates with the Regional Anti-Corruption Initiative (RAI) in terms of its corruption prevention related activities. It is involved in the activities organized by EPAC/EACN as well as IACA.

Recognizing the work and role of the Agency, the international community has supported the implementation of various projects aimed at comprehensively strengthening the Agency's professional and technical capacity. Since its establishment in 2010, the Agency has successfully implemented numerous projects focused on anti-corruption and funded by EU (IPA 2008 and IPA 2013, TAIEX), UNDP, Norwegian Government, USAID, OSCE, OSCE-ODIHR, IFES, World Bank, US Embassy-US Ministry of Justice, Slovak Aid, Council of Europe, etc. As of July 2016, until January 2019, the Agency implemented EU funded Twinning Project (IPA 2013) "*Prevention and Fight against Corruption*" in cooperation with the National Anti-Corruption Authority, the Ministry of Justice, the Higher School of the Judiciary of Italy and the General Prosecutor's Office

[10] https://archive.rai-see.org/wp-content/uploads/2020/11/RAI-Work-Plan-2021-2022_FINAL-1.pdf
[11] Please see https://www.coe.int/en/web/greco/structure/member-and-observers#{%2222358830%22:[40]}

of Spain (http://www.acas.rs/twinning/en/).In 2019, 2020 and 2021, the Agency has been involved in most international projects since its establishment.

The Agency is also a member of sector working groups for Justice, Home Affairs and Public Administration Reform in terms of programming and planning development assistance at the national level in accordance with the strategic approach. Currently, the Agency has been involved in the activities supported by EU, USAID, World Bank, OSCE, US Embassy-US Ministry of Justice, IFES, UNDP-Swiss Agency for Development and Cooperation and CoE. Regarding the Conventions relevant for corruption prevention, the Republic of Serbia ratified UNCAC, Council of Europe Civil Law Convention on Corruption, Council of Europe Criminal Law Convention on Corruption, Additional Protocol to the Criminal Law Convention on Corruption, Memorandum of Understanding concerning Cooperation in Fighting Corruption through the South Eastern European Anti-Corruption Initiative with the Protocol amending the Memorandum of Understanding concerning Cooperation in Fighting Corruption through the South Eastern European Anti-Corruption Initiative as well as the Agreement for the Establishment of the International Anti-Corruption Academy as an International Organization.

As for inter-institutional Cooperation Protocols/Memoranda/Agreements, the Agency signed it with the National Anti-Corruption Authority of Italy, Anti-Corruption Agency of France, Anti-Fraud Office of Spain, Anti-Corruption Commission of the State of Palestine, Commission on Ethics of High-Ranking Officials of Armenia, the Commission for Fight against Corruption and Confiscation of Illegally Acquired Property of Bulgaria. The respective documents are prevalently aimed at cooperation in terms of experience and best practice exchange, information related to corruption prevention, trainings, study visits within the purview of the signatory parties, etc.

It also cooperates with the similar anti-corruption bodies from Bosnia and Herzegovina, Croatia, North Macedonia, Slovenia, Montenegro, Albania, Latvia, Austria, Greece, Hong Kong, Slovakia, Ukraine, Spain, Qatar, Romania, Kazakhstan, etc. through study visits, trainings, best practice exchange, international conferences, IT solutions exchange, etc.

The Agency communicates and cooperates with the Serbian Chapter of the Global Organization of Parliamentarians against Corruption (GOPAC).

Detailed information on international cooperation of the Agency is made available in its Annual Reports (http://www.acas.rs/izvestaji/godisnji-izvestaj/) as well as news at its website (www.acas.rs).

Since its establishment, the Agency organizes international conferences on the occasion of the UN International Anti-Corruption Day (December 9). The last one, organized in December 2019 (marking the Agency ten-year anniversary and ten years of cooperation between OSCE Mission to Serbia and the Agency), was attended by various state institutions, civil society organizations, media, international and donor community as well as participants from 15 countries as well as GRECO Secretariat.

As of its establishment, the Agency organizes international conferences on the occasion of the UN International Anti-Corruption Day (December 9). The last one https://www.acas.rs/obelezavanje-medjunarodnog-dana-borbe-protiv-korupcije-5/ , organized on December 9, 2021 with the support of the OSCE Mission to Serbia was dedicated to gender policy as a necessity or opportunity – with policy of equal opportunities towards more effective prevention of corruption.

For instance, the international conference in December 2019 (https://www.acas.rs/obelezavanje-medjunarodnog-dana-borbe-protiv-korupcije-3/), marking also Agency ten-year anniversary and ten years of cooperation between OSCE Mission to Serbia and the Agency, was aimed to exchange best practices and seek answers to common challenges imposed on us by the new global circumstances.

For instance, the international conference in 2018 (http://www.acas.rs/obelezavanje-medjunarodnog-dana-borbe-protiv-korupcije/) was aimed at implementation of corruption prevention mechanisms (conclusions available at http://www.acas.rs/wp-content/uploads/2019/01/CONFERENCE_CONCLUSIONS.pdf) succeeded by the one in 2019 tackling innovative responses to current challenges in the area of corruption prevention (http://www.acas.rs/obelezavanje-medjunarodnog-dana-borbe-protiv-korupcije-2/) whereby the conclusions of the 2018 conference were also touched upon.

The Agency also hosted a large-scale international conference marking the successful finalization of the mentioned Twinning Project (http://www.acas.rs/zavrsetak-tvining-projekta-prevencija-i-borba-protiv-korupcije/).

On a regular basis the Ministry of Justice and Agency representatives attend international sessions and conferences on corruption prevention, such as the ones organized by UNODC, World Bank, CoE, EPAC/EACN, ACN OECD, IACA as well as similar anti-corruption bodies from the region and worldwide. The Agency staff attended diverse corruption prevention related trainings and fellowship programmes abroad, such as in the Netherlands, the United Kingdom, Austria (UNODC), Hong Kong, United States, France (ACN/OECD), Italy, Germany, Montenegro, Bosnia and Herzegovina, Poland, etc. as well as study visits to Romania, France, Italy, Ukraine, the Netherlands, Spain, Moldova, Lithuania, Poland, etc.

Each year the Agency organizes numerous meetings with the international community in the Republic of Serbia. In 2019, meetings focused on compliance with international recommendations and standards in the area of corruption prevention were organized with the high level representatives of European Commission, EU Delegation, OSCE Mission, OSCE/ODIHR, USAID, IMF, World Bank, US Bureau of International Narcotics and Law Enforcement Affairs and the embassies of United States, France, Germany, the Netherlands, Ukraine and State of Palestine. In 2018 the Agency had various meetings with the representatives of the European Commission, EU Delegation, the SIGMA Initiative, OSCE Mission, USAID, as well as the embassies of the United States, Italy, France, Germany, the Netherlands, the United Kingdom, Austria, Slovakia, Norway, Finland, Russia, Ukraine, etc.

Internal Affairs Sector of the Ministry of Interior participates at Annual Conference EPAC/EACN network, considering that IAS is a member of EPAC (European Partners against Corruption) since

2009. Within the network IAS established *direct* contact with similar internal affairs unit from the region and EU countries and signed until now 5 memorandums/protocols on cooperation in the area of prevention and fight against corruption with similar internal affairs units from Romania, Hungary, Republic of Bulgaria, North Macedonia and the Republic of Slovenia which enabled direct cooperation and exchange of good practise.

IAS participated from March 2019 till middle of December 2020 in EU funded twinning project "*Strengthening Capacities of Internal Control in the Fight against Corruption within the Ministry of Interior*" together with twinning partners from the Republic of Lithuania and Romania, where a number of trainings was conducted to exchange experience in conducting corruption investigation and using preventive mechanisms and provided assistance in drafting manuals to conduct corruption investigations and new preventive institutes that IAS utilises in its work according to the Law on Police. EU funded project also envisaged supply of IT and covert audio and video equipment in the amount of 684.000 EUR which was distributed to IAS in 2019.

Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.

- list of **all** ratified by Serbia Council of Europe treaties: https://www.coe.int/en/web/conventions/search-on-states/-/conventions/treaty/country/SAM/RATIFIED?p_auth=n7iJPHnI
- Network of Corruption Prevention Authorities: https://www.coe.int/en/web/corruption/ncpa-network
- Declaration on establishing the Network of Corruption Prevention Authorities: https://rm.coe.int/declaration-for-a-ncpa/168098e817
- Twinning Project: http://www.acas.rs/twinning/en/
- Annual reports of the Agency: http://www.acas.rs/izvestaji/godisnji-izvestaj/
- Relevant information and statistics for 2019: http://www.acas.rs/wp-content/uploads/2020/10/AR19.pdf
- International conference 2018: http://www.acas.rs/obelezavanje-medjunarodnog-dana-borbe-protiv-korupcije/
- Relevant information and statistics for 2020: https://www.acas.rs/wp-content/uploads/2021/04/Annual_Report_2020_APC_F_Ivan.pdf
- Conclusions of the international conference 2018: http://www.acas.rs/wp-content/uploads/2019/01/CONFERENCE_CONCLUSIONS.pdf
- International conference 2019: http://www.acas.rs/obelezavanje-medjunarodnog-dana-borbe-protiv-korupcije-2/
- Twinning conference: http://www.acas.rs/zavrsetak-tvining-projekta-prevencija-i-borba-protiv-korupcije/
- News on international cooperation: www.acas.rs
- Reports prepared by the Agency (in cooperation with the relevant state institutions) for UNODC Intergovernmental Working Group on Prevention: http://www.acas.rs/un-izvestaji-o-sprovodjenju-un-konvenci/

(b) Observations on the implementation of the article

[*Observations of the governmental experts with regard to the implementation of the article. Depending on the scope of the review cycle, findings with respect to the way in which national law has been brought into line with the article, as well as to the implementation of the article in practice.]*

[*Observations on the status of implementation of the article, including successes, good practices and challenges in implementation*.]

(c) Successes and good practices

[*Identification of successes and good practices in implementing the article, where applicable.*]

(d) Challenges, where applicable

Please outline actions required to ensure or improve the implementation of the article under review and describe any specific challenges you might be facing in this respect.

(e) Technical assistance needs

No assistance would be required

Legislative assistance: please describe the type of assistance

Institution-building: please describe the type of assistance

Policymaking: please describe the type of assistance

Capacity-building: please describe the type of assistance

Research/data-gathering and analysis: please describe the type of assistance

Facilitation of international cooperation with other countries: please describe the type of assistance

Others: please specify

Is any technical assistance already being provided to you? If so, please provide a general description of the nature of the assistance, including donor information.

Article 6. Preventive anti-corruption body or bodies

Paragraph 1 of article 6

1. Each State Party shall, in accordance with the fundamental principles of its legal system, ensure the existence of a body or bodies, as appropriate, that prevent corruption by such means as:

(a) Implementing the policies referred to in article 5 of this Convention and, where appropriate, overseeing and coordinating the implementation of those policies;

(b) Increasing and disseminating knowledge about the prevention of corruption.

(a) Summary of information relevant to reviewing the implementation of the article

Is your country in compliance with this provision?

The Republic of Serbia **is in compliance** with this provision.

Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

1. Essentially there are three anti-corruption bodies in the Republic of Serbia:

1. The Anti-Corruption Agency;
2. The Anti-Corruption Council;
3. The Protector of citizens (*Ombudsman*).

Strategic Framework within the purview of the Anti-Corruption Agency

***NOTA BENE*:** Please also see the Agency responses related to the Article 5, par. 2; Article 5, par. 4; Article 7, par. 1; Article 7, par. 4; Article 8, par. 5

Past developments based on The National Anti-Corruption Strategy and its Action Plan for the period 2013-2018

In February 2013, a working group was established to draft the new (**second**) National Anti-Corruption Strategy (hereinafter referred to as: NACS) and its Action Plan (hereinafter referred to as: AP) for the period 2013-2018. After a three-month long public debate the National Assembly adopted the new NACS on July 1, 2013. The NACS regulated ten areas and was set out to accomplish important anti-corruption objectives and eliminate many deficiencies in the legal and institutional framework and practice of public authorities. The NACS recognized that corruption constituted as an obstacle to the economic, social and democratic development of the Republic Serbia and formulated the elimination of corruption as its main objective.

The NACS for the period 2013-2018 stated that there was an awareness raised and the political will in the Republic of Serbia to attain a significant progress in the fight against corruption, while respecting all democratic values, rule of law and the protection of fundamental human rights and freedoms, and that this was the foundation used to adopt the NACS, while specific measures and activities for its implementation were envisaged under the AP.

The general objective of the NACS was to significantly eliminate corruption, as a barrier for economic, social and democratic development of the Republic of Serbia. In the course of the implementation of the NACS, public authorities and holders of public authorities, involved in the

prevention and fight against corruption, were obliged to perform their authorities in line with the following general principles: (1) principle of rule of law; (2) principle of "zero tolerance" for corruption; (3) principle of accountability; (4) principle of comprehensiveness of the application of measures and cooperation with entities; (5)principle of efficiency; and (6)principle of transparency. The NACS listed **priority areas** for actions, which were determined on the basis of the quantitative and qualitative analysis of indicators for trends, scope, manifestation and other corruption-related issues in the Republic of Serbia, based on the **different sources of information**. Under the Chapter titled "*Prevention of Corruption*", objectives related to the priority areas for actions and objectives for all other areas, where corruption might occur, were defined. The NACS also formulated measures for corruption prevention and for coordination and monitoring of the NACS.

Following the above-mentioned principles, the NACS identified the priority areas related to political activities, public finance, privatization and public-private partnership, judiciary, police, spatial planning and construction, health care system, education and sport as well as the media.

The implementation of the NACS actually began with the onset of the AP for its implementation, on September 6, 2013 when the document, adopted by the Government on August 25, 2013 was published in the Official Gazette. The AP lasted until June 30, 2016 when the Revised AP for the Implementation of the NACS was adopted. The revision was envisaged as one of the obligations listed under the AP itself. The second NACS and the Revised AP lasted until the end of 2018.

The NACS contained 53 objectives, for whose fulfillment the Revised AP for the Implementation of the NACS envisaged 113 measures and 243 activities.

The AP envisaged specific measures and activities necessary for the implementation of the strategic goals, deadlines, implementing entities and resources for the implementation. The AP envisaged 33 institutions on the national level as implementing entities, including ministries, the Government and the National Assembly. It also envisaged all local self-government units in the Republic of Serbia (146) and all courts (24 higher courts and 57 basic courts of general jurisdiction) as responsible entities for implementation of activities from the AP. Indicators for activity compliance were defined, on the basis of which the level of their implementation would be measured, and success assessment indicators for the set objectives.

As per the NACS, monitoring of implementation of the NACS and its AP was under the competence of the Agency. The Ministry of Justice was the coordinator within the Government of the Republic of Serbia in charge of mutual communication, exchange of experiences and information about activities undertaken for the purposes of implementation of the NACS and its AP. The Anti-Corruption Council overviewed the results of the implementation of the NACS and its AP in public authorities.

Government Decision established the **Government's Coordination Body** in August 2014 with the aim to coordinate the implementation of the NACS and its AP. According to the Decision, the Coordination Body included the Prime Minister, who also managed its work, ministers in charge of judicial and financial affairs and a representative of the Anti-Corruption Council.

The Agency monitored the implementation of the NACS and its AP, in such a manner that it collected the reports of the public authorities – the responsible entities of the AP, and all other available relevant data (findings of researches, reports of the civil society and international organizations, etc.), on the basis of which it analyzed and appraised the fulfillment of the strategic documents. Together with the Annual Report, the Agency submitted the **Report on the implementation of the NACS and its AP** to the National Assembly of the Republic of Serbia on an annual basis.

The ACA evaluated whether the activity had been implemented in accordance with the indicator or not. This, technical assessment was supplemented by a qualitative assessment of the fulfillment of activities, or by the opinion of the Agency, based on the available data, whether the activity was implemented in the manner and within the time frame stipulated in the AP. Method of implementation of activities implied compliance with the instructions from the measure, activities and remarks to the activity, and the instruction, in some cases, referred also to the column "*necessary resources*". In addition to the technical and qualitative evaluation, the Agency also, in certain cases, rendered the opinions and recommendations in order to improve the implementation of certain activity from the AP. Besides the recommendation of the Agency, the recommendation of the implementing entity was also stated, if presented in its report. The Agency had also developed **software/application for reporting** on the implementation of the activities from the AP.

The main objective of the drafting the Annual report of the NACS and AP was to systematize, in one document, available data on undertaken measures and activities in order to estimate the level of their implementation, to identify the challenges and difficulties occurring in the implementation and provide recommendations for its overcoming, i.e. Agency's opinion and recommendations for particular improvement of the measure/activity implementation.

From its establishment in 2010,the Agency has prepared **nine reports**[12] (three reports on the implementation of the first NACS and AP and six on the implementation of the second NACS, AP and Revised AP). All reports were submitted to the National Assembly.

Please note that a comprehensive *Gap Analysis* of the implementation of the National Anti-Corruption Strategy, its implementation plan and the Action Plan for the Negotiating Chapter 23 was conducted back in 2018, as part of the IPA project "*Prevention and Fight against Corruption*". The aim of the analysis was to identify obstacles to the successful implementation of the anti-corruption measures and to identify deficiencies in their implementation, as well as to propose viable measures for overcoming these deficiencies. The analysis identified shortcomings primarily within the coordination of measures provided for by the strategic anti-corruption documents. Based on the recommendations of the Gap Analysis, new activities have been devised and included in the Revised Action Plan for Chapter 23.

The new strategic framework and Revised Action Plan for Chapter 23[13]

Monitoring of implementation of strategic documents has been expanded by the Law on Anti-Corruption whereby the Agency henceforth (1) supervises the implementation of the strategic documents, (2) submits to the National Assembly the report on the strategic document implementation with the accompanying recommendations for action, (3) provides the responsible entities with recommendations for eliminating any identified omissions or shortcomings within the implementation of strategic documents and (4) initiates amendments to the strategic documents (Article 6 of the Law on Anti-Corruption). These expanded competences are particularly important in terms of issuing recommendations and initiating amendments to strategic documents due to the fact that the Agency, as of 1st of September 2020, monitors the implementation of the subchapter 'fight against corruption' of the Action Plan for the Negotiating Chapter 23 on Judiciary and

[12]The reports on implementation of the National Anti-Corruption Strategy and its Action Plan are available here: http://www.acas.rs/izvestaji/godisnji-izvestaj/.

[13]The Revised Action Plan for Chapter 23 was adopted by the Government of the Republic of Serbia on July 10, 2020. The text is available here: https://www.mpravde.gov.rs/tekst/30402/revidirani-akcioni-plan-za-poglavlje-23-i-strategija-razvoja-pravosudja-za-period-2020-2025-22072020.php.

Fundamental Rights. In March 2021, the Agency submitted to the National Assembly with its Annual report the first report on the implementation of this sub-chapter, covering the period from the day of the Revised Action plan for Chapter 23 adoption, July 10, 2020 to December 31, 2020.

Local anti-corruption plans

The idea about adopting local anti-corruption plans has been promoted ever since the adoption of the NACS in 2013. The NACS identified lack of systemic anti- corruption policy at the local self-government (hereinafter referred to as: LSG) level, i.e. a policy that would be applicable to all LSGs, but would also take into account their specific qualities and needs.

In addition, the AP for Chapter 23 envisages that preventive mechanisms for tackling corruption should be strengthened at the LSG level, which has been identified as one of the fields particularly vulnerable to corruption in the European Commission Screening Report's Recommendations for this Chapter. This document calls for the adoption and implementation of a local anti-corruption plan (LAP) by cities and municipalities.

With a view to assisting cities and municipalities in their efforts to adopt adequate LAPs, the AP for Chapter 23 has envisaged that the Agency should draw up the **Model LAP** to be used by LSG data basis for developing their own LAP. In order to identify the subject matter of the Model LAP, i.e. the fields and processes to be included in such plans, in 2016 the Agency has carried out an analysis of the legal framework which regulates LSG, specifically its part which carries a particular risk of corruption. Based on this analysis and other relevant sources of information, as well as information and standards for drawing up action plans, Agency has prepared this Model LAP, accompanied with **detailed guidelines and recommendations for its adoption and monitoring**.

In 2017 the Model LAP was developed **in consultation with relevant civil society organizations** and in cooperation with the Standing Conference of Towns and Municipalities–National Association of Local Authorities in Serbia. It was a subject of a wide public consultation.

The 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.

The Model LAP is based on identification of normative, institutional, organizational and practical risks of corruption and implementation of measures aimed at eliminating those risks, causes of corruption, misuse and irregularities and overall removal of bad governance in the broadest sense of the word. 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 identified risks. Furthermore, values underlying any LAP and process of its adoption, implementation and monitoring are mostly the same values that underpin any concept of good governance, along with the respect of some additional values related to the local level of government. These values are: accountability, transparency, participation or involvement of citizens and the local community, efficiency and effectiveness, proactivity and authenticity and respect for specificities of each LSG and local community. The Model LAP covers 17 fields: adoption of regulations by LSG authorities; managing conflict of interest at the local level; uncovering/exposing corruption by protecting whistle-blowers and administering reports and complaints about the work of officers and LSG authorities filed by service users; relations between LSGs and public services, state-owned enterprises and other organizations founded by LSGs and partially or completely funded and controlled by LSGs; public-private partnerships and concessions; managing the public property of LSGs; managing donations received by LSGs; regulating administrative procedures and improving oversight of

procedures for exercising rights and duties by users of LSG services; developing aid and solidarity programmes to ensure the exercise of rights of persons with disabilities and protection of rights of vulnerable groups; allocation of funds from the LSG's budget to advance the public interests of the local community; inspection oversight; spatial and urban planning and construction; setting up working bodies at the LSG level; public procurement; strengthening internal mechanisms of financial control; strengthening the mechanisms of community oversight and control in the process of planning and implementing LSG's budget and creating legal, institutional, organizational and technical prerequisites for coordinating the implementation of the LAP and its monitoring.

Within each specific field, Model LAP defines certain elements of strategic documents (outlines, objectives and measures), while each LSG should, according to its capacities and needs, broaden its LAP to other areas, define the way of implementation of measures, i.e. define activities, deadlines, responsible persons, financial resources for implementation and indicators.

With respect to certain operational and practical steps to be taken in the process of adopting a LAP, the Model LAP includes a description of desirable steps and the course of the process that each LSG should follow and/or adapt to its specificities. Particular attention was given to the issues of setting up a working group for LAP development and its operation, public hearing on draft LAP, LAP adoption, setting up of a permanent working body in charge of LAP implementation and monitoring. Coordination of LAP implementation plays a key role in its application and every LSG should ensure organizational prerequisites for internal coordination of LAP implementation. This issue is elaborated in detail in the Model LAP. One of the core values of LAP is 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, it is highlighted that all relevant local actors, such as civil society organizations, professional, trade and other associations, media, trade unions, 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.

In order to include civil society organizations in this important process, **in 2018 the Agency allocated grants to five civil society organizations for implementation of projects aimed at supporting selected LSG to draft their LAP and establish the body for monitoring of its implementation in line with the Agency's Model**, as well as to improve human capacities of LSG for future autonomous drafting and monitoring of public policies implementation.

Furthermore, the Agency organized the **campaign "LAP for Stronger Integrity"** [14] in 2018, aimed at raising awareness of the citizens on adoption and implementation of LAP. Through the campaign the Agency indicated the purpose of LAP and called on the LSG, which did not adopt it to do so, as well as citizens to actively participate in this process thus contributing to the improvement of the work of their local community as well as its resistance to corruption risks.

Monitoring of LAP implementation is an essential step in the entire process. Model LAP points out that every LSG should set up a body that ought to be responsible for monitoring its implementation and informing the public and other concerned actors in the local community. It is 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, as stated in the Model LAP, the LSG should organize and ensure that the process of appointing members to this body is carried out in a manner, which will

[14] Please see http://www.acas.rs/kampanja/

ensure that further along the way this body can function independently. The Model LAP, therefore, proposes clear instruction on the composition of the commission, selection criteria and other elements of importance for this issue.

The Agency is keeping the data base on the process of adoption of LAP and establishment of bodies in charge of monitoring LAP implementation, as well as assessing whether the adopted LAP is prepared according to the Model LAP[15].

With the support of US AID Government Accountability Initiative Methodology for monitoring and reporting on LAP implementation[16] was also drafted. Methodology entails instructions and practical examples, touches upon the obligations and responsibilities of the stakeholders involved in monitoring and reporting on LAP, describes the process of data collection on status of measures and activities envisaged by LAP from official and alternative sources, indicates method of reporting on LAP implementation and proposal of its revision. This is how unified practice in LAP implementation monitoring in different cities and municipalities has been achieved, thus contributing to the overall improvement of the quality of the respective process.

The Agency continuously provides consultative support to the working bodies for LAP development as well as members of commissions for election of bodies and bodies for LAP monitoring implementation.

Anti-Corruption Council

The Anti-Corruption Council is another crucial anti-corruption body which was established by The Decision of the Government of the Republic of Serbia on October 11th, 2001. The Council is an expert, advisory body to the Government, founded with a mission to oversee all aspects of anti-corruption activities, to propose measures to be taken in order to curb corruption efficiently, to monitor their implementation, and to make proposals for bringing regulations, programmes and other acts and measures in this area.

The Anti-Corruption Council daily receives complaints of citizens. However, the Council deals with individual cases only if they point out to a broader phenomenon, which emphasizes the sources of **grand corruption** in business and politics. Complaints are proceeded to the relevant institutions, and applicants are duly notified by mail or telephone about the status of their case and replies received.

On the basis of relevant documentation collected during its research, the Council writes reports and submits them to the Government of the Republic of Serbia. If no action is undertaken or there is no reply, the reports are made public. The Council also submits reports to the Republic Public Prosecutor's Office as well as the competent institutions and ministries, depending on the subject matter of the report.

[15]The respective data are available here: http://www.acas.rs/izvestaji-2/.

[16] Please see http://www.acas.rs/wp-content/uploads/2019/11/Metodologija-za-pracenje-primene-i-izvestavanje-o-primeni-LAP-a-25.11.-.pdf

The Anti-Corruption Council, at the beginning of each year, adopts the **Annual Report** on its activities and submits it to the Government of the Republic of Serbia.

Protector of citizens (Ombudsman)

The Protector of Citizens is constituted as an independent institution by the Law adopted in 2021, and its status is confirmed by art. 138 of the Constitution of the Republic of Serbia ("Official Gazette of the RS" 98/06, 115/21). As stipulated by the Law on the Protector of Citizens ("Official Gazette of the RS" 105/21), the Protector of Citizens is independent and autonomous in performing the tasks determined by this law and no one has the right to influence his work and actions (please see art. 3 (1) of the law). The task or competence of the Protector of Citizens, is defined by the Constitution and the Law twofold: to protect the rights of citizens and to control the legality and regularity of the work of the authorities and organizations to whom public powers have been delegated. The Law on the Protector of Citizens also specifies that the Protector of Citizens should "protect and promote human and minority freedoms and citizen rights".

The Protector of Citizens controls the work of government agencies, the body authorized for legal protection of property rights and interests of the Republic of Serbia and other bodies and organizations, enterprises and institutions which have been delegated public authority(public authorities and organizations).The Protector of Citizens, according to the provisions of the Constitution and the Law, out of all bodies and organizations of public authorities and organizations, is not authorized to control the work of the National Assembly, the President of the Republic, the Government, the Constitutional Court, the courts and the public prosecutor's offices.

The Protector of Citizens has a broad overview of human rights violations.

In the sui generis procedure (of its own kind, unique) which is exempt from excessive formalities, the Protector of Citizens controls the respect of the rights of citizens, identifies violations committed by enactments, actions or failure to act on behalf of the administrative authorities, insofar as they involve violations of national-level laws, other regulations and general acts.

The Protector of Citizens has a legal power to initiate and conduct investigations. Pursuant to the explicit provision of Article 27 of the Law, the Protector of Citizens may initiate investigations in two ways: acting upon a complaint or acting upon own initiative (ex-officio). The Protector of Citizens shall not proceed on anonymous complaints. Exceptionally, if the Protector of Citizens considers that an anonymous complaint provides basis for his / her operation, the Protector of Citizens may initiate proceedings on his own initiative in line with art. 28 of the law.

Public authorities are under obligation to co-operate with the Protector of Citizens and enable his / her access to their premises and information available to them, which are of importance for the proceedings he / she runs, i.e. for fulfilment of the goal of his / her preventive operation, regardless of the degree of confidentiality of such information, unless it is contrary to the law (please see art. 24 of the law). The administrative authority is required to respond to all requests of the Protector of Citizens and to declare in writing about the submitted complain, and submit the necessary information and documents, within the period set by the Protector of Citizens that may not be longer than 15 days, while in extremely complex situations, the period may be extended for a maximum of 60 days. (please see art. 34 of the law). The same article allows the Protector of Citizens not to disclose to the administrative authority the identity of the person that submitted a complaint.

For the efficient conduct of the investigation, broad powers of the Protector of Citizens have been secured by provisions of the Law - a request for written pronouncement of the authorities, direct conversation with civil servants, officers and officials, the right of unannounced visit, insight into official acts and documents, etc. The Protector of Citizens has the authority to freely access correctional institutions and other places where persons deprived of liberty are held and to speak in privacy with those persons (please see art. 25 of the law).

If a public authority acted unlawfully and improperly in matters concerning rights, freedoms or citizens' interests based on the law, the Protector of Citizens identifies the omission and recommends how to rectify it in such and other cases. The Protector of Citizens uses the power of arguments, as well as institutional and personal authority, in order to make the case for rectifying omissions and improving the way of work. The recommendations, stands and opinions of the Protector of Citizens are not legally binding and the instruments passed by the Protector of Citizens are not subject to appeal or other remedies.

In addition to the right to initiate and conduct the procedure of controlling the work of public authorities and organizations, the Protector of Citizens may also act preventively by providing good services through mediation between citizens and administrative bodies and by providing advice and opinions on issues within its competence, aimed at improving the work of the administrative bodies and protection of human rights and freedoms.

The Protector of Citizens also has the right of legislative initiative. It is authorized to propose laws within its competence, submit initiatives for amending or adopting new regulations if it considers that the violations of citizens' rights arise because of the shortcomings within them, or if this is of significance for the realization and promotion of citizens' rights. The Protector of Citizens is also authorized to initiate proceedings before the Constitutional Court for reviewing the constitutionality and legality of laws, other regulations and general acts.

The Protector of Citizens shall have up to four deputies elected to a five-year term by the majority of votes of all people’s representatives, following the recommendation of the Protector of Citizens. The Deputies are to assist the Protector of Citizens in performing the duties prescribed by this Law and within the powers delegated to them by the Protector of Citizens. When delegating powers to deputies, the Protector of Citizens shall in particular ensure special expertise for the performance of duties under the Protector of Citizens' competency, primarily in respect to the protection of rights of persons deprived of their liberty, gender equality, children's rights, rights of national minorities and rights of persons with disability.

For performing professional and administrative services within the range of activities of Protector of Citizens, its Secretariat was formally stablished in 2007 and became operational in 2008. The Secretariat is managed by the Secretary-General. There are nine specialized sectors and five additional internal organizational units in the Secretariat. The Secretariat of the Protector of Citizens has internal organizational units for all major tasks (protecting, promoting, reporting, media, projects, human resources, etc.), enabling the fulfilment of the mandate. The current staffing capacities are 86 employees. There are 72 employees with a university degree and 14 with secondary education. 68 employees are women and 18 are men.

Apart from the three listed anti-corruption bodies above, please also note the role of the Internal Affairs Sector (IAS) within the Ministry of Interior of the Republic of Serbia:

According to the Law on Police (“*Official gazette of RS”*, no. 6/16, 24/18 and 87/18), Internal Affairs Sector (IAS) is an organizational unit within the Ministry of Interior of the Republic of Serbia that conducts control of the legality of work of police officers, as well as other employees of the Ministry, especially in terms of their respect and protection of human and minority rights and

freedoms while performing official tasks and exercising police powers, namely while performing activities within their purview.

According to the Law on Police, IAS takes appropriate measures and actions in accordance with the law regulating criminal procedure to detect and prevent criminal offenses of corruption and other forms of corruptive behaviour, as well as other criminal offenses of police officers and other employees of the Ministry, committed at work or in relation to work.

According to the Law on Police, in order to prevent corruption in MoI, IAS conducts **integrity test**, **risk analysis of corruption** and keep records and control the assets declaration and changes of asset declaration of managers and high risk working positions.

The Head of IAS regularly and periodically submits reports on the work of IAS to the Minister, and on actions taken to detect criminal offenses to the competent public prosecutor. Upon the request of the Government and the working body of the National Assembly in charge of internal affairs, the Minister submits a report on the work of the IAS. IAS also publishes, within three months from the end of the calendar year, the work report for the previous year, including the basic statistics on the activities undertaken and the results achieved.

In case it is determined that during the action of a police officer police powers were overstepped in the course of work of the IAS, which resulted in the violation of rights protected by the Ombudsman, information is sent not only to the Minister but also to the public prosecutor and the Ombudsman.

The Law on Police also states that in conducting internal control, internal control police officers take necessary measures and actions, collect evidence and establish facts, and take other measures in accordance with the law. The Head of IAS submits the findings of the internal control and ordered measures to the Minister and the Police Director, head of the sectors as well as to the manager of the inspected organizational unit of the Ministry which is ordered to remove the identified illegalities and to implement the accountability measures in accordance with the law and other regulations adopted on the basis of the law. The manager of the controlled organizational unit of the Ministry is responsible for the implementation of ordered and proposed measures and for feedback informing of the head of IAS.

MoI also adopted in 2018 sub-laws that regulate the work of IAS such as:

- the Rulebook on method of conducting internal control ("Official Gazette of the RS", No. 39/18);
- the Rulebook on the method of conducting integrity test in MoI ("Official Gazette of the RS", No. 39/18);
- the Rulebook on records of asset declaration and checking of changes of asset declaration in MoI;
- Manual for conducting risk analysis of corruption in MoI ("Official Gazette of the RS", No. 94/18).

Article 207 of the new Law on Police also envisages severe violations of duty which are important for the control of work of the employees and managers in the Ministry:

- Failure to report a crime, misdemeanour or violation of official duties;
- Disabling or obstructing the performance of activities of internal control;
- Failure to comply with the measures proposed by IAS to eliminate determined illegalities;
- Negative integrity test result;
- Failure to report changes in asset declaration.

Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.

❖ The reports on implementation of the National Anti-Corruption Strategy and its Action Plan: http://www.acas.rs/izvestaji/godisnji-izvestaj/
❖ Annual reports of the Agency: http://www.acas.rs/izvestaji/godisnji-izvestaj/
❖ Relevant information and statistics for 2019:http://www.acas.rs/wp-content/uploads/2020/10/AR19.pdf
❖ Relevant information and statistics for 2020: https://www.acas.rs/wp-content/uploads/2021/04/Annual_Report_2020_APC_F_Ivan.pdf
❖ The Revised Action Plan for Chapter 23: https://www.mpravde.gov.rs/tekst/30402/revidirani-akcioni-plan-za-poglavlje-23-i-strategija-razvoja-pravosudja-za-period-2020-2025-22072020.php
❖ Campaign "Local Anti-Corruption Plan for Stronger Integrity": http://www.acas.rs/kampanja/
❖ The database on the process of adoption of LAP and establishment of bodies in charge of monitoring LAP implementation, as well as assessing whether the adopted LAP is prepared according to the Mode lLAP: http://www.acas.rs/izvestaji-2/
❖ Methodology for monitoring and reporting on Local Anti-Corruption Plan implementation: http://www.acas.rs/wp-content/uploads/2019/11/Metodologija-za-pracenje-primene-i-izvestavanje-o-primeni-LAP-a-25.11.-.pdf.

(b) Observations on the implementation of the article

[*Observations of the governmental experts with regard to the implementation of the article. Depending on the scope of the review cycle, findings with respect to the way in which national law has been brought into line with the article, as well as to the implementation of the article in practice.]*

[*Observations on the status of implementation of the article, including successes, good practices and challenges in implementation*.]

(c) Successes and good practices

[*Identification of successes and good practices in implementing the article, where applicable*.]

Paragraph 2 of article 6

2. Each State Party shall grant the body or bodies referred to in paragraph 1 of this article the necessary independence, in accordance with the fundamental principles of its legal system, to enable the body or bodies to carry out its or their functions effectively and free from any undue influence. The necessary material resources and specialized staff, as well as the training that such staff may require to carry out their functions, should be provided.

(a) Summary of information relevant to reviewing the implementation of the article

Is your country in compliance with this provision?

The Republic of Serbia **is in compliance** with this provision.

Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Independence of the Anti-Corruption Agency

Articles 8-29 of the **Law on Anti-Corruption** govern bodies of the Agency (the Board and the Director), including procedures for their appointment and dismissal as well as the status of the Agency staff. The Article 4 of the Law on Anti-Corruption stipulates funds for the operation of the Agency.

According to art. 4 of the law, funds for the work of the Agency shall be provided from the special budget section of the Budget of the Republic of Serbia, as well as from other sources, in accordance with the Law. The proposed **annual plan of funds** provided from the Budget of the Republic of Serbia shall be adopted by the Director of the Agency and forwarded to the Ministry in charge of financial affairs. The annual funds for the work of the Agency which are provided from the Budget of the Republic of Serbia "*must be sufficient to enable its efficient and independent work*". The Agency is independent in disposing of the funds required for its work. The Government may not suspend, postpone or limit the execution of budget funds intended for the work of the Agency without the consent of the Director of the Agency.

Given that independence, as stipulated by the international standards, encompasses political, functional, operational and financial dimension, i.e. all aspects of work of the anti-corruption bodies, such as, *inter alia*, operation deprived of undue influence, funding, employment and human resource management as well as data exchange and cooperation with relevant stakeholders, there are certain measures in place.

The Agency's independence has been significantly improved by the new Law on Anti-Corruption. Among the most important changes are the ones related to the appointment, tasks and powers of the Director and the Board of the Agency (which becomes the Council). They are both elected by the National Assembly, following a very detailed and objective procedure, taking into account merit-based criteria. Specially designed Selection Committee of the Judicial Academy conducts the selection process, whereas the National Assembly elects the Agency Director and members of the

Council, thus ensuring appropriate level of objectivity and political impartiality of both, the Director and members of the Council.

Regarding financial independence i.e. resources of the Agency, annual funds allocated for the unhindered operation of the Agency from the Budget of the Republic of Serbia, must be sufficient to provide its efficient and independent operation (Article 4 of the Law on Anti-Corruption). Furthermore, the Government cannot, without the consent of the Agency's Director, suspend, delay or limit the execution of the budgetary funds, intended for the operation of the Agency pursuant to the Article 4 of the Law on Anti-Corruption. The new role and extended competences of the Agency anticipate considerable increase in the financial and personnel resources and have been reflected in the approved number of employees as well as increased budgetary funds for 2020, as a preparation for effective implementation commencement of the new Law on Anti-Corruption and already implemented Law on Lobbying. The novelty introduced by the Law on Anti-Corruption also refers to the salaries of the Agency's staff, which may be increased up to 30%, based on a decision made by the Agency's Director (Article 32 of the Law on Anti-Corruption).

When it comes to remuneration rules, one of the main concerns used to be laid down in the fact that (although it has different scope, very specific and complex in its nature) the Agency is bound by the pieces of legislation and the general criteria that apply to all civil servants. This made Agency face various difficulties to attract skilled professionals, including the salary scale, which did not meet the real needs and job-related specificities of the Agency's work.

In accordance with the recommendation from the Screening Report for Chapter 23, it was necessary to "*clarify the mandate of Agency ensuring that its staffing level matches the tasks it is asked to perform*" and activities envisaged by the Action Plan for Chapter 23, an independent expert report entitled "*Analysis of the specificity of staff positions in fighting corruption, existing and required staff capacities*" was drafted through TAIEX instrument. This report contained detailed analysis of the current state of play at the time regarding legal framework and administrative and organizational capacities of the Agency, as well as recommendations for improvement of efficiency of its work. One of the challenges identified pertains to limitations on salaries in comparison to the nature and scope of work of the Agency as well as international standards in this area. One of the recommendations related to the need of increasing the salaries of the Agency staff in order to comply with international standards and recommendations on the independence of the anti-corruption institutions and their employees.

Strengthening of the staff has also been indicated in EC Progress reports, GRECO reports, analyses of the draft laws on Corruption Prevention drafted by Twinning experts within the EU funded Twinning project "*Prevention and Fight against Corruption* (IPA 2013)", etc.

This challenge has been successfully overcome with the provision of the new Law on Corruption Prevention stipulating that the salary of the employees in the Agency's office can be increased by 30%, which shall be decided on by the Agency's Director. This is evidenced by Second Compliance GRECO Report on Serbia which states that Recommendation XIII addressed to Serbia within the fourth evaluation round is **satisfactorily implemented**. GRECO Recommendation XIII recommended "*that the role of the Anti-Corruption Agency in the prevention of corruption and in the prevention and resolution of conflicts of interest with respect to members of parliament, judges*

and prosecutors be further strengthened, inter alia, i) ***by taking appropriate measures to ensure an adequate degree of independence and by providing adequate financial and personnel resources*** *and ii) by* ***extending the Agency's competences and rights****, to include, for example, the right to immediate access to data from other public bodies, the right to act upon anonymous complaints and on its own initiative, and the right to file criminal charges, request misdemeanor proceedings and launch initiatives for disciplinary proceedings*".

Apart from the mentioned annual reports, information on human resources plan, financial plan and budget execution are available at: http://www.acas.rs/budzet-i-druga-sredstva/.

As for the trainings, the Agency staff is strongly committed to its permanent professional enhancement, both funded by the core budget as well as through international projects. The Republic of Serbia also has the **National Academy of Public Administration** (hereinafter referred to as: the NAPA), as the central institution of the system of professional development in public administration of the Republic of Serbia, with the status of officially recognized organizer of informal adult educational activities whose trainings are regularly attended by the Agency. In 2019, 55 members of the Agency staff attended 27 different trainings organized by the NAPA. In addition, as per the Agency's Programme of Professional Enhancement and Additional Education, 56 members of the Agency staff attended 16 different trainings (in Serbia and abroad) organized by the US Department of State, US Embassy, US Department of Justice and OSCE Mission to Serbia, EU (IPA 2013 Project), OSCE Mission to Serbia and the Ministry of Interior, Helsinki Committee, Leiden Law School and The Hague Academy for Local Governance, etc. In 2020, 108 members of the Agency staff attended 29 different trainings organized by the NAPA and international partners. Trainings attended by the Agency staff as of its establishment are focused both on prevention and fight against corruption related issues, but also to the general professional capacity building such as training for trainers, assertive communication, stress management, open data bases, financial reporting, strategic planning, public procurement, project cycle management, etc.

Independence of the Anti-Corruption Council

The Anti-Corruption Council independently disposes of the budget adopted by the Government of Serbia upon the proposal of the Council itself.

Independence of the Protector of citizens

The Protector of Citizens has his own material resources, while the financial resources are allocated through the general budget of the state, which is adopted by the National Assembly. The amount allocated for the work of the Protector of Citizens is proposed by the Protector of Citizens and cannot be changed by the Ministry of Finance, without the consent of the Protector of Citizens.

The Protector of Citizens is completely *independent from the government* and has full control over management and expenditure of its allocated budged. It is worth noting that the Protector of Citizens was one of the first institutions in the Republic of Serbia to apply gender sensitive budgeting that introduced the gender perspective into all work segments.

Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.

- Annual reports of the Agency: http://www.acas.rs/izvestaji/godisnji-izvestaj/
- Relevant information and statistics for 2019: http://www.acas.rs/wp-content/uploads/2020/10/AR19.pdf
- Human resources plan, financial plan and budget execution: http://www.acas.rs/budzet-i-druga-sredstva/.

(b) Observations on the implementation of the article

[*Observations of the governmental experts with regard to the implementation of the article. Depending on the scope of the review cycle, findings with respect to the way in which national law has been brought into line with the article, as well as to the implementation of the article in practice.]*

[*Observations on the status of implementation of the article, including successes, good practices and challenges in implementation*.]

(c) Successes and good practices

[*Identification of successes and good practices in implementing the article, where applicable.*]

Paragraph 3 of article 6

3. Each State Party shall inform the Secretary-General of the United Nations of the name and address of the authority or authorities that may assist other States Parties in developing and implementing specific measures for the prevention of corruption.

(a) Summary of information relevant to reviewing the implementation of the article

Is your country in compliance with this provision?

The Republic of Serbia **is in compliance** with this provision

Has your country provided the information as prescribed above? If so, please also provide the appropriate reference.

The Republic of Serbia **is in compliance** with this provision, since it provided necessary information to the Secretary-General of the United Nations on 18 December 2009:

Notification under Article 6 (3) currently states the following:

Name of authority: Anti-Corruption Agency

Full postal address: Bulevar Mihaila Pupina 2, 11 000, Belgrade Serbia

Name of service to be contacted: Department for international cooperation

Name of persons to be contacted: Milica Bozanic

Head of Department for International Cooperation

Telephone: +381 (0) 11 3014 441

Fax: +381 (0) 11 3119 987

E-mail: milica.bozanic@acas.rs

Web-site: www.acas.rs

Languages: Serbian

(b) Observations on the implementation of the article

[*Observations of the governmental experts with regard to the implementation of the article. Depending on the scope of the review cycle, findings with respect to the way in which national law has been brought into line with the article, as well as to the implementation of the article in practice.]*

[*Observations on the status of implementation of the article, including successes, good practices and challenges in implementation*.]

(c) Successes and good practices

[*Identification of successes and good practices in implementing the article, where applicable.*]

(d) Challenges, where applicable

Please outline actions required to ensure or improve the implementation of the article under review and describe any specific challenges you might be facing in this respect.

(e) Technical assistance needs

No assistance would be required

Legislative assistance: please describe the type of assistance

Institution-building: please describe the type of assistance

Policymaking: please describe the type of assistance

Capacity-building: please describe the type of assistance

Research/data-gathering and analysis: please describe the type of assistance

Facilitation of international cooperation with other countries: please describe the type of assistance

Others: please specify

Is any technical assistance already being provided to you? If so, please provide a general description of the nature of the assistance, including donor information.

Article 7. Public sector

Paragraph 1 of article 7

1. Each State Party shall, where appropriate and in accordance with the fundamental principles of its legal system, endeavour to adopt, maintain and strengthen systems for the recruitment, hiring, retention, promotion and retirement of civil servants and, where appropriate, other non-elected public officials:

(a) That are based on principles of efficiency, transparency and objective criteria such as merit, equity and aptitude;

(b) That include adequate procedures for the selection and training of individuals for public positions considered especially vulnerable to corruption and the rotation, where appropriate, of such individuals to other positions;

(c) That promote adequate remuneration and equitable pay scales, taking into account the level of economic development of the State Party;

(d) That promote education and training programmes to enable them to meet the requirements for the correct, honourable and proper performance of public functions and that provide them with specialized and appropriate training to enhance their awareness of the risks of corruption inherent in the performance of their functions. Such programmes may make reference to codes or standards of conduct in applicable areas.

(a) Summary of information relevant to reviewing the implementation of the article

Is your country in compliance with this provision?

The Republic of Serbia **is in compliance** with this provision

Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

NOTA BENE: Please also see responses related to Article 5 (2); Article 5 (4); Article 6 (1); Article 6 (2); Article 7 (4); Article 8 (5)

Normative framework which regulates status, i.e. rights and obligations of Civil Servants in Government bodies and Civil Servants in the bodies of autonomous provinces and local self-government units is provided by the **Civil Servants Law** ("*Official Gazette of the RS*", 79/05, 81/05, 83/05, 64/07, 67/07, 116/08, 104/09, 99/14, 94/17,95/18 and 157/20) and the **Law on Employees of the Autonomous Provinces and Local Self-Government Units**("*Official Gazette of the RS*", 21/16, 113/17,95/18 114/21, 113/17 – other law, 95/18 – other law, 86/19 – other law, 157/20 – other law and 123/21 – other law).

Civil Servants Law provides that a civil servant is a person whose position is comprised of duties/activities from the scope of the bodies of public administration, courts, public prosecutor offices, State Attorney's Office, offices of the National Assembly, President of the Republic, Government, Constitutional Court and offices of bodies whose members are elected by the National Assembly (hereinafter referred to as: **government bodies**) or related general legal, IT, material, financial, accounting and administrative duties/activities. This law also provides that civil servants are **not** parliamentarians, President of the Republic, judges of the Constitutional Court, members of the Government, judges, public prosecutors, public prosecutor deputies and other persons that are selected to their offices by the National Assembly or appointed by the Government nor persons that, under special regulations, have a position of a public official, whereby a clear distinction is given between public officials and civil servants.

The Law on Employees of the Autonomous Provinces and Local Self-Government Units determines that employees, within the meaning of this law, are (1) held public officials which, on the basis of obligation or power/authority set by a law or provincial regulation, have the obligation, i.e. use the right to be permanently employed (hereinafter referred to as: employment) aimed at performing duty, (2) civil servants and (3) general service employees. In terms of this law, public official is an elected, nominated, or appointed person (other than servants holding positions) in the bodies of the autonomous province and a unit of self-government, i.e. in the bodies of a city municipality, as well as in offices and organizations established by them under a special regulation. Civil Servant is an employee that professionally performs assigned duties from the scope of autonomous province and local self-government unit or related general duties, IT, material, financial, accounting and administrative duties. Civil Servant may hold, as an employee, an executive or public official position.

Status of public officials at national and local levels is not governed by a single regulation, but their status is governed by laws regulating position, responsibilities and organization of work of the bodies in which they perform duties of office to which they are elected or appointed.

Legal framework for recruitment and hiring, retention and promotion of **all** civil servants is comprised of the following:

- Civil Servants Law ("Official Gazette of the RS", 79/05, 81/05, 83/05, 64/07, 67/07, 116/08, 104/09, 99/14, 94/17,95/18 and 157/20);
- Decree on Internal and Public Competition for Vacant Positions in Government Bodies ("*Official Gazette of the RS*", no. 2/19 and 67/21);

- Decree on Classification of Jobs and Criteria for Description of Jobs of Civil Servants ("*Official Gazette of the RS*", 117/05, 108/08, 109/09, 95/10, 117/12, 84/14, 28/15, 102/15, 113/15, 16/18, 2/19, 4/19, 42/19 and 56/21);
- Decree on Evaluation of Work Performance of Civil Servants ("*Official Gazette of the RS*", 2/19, 69/19 and 20/22);
- Decree on Determination of Competences for Work of Civil Servants ("*Official Gazette of the RS*", 9/22) and
- Decree on Principles for Internal Organization and Job Classification in Ministries, Special Organizations and Government Offices ("*Official Gazette of the RS*", 81/07, 69/08, 98/12, 87/13,2/19 and 24/21).

These regulations introduce the **system of competences** in all institutes, i.e. function of Human Resources Management - selection, recruitment, transfer, takeover, evaluation of work performance, etc. Introduction of the system of competences in all functions of human resources management ensures full implementation of the principles of merit, aptitude, professionalism and integrity aimed at achievement of public interests.

Filling positions by appointment in the civil servant system is performed on the basis of **competition procedure** which is based on the system of competencies. Recruitment and selection of public officials are conducted in the same way as in the case of civil servants in lower positions, with some specifics related to required competencies (two additional behavioral/conduct competencies which a public official should possess are also prescribed: human resource management and strategic management), composition of competition commission, publishing of vacancy announcements, etc. Decree on internal and public competition for filling vacant positions in the government bodies governs conduct of internal and public competitions, procedure for conducting checks of competencies in all government bodies, as well as method for conducting checks of competencies and criteria and standards for selection to jobs in public administration bodies, expert services of administrative districts and the Government offices. General functional competencies and conduct competencies are checked by the **Human Resources Management Service** for all bodies of public administration. Stages in the competence check process are eliminatory in their nature, ensuring that candidates that do not meet necessary requirements of a stage, cannot continue their participation in the competition procedure. For the purposes of preparation for implementation of the law in this part, a base of questions for the check of general functional competence has been prepared - "*Organization and work of government bodies of the Republic of Serbia*" which is posted on the Service's website, a base of tasks for the check of general functional competence has also been prepared - "*Digital literacy*" in collaboration with the relevant bodies for information technologies as well as the base of tasks for the competence "*Business communication*". These bases are sources of texts which the candidates receive in the selection procedure, through random selection method. Results of the conducted checks of these competencies are performed by the Service which notifies the candidates of the test results and delivers report thereof to the **competition committee**. With candidates, who passed tests of check of general functional competencies competition, the commission performs assessment of their special functional competencies by applying certain checking methods, whereupon candidates that met criteria for these competencies are referred to the Service which checks their behavioral competencies. Candidates take part in the selection procedure under the code of their application. Compared with previous legal solutions, **objectivity, transparency and merit of the selection procedure are strengthened and impact of discretion in the selection procedure is reduced**. For filling vacant positions an internal or public competition is conducted, whereby a public official, after lapse of the time limit for which he/she was appointed,

may be re-appointed to the same position/office, without internal or public competition, provided he/she attended training program in accordance with provisions of this law. If vacant position is filled by the Government, internal and public competition are announced by the Human Resource Management Service, and **competition commission for every individual case is appointed by the High Civil Servants' Council** from among its members and among experts for a certain field. Decree on internal and public competition for filling of vacant positions in government bodies prescribes that public competition for all posts which are filled by the Government is announced by the Service. In announcement on public competition a particular indication is given to the information on how long lasts work in that position and that those who have no certificate of professional public examination are liable to submit evidence of passing professional public examination within 20 days from lapse of the time limit for submission of applications for public competition. In internal competitions when a position is filled by the Government, only civil servants from the bodies of public administration and Government offices may participate, for which servants, based on evaluation of their work performance, it was determined that they, in two last consecutive evaluations of work performance, exceeded the expectations, as well as public officials, whose term of office lapsed, those who resigned or those whose position was revoked, if they attended the training program in accordance with provisions of the Law. Upon completed selection procedure the competition commission prepares a **list of maximum three candidates which had the best results** thus having met criteria prescribed for the selection. List of candidates is submitted by the competition commission to a manager or any other person who is responsible to propose to the Government the appointment of a candidate to fill the position. Until appointment of the public official, there may be appointed one or more acting public officials, for a **maximum of six months**, without internal or public competition. As acting public official may be a person appointed from among the ranks of civil servants employed for an indefinite time period, that meet necessary conditions for work in the position which are prescribed by this law and a **Rulebook on internal organization and job classification** applicable in a government body. By last amendments made to the Civil Servants Law which became effective on 1 January 2019, a total period of up to six months is stipulated (with possible extension of maximum three months) for which an acting public official selected from among existing civil servants employed for an indefinite time period may be appointed, after which there is no possibility for another appointment of the civil servant in such status in that position. If a competition procedure is not conducted within 9 months and a person is not appointed in the status of a civil servant that position shall remain vacant. Besides, aimed at filling jobs which are positions with expert and competent staff who are familiar with the work of government bodies, there is a possibility of appointment of acting persons from among civil servants employed for an indefinite time period and for the purposes of replacement of a public official who is absent from work for more than 30 days. In addition to this, there is a rule that acting public official from among civil servants may return to its job to which it was assigned before appointment along with exercise of all rights which it had in the past.

Based on last amendments to the Civil Servants Law, which were adopted in 2018 and which have been effective since 1 January 2019, the system of competences was introduced in all institutes, i.e. functions of human resource management - selection, recruitment, transfer, takeover, evaluation of work performance, etc. Implementation of the system of competencies in all functions of human resources management ensures full implementation of the principles of merits, professionalism and integrity aimed at achievement of public interests.

System of recruitment/employment in accordance with the principles of *merit* was enhanced through strengthening competition process enabling objectivity and impartiality and a legal framework was

provided for introduction of the system of competencies in all functions of human resource management (selection, recruitment, transfer, takeover, evaluation of work performance, etc.). Above regulation gave a contribution to the overall enhancement of the recruitment system in accordance with the principle of merit and strengthening of the competition process by its conduct under the code assigned on submission of the competition application (thus achieving **anonymity before the competition commission**); mandatory parts of the selection procedure were introduced to provide that the best candidates must be short-listed, formalities encumbering competition process were simplified, a single application for competition for all government bodies was introduced, volume of required competition documentation for application to the competition was downsized and mandatory selection from the list of the candidates, which achieved the best results, within 15 days from the day of submission of the list of candidates to the manager of the body was prescribed, as well as publication of the list of candidates which met criteria prescribed for the selection on the website of the Service for human resources management.

Aimed at ensuring transparency a public competition is announced on the website and the notice board of the government body, on **e-administration portal**, on the website and in periodical bulletin of the National Employment Service, and the public competition of a body of the public administration also on the website of the Service for human resources management. Information on announced public competition may be published in a daily paper, on employment portals and in other media. Provisions of the Law stipulate that announcement of the public competition, in addition to other conditions required for performance of the job, should also contain competencies which are subject to checks in the selection process as well as a way of their checks, whereby an applicant, together with the application, may submit certificates, diplomas or other evidence in writing on possession of appropriate competencies, if their fulfillment in the selection process may be proved in such way. Along with the public competition a form of application is also announced with completed data for a certain job in its part which is completed by a government body, except data that relates to the application code. **Competition process is conducted by the competition commission which is appointed prior to announcement of internal, or public competition**. Competition commission at its first meeting, prior to announcement of the competition, establishes which functional competencies shall be checked in the selection process, as well as fields of knowledge and skills which are checked, sequence of their check, way and forms of the check of competencies and provisional timeline of the check.

To achieve full implementation of principles of merits and professionalism, an obligation in the case of **takeover or transfer** of civil servants is introduced, i.e. now there is an obligation of conducting checks of those behavioral/conduct and special functional competencies which were not determined as requirement for performance of duties of the job which was carried out by the civil servant prior to its' transfer or takeover, which are necessary for effective performance of duties of the job to which the civil servant is rotated or where it is taken over. Additionally, bearing in mind that provisions of the Law provide for a possibility of takeover of civil servants in the bodies of the autonomous provinces and local self-government units to the government body, also for these cases an obligation is prescribed to check all competencies required for performance of duties of the job where the civil servant is taken over.

System of competencies is also introduced in the function of **evaluation of work of civil servants**. Specifically, the Law provides that objective evaluation of work performance means ensuring achievement of all organizational objectives of government bodies, achievement of conduct at work

and desired values in work in accordance with competencies, motivation, learning/training and development of civil servants, whilst results of evaluation of work performance of civil servants shall be used in identification of needs and plans of training, development and specialized training, removal of work deficiencies and making decisions on promotion and allocation or transfer, determination of salaries and other receivables and termination of employment of the civil servants. Besides, provision of this Law stipulates means of evaluating work performance and nexus the evaluation of work performance has with the need for specialized training. Law introduced **mandatory trainings** for civil servants on managerial positions, in a way that civil servants on managerial positions are obliged to attend all general and special training programs aimed at enhancing their ability to evaluate work performance of civil servants in an appropriate merit based way.

In addition to this, civil servants who work in the units for human resources management and on managerial positions are obliged to attend training programs which are provided for acquiring and improving abilities/skills for conducting checks of competencies of candidates in the selection process. Above legal solutions shall have a positive impact to the selection process in a way that candidates' competencies shall be properly evaluated, i.e. that employees' work performance shall be properly evaluated.

Civil Servants Law prescribes that a civil servant has a **right to file appeal** against the ruling determining its rights and duties, if the appeal by this law is not explicitly excluded. Law prescribes that **Appeal Commission** of the Government shall make decisions on appeals filed by civil servants from the bodies of public administration, Government offices and State Attorney's Office, and Appeal Commission of courts and Appeal Commission of public prosecutor offices shall decide on appeals filed by civil servants from courts and public prosecutor offices, as well as that appeals filed by civil servants from other government bodies shall be subject to decisions of appeal committees established on the basis of their internal acts. Appeal commissions shall decide on appeals filed by civil servants against rulings which decided on their rights and obligations in the administrative procedure and on appeals filed by participants in internal and public competitions. Appeal commissions shall have all powers of a second instance body and shall apply law governing general administrative procedure. Appeal commission is obliged to make decision on appeal **within 30 days** from the day of its receipt unless otherwise provided by this law, otherwise it shall be deemed that the appeal was denied. In the event of complaints on decisions by which competition commission rejects late, unpermitted, incomprehensible or incomplete applications in the competition procedure, appeal commission must decide within eight days from the day of its' receipt, otherwise it shall be deemed that appeal was denied. An **administrative dispute** may be launched against the decision of appeal commission before the Administrative Court.

Salaries/remunerations, allowances and other receivables of civil servants and general service employees are regulated by the **Law on Salaries of Civil Servants and General Service Employees** ("Official Gazette of the RS", No. 62/2006, 63/2006 - corr., 115/2006 - corr., 101/2007, 99/2010, 108/2013, 99/2014, 95/2018 and 14/2022), while salaries, allowances and other receivables of elected and appointed persons are regulated by the **Law on Salaries in Government Bodies and Public Services** ("Official Gazette of the RS", No. 34/2001, 62/2006 – other law, 63/2006 - corr. of other law, 116/2008 – other laws, 92/2011, 99/2011 – other law, 10/2013, 55/2013, 99/2014, 21/2016 – other law, 113/2017 – other laws, 95/2018 – other laws, 86/2019 – other laws, 157/2020 – other laws and 123/2021 – other laws). Basic salary of civil servants and general service employees is

defined as product of the base, which is determined by the Budget Law for every budgetary year, and quotient, which is determined by the Law on Salaries of Civil Servants and General Service Employees. Quotients determined by this Law are classified into 13 pay groups and 8 pay scales. First five pay groups are envisaged for groups of positions, at which there is no possibility of increase of the quotient. Remaining eight pay groups are provided for titles of civil servants and within each there are eight pay scales, which is the maximum extent to which a civil servant may be promoted within the same title. Awarding a civil servant, i.e. percentage of increase of the quotient within the same title depends on evaluation of work performance of the civil servant, and in one year an increase by two pay scales, i.e. 10% of the salary, is a permitted as a maximum increase. Salaries of elected and appointed persons are also determined by multiplying the base and the quotient. Quotient for elected persons is determined by the Law on Salaries in Government Bodies and Public Services, while quotients for appointed persons are determined by the Government's act.

Base for calculation and payment of salaries is set by the Government, except for the President of the Republic, parliamentarians and elected and appointed persons in the offices of the President of the Republic and the National Assembly, whose base is determined by the Administrative Board of the National Assembly of the Republic of Serbia, in line with the funds provided in the state budget. Bases for calculation of salaries are determined in line with economic capabilities of the country along with compliance with a fiscal rule that share of salaries of general level of the country in GDP may not be above 7%, as defined in the **Budget System Law**. Law prescribes obligatory increases of the basic salary for every completed year (twelve months) with employer (past performance), work by night, work on holiday, stand-by, and overtime and in the case of work overload. Please note that the **Republic of Serbia undergoes the process of reform of the salary system in the public sector, which, among other things, includes enactment of the new Law on Salaries of Civil Servants and General Service Employees.**

In accordance with the **Strategy for Reform of Public Administration** ("*Official Gazette of the RS*, 9/14 and 42/14) substantial reform activities were carried out in the Republic of Serbia, and one of them is the enactment of the **Law on National Academy for Public Administration** ("*Official Gazette of the RS*", 94/17), based on which National Academy for Public Administration was established, as a special organization with a capacity of legal entity; the said law also governs other important issues for its' work and realization of specialized training in the public administration. Besides, **Law on Amendments and Supplements to the Law on Civil Servants** ("*Official Gazette of the RS*", 94/17,95/18 and 157/20), significantly enhanced functional elements of specialized training of civil servants, conditions were created for smooth exercise of powers of the National Academy for Public Administration in specialized trainings of civil servants, and also the **Law on Amendments and Supplements to the Law on Employees in Autonomous Provinces and Local Self-Government Units** was adopted ("*Official Gazette of the RS*", 113/17,95/18 – other law, 86/19 – other law, 157/20 – other law and 123/21 – other law), by which the system of specialized trainings of employees in the units of self-government was aligned with the whole system of specialization of employees in the public administration, with needed adaptations to the extent which matches specifics and needs of employees and bodies and organizations within the local self-government system.

National Academy for Public Administration commenced its mandate in 2018, and by establishment of its responsibility it maintained continuity of **specialized trainings of civil servants**, which had been previously within the scope of the Office for human resources management of the Republic of

Serbia (http://arhiva.suk.gov.rs/). In 2018 trainings of civil servants were held on the basis of the Civil Servant Law and Rulebook on Determination of Program of General Specialized Trainings of Civil Servants from the Bodies of the Public Administration and Government Offices ("*Official Gazette of the RS*", 6/2017). Programme of general permanent specialized trainings of civil servants contained several programmatic areas, among which was a **special programmatic area – Combating corruption.** Compulsory method of fight against corruption is the conduct of specialized training of civil servants aimed at making them familiar with national regulations and international legal instruments relating to the field of combating different forms of corruptive practices (including UNCAC). This type of training contributes to preserving values and reputation of institutions, thus enabling greater citizens' trust in the public administration. Planned trainings are provided for managers in the public administration bodies and civil servants for the purpose of creating conditions for a *transparent* and *professional* work of authorities and strengthening role of general public in the oversight of authorities. Programmatic field in question contained several different topics, which, *inter alia*, related to: prevention of conflicts of interest and control of property of public officials, integrity plan and guidelines for its preparation, access to information of public importance and whistle-blower protection.

From 2019, specialized trainings of civil servants and employees in local self-government units are held in accordance with Programs adopted by the Government of the Republic of Serbia on proposal by the National Academy for Public Administration. Programs of specialized trainings of civil servants are comprised of general training program for civil servants and training program for managers in government bodies. Programs of specialized trainings of employees in local self-government units are comprised of: general training program for employees in local self-government units and training program for managers in local self-government units.

General training program for civil servants for 2019 and 2020 (please see https://www.napa.gov.rs/tekst/en/151/general-training-programme-for-civil-servants.php),also contains a special field of specialization which is committed to the fight against corruption. In line with already established practice, this field of specialized trainings contains training programs which deal with topics relating to ethics and integrity, prevention of conflict of interest, control of property of public officials, preparation, conduct and monitoring of conduct of integrity plans, right of access to information of public importance and whistle-blower protection. Trainings are provided for managers of the public administration bodies and civil servants for the purpose of creating conditions for a transparent and professional work of government bodies and strengthening of role of the public in the oversight of authorities. Likewise, training program for managers in government bodies for 2019 (please see https://www.napa.gov.rs/tekst/en/154/training-programme-for-managers-in-state-authorities.php) contained training in conflicts of interest, ethics and integrity.

General training program for employees in local self-government units for 2019 and 2020 (please see https://www.napa.gov.rs/tekst/en/153/general-training-programme-for-employees-in-lsgu.php) within fields of specialized trainings committed to Good governance, incorporated training programs dealing with development issues and conduct of local anti-corruption policies, preparation and application of the **Code of Conduct of local government officials** and **Code of Conduct of civil servants** and support staff in local self-government units, as well as ethics and integrity, right of access to information of public importance, whistle-blower protection. Besides, training program for managers in local self-government units for 2020 (please see https://www.napa.gov.rs/tekst/en/155/training-programme-for-managers-in-lsgu.php), in its part

relating to training of local officials and public officials in the bodies of local self-government units contains training in ethics and integrity and conflict of interest, and in the part of training programs for managers of internal organizational units of city/municipal administration a training" *Enhancement of ethical conduct and management of conflict of interest*".

Central records of specialized training programs in public administration, i.e. **records of specialized training programs** in government bodies and local self-government units, are kept by National Academy for Public Administration on the basis of **Rulebook on Central Records of Specialized Training Programs in Public Administration and Issuance of Participation Certificates** ("*Official Gazette of the RS*", no.102/18).

Please note that currently activities concerning training programs for 2021 are being realized. All training programs are publicly available on the official website of the National Academy for Public Administration (please see https://www.napa.gov.rs/tekst/49/godisnji-programi-obuka-naju.php).

High Civil Service Council in more detail

The High Civil Service Council, through numerous competencies prescribed by the Law on Civil Servants, within its' purview directly applies the principles on which, *inter alia*, the UN Convention against Corruption is based.

The significant role of the High Civil Service Council is reflected in the selection process when the position is filled by the Government. Article 7(1) (a) of the **Guide to the Implementation of the Anti-Corruption Convention** states that States Parties shall prescribe appropriate procedures for the selection and training of individuals for public office which is considered to be particularly vulnerable to corruption. When it comes to the selection of Civil Servants who hold managerial positions in state administration bodies of the Republic of Serbia, the **Government Decree** determines what professional qualifications, knowledge and skills are assessed in the selection procedure, the manner of their verification and criteria for selection for those positions. Selection rules are based on the principles of efficiency and transparency as well as the objective criteria such as merit, equity and competencies. The selection procedure is conducted by the **Commission** which is appointed by the High Civil Service Council and which is composed of **three members** that must **not** be connected with the candidates in any way, and which, through a prescribed and transparent procedure of checking behavioral, general and special functional competencies, scores the expressed competencies and ranks candidates accordingly. In order to respect the principles of professionalization and impartiality, the candidates receive their **code number which they use throughout the entire selection procedure** and only after all the elimination phases are completed, candidates appear in person at their final interview in which they are expected to express their motivation for the position. Aimed at also respecting the principle of efficiency, the percentage of conducted procedures in 2020, despite the difficulties caused by the COVID-19 pandemic, was at the level of 2019, increased by 32% compared to 2019.

Another important role of the High Civil Servants Council, in the given context, is the normative regulation in terms of determining criminal acts that make a civil servant unworthy to perform his / her duties. Specifically, based on art. 131(2) of the **Civil Servants Law** ("*Official Gazette of RS*",

no. 79/05, 81/05, 83/05, 64/07, 67/07, 116 / 08, 104/09, 99/14, 94/17,95/18 and 157/20), the High Civil Service Council passed the **Rulebook on Determining criminal offenses for the conviction of which a Civil Servant becomes unworthy to perform work i.e. perform duties ("Official Gazette of the RS", No. 26/2019)**. It stipulates that a suspended prison sentence of a minimum six months shall be rendered as unworthy to perform the work i.e. duties of a civil servant regardless of the supervision period for:

1) **criminal offenses against official duty**: abuse of official position (Article 359 of the Criminal Code), unscrupulous work in the service (Article 361 of the Criminal Code), illegal collection and payment (Article 362 of the Criminal Code), improper use of budget funds (Article 362a Criminal Code), fraud in the service (Article 363 of the Criminal Code), embezzlement (Article 364 of the Criminal Code), unauthorized use (Article 365 of the Criminal Code), trading in influence (Article 366 of the Criminal Code), accepting bribes (Article 367 of the Criminal Code) Code), giving bribes (Article 368 of the Criminal Code) and disclosure of official secrets (Article 369 of the Criminal Code);
2) all other criminal offenses for which a sentence of imprisonment of five years may be imposed.

Guided by the UN Convention against corruption standards, the High Civil Servants Council, in accordance with its competencies, has tightened the conditions, as opposed to the previously valid regulations, by which civil servants are now considered unworthy for work and by which, in addition to imposing a sentence prescribed by the Criminal Code, terminates his/ her employment.

Apart from that, one of the competencies of the High Civil Servants Council is also the adoption of the **Code of Conduct for Civil Servants**, the aim of which is to encourage public confidence in the integrity, impartiality and efficiency of the government bodies. During annual reporting, it was observed that the level of compliance with the Code of Conduct for Civil Servants is satisfactory, given that a small number of complaints from citizens were registered and, accordingly, a small number of initiated disciplinary proceedings.

- Please see Statistical data related to the violations of applicable codes or standards of conduct by civil servants:

In 2019,the total number of employees in the state administration bodies which submitted its Annual Report to the High Civil Service Council (109 organizational forms with a total of 21651 employees).This number does **not**, however, include employees in the Ministry of Interior, which, nonetheless formally submitted the report to the Council, considering that the **Code of Police Ethics** was actually applicable to employees in that ministry (given that reform processes were implemented in 2018, which, *inter alia*, should lead to clear distinction between the status of employees by dividing categories into police officers, civil servants and state employees).In order to have a comprehensive overview of this matter, the report of the Ministry of the Interior is also included in the statistical part of submitted complaints and conducted procedures, but not in terms of the total number of employees.

During the observed period, most complaints were registered in the Tax Administration Office, 45 complaints. Due to the violations of the rules of ethical conduct regulated by the Code, 8 disciplinary proceedings were initiated in that body, of which 5 proceedings were completed, and 3 proceedings

are ongoing, 3 fines were imposed. Regarding other state administration bodies 10 more complaints were submitted by citizens during 2019 about behaviour of civil servants, for which no disciplinary proceedings were initiated. Likewise, during 2019, 8 citizen complaints were filed against civil servants in the Ministry of Foreign Affairs about the behaviour of civil servants for which no disciplinary proceedings were initiated. Nonetheless, the authorities *ex officio* initiated the disciplinary proceedings for violating the rules of ethical conduct. The largest number of disciplinary proceedings (26 in total) was initiated by the Customs Administration due to a serious breach of official duty, 1 was initiated by the Administration for the Enforcement of Penal Sanctions, 2 by the Treasury Administration and 2 by the Veterinary Administration due to a serious breach of duty. Out of a total of 39 initiated disciplinary proceedings, 10 proceedings have been completed and 3 proceedings are ongoing. For the remaining 26 proceedings there is no available data on termination of these proceedings. In 2 procedures of the Veterinary Administration a disciplinary measure (a fine) was imposed on civil servants in the amount of 10% of their basic salary for one month. The Administration for the Enforcement of Penal Sanctions also *ex officio* initiated 1 disciplinary procedure and the Treasury Administration initiated 2 disciplinary procedures for violating the Code and, as a result, imposed a disciplinary measure of a fine in the amount of 20% of basic salary for one month.

Fines were imposed in the completed disciplinary proceedings. Please note that according to Article 110 (1) of the Civil Servants Law, for minor violations of employment duties, a fine of up to 20% of the full-time salary, paid for the month in which the fine was imposed, may be imposed and according to Article 110 (2), for serious violations of employment duties, a fine of 20% to 30% of the basic salary may be imposed for the month in which the fine was imposed, for a period of up to six months. The assessment of the level of compliance with the Code of Conduct for Civil Servants was provided by the state administration bodies in their self-assessment reports - (grades ranged from “highest grade 5,” "very high level", "to a great extent," "satisfactory", to "good 3"). Please note that objectively, in most government bodies, not a single violation of the Code was recorded in 2019. The assessment of the High Civil Servants Council is that the level of compliance with the Code of Conduct for Civil Servants is *satisfactory*, considering that a small number of complaints was registered and, as a result, a small number of disciplinary proceedings were initiated. Nonetheless, the High Civil Servants Council notes that the small number of complaints filed by citizens and initiated disciplinary proceedings, due to the non-compliance with the behavioural norms of the Code of Conduct for Civil Servants, may not necessarily reflect the actual state of quality of work in the state administration. In that sense, it is necessary to keep investing effort in ensuring that the citizens are well informed about their possibilities of expressing objections to the work of both state administration bodies and individual Civil Servants. With this in mind, the High Civil Service Council made recommendation to **all** state administration bodies, government services and professional services of administrative districts to continue to work on furthering the quality of work of its employees, as well as on improving means of receiving citizens' complaints and measuring citizens' satisfaction with public services (*inter alia*, by gathering information, enabling *online* submission of complaints via dedicated website, by conducting surveys for service beneficiaries, *etc.*).

On balance, it can be concluded that the high level of professionalization and application of preventive corruption measures have been established in all activities under the jurisdiction of the High Civil Service Council. The commitment to the core principles of transparency, equality and integrity shall continue to be one of the top priorities of the work of the council, which will continue

to devise appropriate models, through continuous education, for improving procedures and legal framework in preventing corruption.

National Academy for Public Administration (NAPA) in more detail:

The National Academy for Public Administration (NAPA) is the **central institution of the system of professional development in public administration** of the Republic of Serbia, with the status of officially recognized organizer of informal adult educational activities. It was founded in accordance with the **Law on the National Academy of Public Administration** (October 2017) and it became operational in January 2018.

The National Academy for Public Administration follows modern tendencies in HR management and meets the challenges in the processes of public administration professionalization. NAPA activities include:

- identifying the training needs, according to which priority fields are precisely identified as well as the target groups of civil servants to whom the professional development is intended;
- planning and programming general professional development which additionally operationalizes content-based, methodological and financial aspects of planned training;
- organization and realization with the objective of comprehensive and detailed preparation and realization of the professional development programme by the accredited programme facilitators;
- evaluation, the analysis of which provides us with feedback information on the quality of various aspects of realized training courses and their influence on business as usual of civil servants, and
- reporting, due to which the effects of work become measurable and information transparent and available to the general public.

NAPA activities include cooperation with all bodies and organizations of public administration, via designated representatives or organizational units competent for HR management, as well as with a wide range of representatives of professional and academic community, non-governmental organizations and professional associations.

The training programmes prepared and implemented by the NAPA, in accordance with the Law on Civil Servants, include: 1) General Training Programme (including: Introductory training programme and Programme of continuous professional development of civil servants in state authorities) and 2) Training Programme for Managers.

The training programmes prepared and implemented by the NAPA, in accordance with the Law on Employees in Autonomous Provinces and Local Self-Government Units ("Official Gazette of the RS", No. 21/2016, 113/2017, 95/2018, 114/2021, 113/2017 – other law, 95/2018 – other law, 86/2019 – other law, 157/2020 – other law and 123/2021 – other law), include: 1) General Training Programme (including: Introductory training programme and Programme of continuous professional development in local self-government units, consisting of General programme of continuous professional development and Sectoral programme of continuous professional development) and 2) Training Programme for Managers.

The Civil Servants Law foresees that the General Training Programme and Training Programme for Managers are adopted by the Government **on an annual basis** at the proposal of the NAPA and upon the opinion passed by the High Civil Service Council.

The Employees in Autonomous Provinces and Local Self-Government Units foresees that the General Training Programme and Training Programme for Managers are adopted by the Government **on an annual basis** at the proposal of the NAPA and upon the opinion passed by the Council for Professional Development of Employees in Local Self-Government Units. Sectoral programme of continuous professional development is prepared in cooperation with the Council for Professional Development of Employees in Local Self-Government Units.

NAPA implements all adopted programmes except for Sectoral programme of continuous professional development implemented by local self-government units. NAPA also keeps record of all implemented programmes.

All training programmes are developed on the basis of comprehensive process of **training needs assessment** and **consultation process** with relevant institutions. In particular, training programmes related to the fight against corruption are developed in cooperation with the Agency for Prevention of Corruption, Office of the Commissioner for Information of Public Importance and Personal Data Protection and Public Procurement Office.

Training programmes related to the corruption issues are designed for different target groups: newcomers, managers, civil servants responsible for preparation of integrity plans, newly appointed persons authorised to process the requests for free access to the information of public importance in state administration bodies, public procurement officers, and other. Please consult the link to adopted NAPA programmes: https://www.napa.gov.rs/tekst/49/godisnji-programi-obuka-naju.php.

General Training Programme for Civil Servants for 2020 includes the thematic area "*Corruption prevention and the fight against corruption*" consisting of five trainings:

- Ethics and integrity (a part of this training relates to the Code of conduct of civil servants)
- Prevention of conflicts of interest, control of public officials' property and registers
- Design, implementation and monitoring of integrity plans
- Right to access to information of public importance
- Protection of whistle-blowers.

Moreover, the Introductory training programme, for civil servants both with secondary and higher education, includes the training on the Constitutional Organization aimed at preparing candidates for the **State Exam** (state exam is a compulsory condition for employment in public administration). A part of this training includes the topics related to the prevention of conflict of interest.

Thematic area "*Public Finances*" includes the training Public procurement – planning and implementation.

The Introductory Programme of the **General Training Programme for Employees in Local Self-Government Units for 2020**, for civil servants both with secondary and higher education, includes the training on Constitutional Organisation aimed at preparing the candidates for State Exam. A part of this training includes the topics related to the prevention of conflict of interest.

The Sectoral Programme of the Continuous Professional Development of the Employees in Local Self-Government Units of the **General Training Programme for Employees in Local Self-Government Units for 2020**, includes the thematic area "*Good Governance*" covering the following trainings:

- Development and implementation of local anti-corruption policies
- Preparation and application of the code of ethics of public officials in local self-government and the code of conduct of officials and employees in local self-government units
- Ethics and integrity in public administration
- Whistleblowing and protection of whistleblowers.

The thematic area "*Public Finances in Local Self-Government*" includes the training Public Procurement in Local Self-Government.

In the **Training Programme for Managers in State Authorities for 2020 the following is covered**:

- Orientation
- Basics – essential issues
- Solving ethical dilemmas

In the **Training Programme for Managers in Local Self-Government Units for 2020 the following is covered**:

- Orientation of public officials and officials at positions in bodies of local self-government units
- Key aspects of management in local self-government
- Good governance
- Good governance instruments of the Council of Europe
- Improvement of ethical action and management of conflict of interest

The trainings may be conducted as **seminars**, **workshops** and **lectures**. These trainings were also adjusted to a new training model, **webinar**, due to the situation with the COVID-19 pandemic of in 2020.

The following trainings were implemented by the NAPA in 2020:

Training Programme	Number of Trainings	Number of Participants
General Training Programme for Civil Servants		
Public procurement	2	165
Ethics and integrity	1	77
Constitutional organisation	1	119
Training Programme for Managers in State Authorities		
Roles and responsibilities of civil servants at positions	11	63
Training Programme for Managers in Local Self-Government Units		
Orientation of public officials and civil servants at positions	1	17
Local economic development	1	47

Training programmes for 2021 have been improved in cooperation with relevant institutions. A new online training Foundations of managerial accountability for managers in state administration and a set of trainings in the area of public procurement have been recently developed. Furthermore, all trainings are designed to be organized through an **e-leaning system**. The LMS platform is expected to be improved. On the basis of analysis through identification and prioritization of horizontal issues, the following are defined in the Progamme of Continuous Professional Development of Civil Servants in State Administration for 2021: *Protection against discrimination* and *Participation of civil society*. The purpose of introduction of horizontal issues is to link different thematic areas in order to cover the multidisciplinary topics arising in various administration fields with certain specific matters.

Anti-*Corruption Agency training competencies*

Within its purview, the Agency coordinates and conducts *ethics* and *integrity* trainings in public administration. These trainings have been conducted through various modalities: training for trainers, ethics and integrity trainings in cooperation with the National Academy for Public Administration, online ethics and integrity trainings (available at the Agency's official website: http://www.acas.rs/portal-za-obuke/). The trainings have also been defined to support public administration reform, i.e. they are aimed at strengthening integrity and ethical standards of public administration employees as well as reduce corruption risks through reinforcement of corruption prevention mechanisms.

According to art. 99 of the Law on Anti-Corruption, the Agency shall adopt and publish a **Training Programme** in the field of preventing corruption and strengthening integrity, as well as instructions on how to conduct the training. The Agency shall professionally train persons that will conduct the

training. Public authorities shall conduct training of employees and managers, in accordance with the Training Programme and training instructions, and inform the Agency in writing about the course of implementation of the training. The Agency shall *monitor* the implementation of training in public authorities. The Agency may conduct training for employees of companies, other legal persons and associations, in accordance with the Annual Training Programme.

Misdemeanor liability of a responsible person within the public authority body has been introduced in case the public authority body fails to conduct the training intended for employees and managers, in line with the training programme and the training instruction issued by the Agency and to notify the Agency in writing on the implementation of training (please see art. 104 of the Law on Corruption Prevention).

In accordance with the Law on Anti-Corruption, the Agency has recently adopted the Training programme in the field of preventing corruption and strengthening integrity as well as Instruction for conducting these trainings. Training programme in the field of preventing corruption and strengthening integrity consists of four thematic chapters, as follows:

1) **Values and role of employees in public authorities**
- Values and relationship of values, morals and ethics:
- Integrity and the emergence of corruption at the personal level;
- The role of employees in public authorities;
- Code of Ethics - guardian of ethics in the work environment;
- Organizational culture (Iceberg model);

2) **Risk situations for the emergence of corruption in the work environment**
- Public and private interest of employees, conflict of interest;
- Risk situations for the occurrence of corruption in the work environment: performing additional work, receiving gifts, handling information, concluding contracts;
- Rules for managing risk situations;

3) **The role of the code of ethics in resolving ethical dilemmas**
- Ethical dilemma;
- Analysis of the ethical dilemma and decision making;
- Use of a code of ethics in resolving dilemmas;
- Potter's model of solving ethical dilemmas;

4) **Responsibility for ethical conduct**
- Responsibility and responsible behavior in the work environment;
- Classification of responsible and irresponsible behavior - quadrants of responsibility;
- Transformation of irresponsible into responsible behavior – Bruce;
- Gordon's scale of responsibility;
- Promoting ethical behavior and motivating employees to act professionally.

The goal of the implementation of the Training Programme is to improve the professional standards of conduct of public authorities' employees and is conducted through workshops, methods and techniques of interactive lectures, panel discussions, group work, and case study analysis.

The expected outcomes of the trainings (according to the respective Training Programme) are that *after* the successfully completed training, the participant is able to: identify and adopt values and differentiate between values, moral and professional ethics; define roles of employees in the public sector; use norms of Code of Ethics as guidelines for professional conduct; recognize the difference between public and private interest and define conflict of interest; implement conflict of interest management rules; recognize ethical dilemma situation in a working environment; analyze ethical dilemma situation based on Potter's model and make decisions in line with the Code of Ethics and other regulations; define responsibility in a working environment; recognize forms of responsible and irresponsible conduct in a working environment and indicate examples of such conduct; follow and promote positive models of conduct in a working environment.

In order to evaluate and improve training programmes, the Agency developed **standard evaluation form** to be filled by all training participants after the training, based on which the Agency is preparing the report and makes necessary adjustments of the programme.

The Rulebook on criteria and measures for evaluation of professional training programs determines criteria and measures for evaluation of professional training programs in public administration. Evaluation of the professional training program, accredited by the National Academy of Public Administration, includes the collection of data on the implemented program activity and assessment of their relevance and effects in light of the criteria and benchmarks set out in the rulebook form. The general criterion for programme evaluation is the achieved effect of professional training on raising the level of competencies and on performing work in public administration. Special criteria for program evaluation are: 1) satisfaction with the implemented programme (reaction); 2) acquired new knowledge and skills (learning); 3) influence on the change of behavior (behavior); 4) application of acquired knowledge and skills in work (results). The basic measure of programme evaluation is numerical assessment, which is expressed on a scale ranging from 1 to 4.

Narrative evaluation is additional and optional, and includes a brief written analysis, comment or assessment of the impact of the implemented programme, based on the criteria prescribed by the Rulebook.

During 2020 and 2021, 45342 participants attended a distance learning course (online training) on ethics and integrity in the public sector. The advantage of organizing and conducting online trainings has become especially important due to the new epidemiological situation, but also because the costs of organizing and conducting training do not exist, so using this modality of education is the most economical for institutions in public sector.

Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.

Examples of implementation of article 7 (1) are available at the following link:

❖ http://mduls.gov.rs/en/public-administration-reform/ where you can find 2019 Annual PAR AP 2018-2020 Report (Objective 2- Establishment of a coherent, merit-based public service and improvement of human resource management) and External Evaluation of Serbian Public Administration Reform Strategy – Final Report. Regarding the training program for civil servants, we refer to links which are stated in the answer given above within question no. 2.

❖ The Law on Anti-Corruption : http://www.acas.rs/wp-content/uploads/2020/09/Zakon_o_spre%C4%8Davanju_korupcije_ENG.pdf

❖ Annual reports of the Anti-Corruption Agency: http://www.acas.rs/izvestaji/godisnji-izvestaj/

❖ Relevant information and statistics for 2019: http://www.acas.rs/wp-content/uploads/2020/10/AR19.pdf

❖ Relevant information and statistics for 2020: https://www.acas.rs/wp-content/uploads/2021/04/Annual_Report_2020_APC_F_Ivan.pdf

❖ Online ethics and integrity portal: http://www.acas.rs/portal-za-obuke/

(b) Observations on the implementation of the article

[*Observations of the governmental experts with regard to the implementation of the article. Depending on the scope of the review cycle, findings with respect to the way in which national law has been brought into line with the article, as well as to the implementation of the article in practice.]*

[*Observations on the status of implementation of the article, including successes, good practices and challenges in implementation*.]

(c) Successes and good practices

[*Identification of successes and good practices in implementing the article, where applicable.*]

Paragraph 2 of article 7

2. Each State Party shall also consider adopting appropriate legislative and administrative measures, consistent with the objectives of this Convention and in accordance with the fundamental principles of its domestic law, to prescribe criteria concerning candidature for and election to public office.

(a) Summary of information relevant to reviewing the implementation of the article

Is your country in compliance with this provision?

The Republic of Serbia **is in compliance** with this provision

Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

NOTA BENE: Within the purview of the Agency for Corruption Prevention and related to the file asset declarations prior or upon entry into office, please see responses related to the Article 8 (5)

2. The responsibility of the **National Assembly** with regard to the part of art. 7 (2) of the UN Convention against Corruption relating to the **criteria concerning candidature for and election to public office:**

Responsibility of the National Assembly within its **electoral function** is laid down by the **Constitution of the Republic of Serbia** ('*Official Gazette of the RS'* no. 98/06 and 115/21), the **Law on the National Assembly** ('*Official Gazette of the RS'* no 9/10) and the **Rules of Procedure of the National Assembly** ('*Official Gazette of the RS-consolidated text*' no. 20/12), as well as by laws which prescribe that **some** public officials shall be appointed by the National Assembly. These provisions lay down criteria for selection of candidates and the procedure of proposing their candidature to the National Assembly.

The National Assembly shall appoint the following: Protector of Citizen (Ombudsperson), Commissioner for the Protection of Equality, five Constitutional Court judges, President of the Supreme Cassation Court, the Republic Public State Prosecutor, members of the High Judicial Council, members of the State Prosecutorial Council, presidents of courts, judges and deputies of public prosecutors elected for the first time, the Council of the Governor of the National Bank of Serbia, Council of the State Audit Institution, the State Commission for Protection of Rights in Public Procurement Procedures, members of the Securities Commission, members of the Commission for State Aid Control, members of the Board of the Anti-Corruption Agency, Commissioner for Information of Public Importance and Personal Data Protection, National Council for Culture, members of the Council of the Regulatory Authority for Electronic Media, Programming Council of the Public Service Broadcaster 'Radio-Television of Serbia', Chair of the Commission for Protection of Competition and members of the Council of the Commission for Protection of Competition, members of a Supervisory Committee who during the election supervise political parties' actions, members of the Commission for Oversight of Enforcement of Criminal Sanction.

The **Rules of Procedure of the National Assembly** lay down procedures based on which some parliamentary working bodies - Committees, carry out the necessary activities, within their purviews, to enable the Plenary of the National Assembly to carry out its electoral function by electing each public official, in accordance with the Constitution, law and the Rules of Procedure.

NOTE: We hereby note that the laws referred to in the National Assembly's reply provide for procedures that lay down **different levels of activities of competent Committees**, which means that in some procedures a competent Committee fully participates in the procedure of appointment of some public officials, hence it directly publishes calls for applications, invites candidates, examines the candidates' CVs, participates in the stages of verifying expertise, competences, honour, etc., whereas in other cases, a competent Committee considers proposals of authorised nominators and issues an opinion, without access to the entire procedure of selection and proposal of candidates as these procedures are carried out by competent state authorities. We underline this fact to eliminate potential confusion that might arise while reading the National Assembly's reply, having in mind that there will be some inconsistencies in the criteria applied and activities carried out by competent committees.

Having regard to the above, the National Assembly's reply will include responsibilities of the competent committees in appointment of public officials to each public office which is within its purview.

- Purview of the **Committee on Administrative, Budgetary, Mandate and Immunity Issues**:

Article 52, Section two of the **Constitution of the Republic of Serbia** on Human and Minority Rights and Freedoms, lays down that every citizen of legal age and with legal capacity, who is a national of the Republic of Serbia, shall have the right to vote and be elected; that suffrage shall be universal and equal for all, the elections shall be free and direct and voting conducted by secret ballot and in person.

Electoral right shall be protected by the law and in accordance with the law.

Article 9 of the **Law on Election of Members of Parliament ("Official Gazette of the RS", No. 14/22)** lays down that for the purposes of this Law, suffrage shall comprise the right of citizens: to elect and stand for elections; to nominate candidates and be nominated as candidates; to decide about nominated candidates and electoral lists; to publicly pose questions to nominated candidates; to be timely, truthfully, completely and impartially informed about the programmes and activities of the submitters of electoral lists and the candidates on such lists, and to have other rights provided for by this Law, in the manner and according to the procedures laid down by this Law.

Article 10 of this Law lays down that every national of the Republic of Serbia with the domicile on the territory of the Republic of Serbia, of legal age and with legal capacity, shall have the right to elect the MPs or stand for election as an MP.

Article 88, Section on Termination of Mandate of this Law lays down that an MP's mandate shall terminate before the expiration of the term to which he has been elected in the following cases, *inter alia*: if he/she has been convicted by a final court decision to an unconditional prison sentence of at least six months; if he/she has been debarred from business capacity by a final court decision; if he/she takes over a function or a position which are, according to this Law, incompatible with the position of an MP.

Article 39 of the **Law on the National Assembly** ("Official Gazette of the RS", No. 9/10) lays down that a Member of Parliament shall **not**, concurrently, perform another public function or professional duty incompatible with the MP's function, in accordance with the Constitution and the law, and that the function incompatible with the MP's function shall terminate on the day of verification of his/her MP's mandate.

At the Eighth Sitting of the Second Regular Session, the National Assembly enacted the **Code of Conduct for Members of Parliament ("Official Gazette of the RS", No. 156/20 and 93/21)**which lays down ethical standards of conduct that MPs are expected to apply when performing their MPs' function, basic principles, general ethical values, principles and rules of conduct for MPs, transparency of work, oversight of application and monitoring the compliance with the Code's provisions, as well as the measures to be applied in case of violation of the Code.

The **Law on Anti-Corruption Agency** lays down obligations of public officials related to regular or extraordinary reporting of assets and income. Thus, Article 68 of the Law lays down that within 30 days from the day of his/her election, appointment or nomination, a public official shall submit to the Agency a report on his/her assets and income, assets and income of his/her spouse or common law partner, as well as those of his/her under aged children if they live in the same family household, as at the day of election, appointment or nomination. The same obligation refers to a public official whose public office has been terminated, within 30 days from the day of termination of public office, reflecting the situation on the day of termination of public office.

Article 69 of the Law also lays down an obligation of extraordinary assets and income report in case the assets or income of a public official have changed significantly in the course of the previous year, in which case the public official shall submit a Report to the Agency reflecting the situation on 31 December of the preceding year, no later than by the time of the expiry of the time limit specified for submitting the annual tax return for determining personal income tax. According to this Law, a significant change exists when there has been an increase or decrease in the assets or income which, as compared to the previous Report, exceed the average annual salary without taxes and contributions in the Republic of Serbia, or when there is a change to the structure of the assets concerned.

The Law also provides for the obligation of a person whose public office has been terminated to submit a Report reflecting the situation on 31 December of the preceding year, two years after the termination of the public office, but no later than by the expiry of the time limit specified for submitting the annual tax return for determining personal income tax, provided that the assets and income have significantly changed in comparison to the preceding year (paragraph 3 of the same Article of this Law).

- Purview of the **Committee on Constitutional and Legislative Issues**:

Protector of Citizens (*Ombudsman*)

Appointment of the Ombudsman is governed by the **Law on the protector of citizens** (*'Official Gazette of the RS*', No. 105/2021). The Protector of Citizens shall be appointed by the National Assembly, by majority of votes of all Members of Parliament, on the proposal of the Committee in charge of Constitutional issues (hereinafter: The Committee).

The speaker of the National Assembly shall announce an open call for all the interested persons to apply as candidates for the Protector of Citizens. The open call shall be published, on the same day, on the website of the National Assembly and in at least one daily newspaper that is distributed in the entire territory of the Republic of Serbia.

A call shall also be delivered to the parliamentary groups in the National Assembly to propose a candidate for the Protector of Citizens from the list of persons who have applied and who are fulfilling the conditions for election to the office of the Protector of Citizens.

Each parliamentary group in the National Assembly shall have the right to propose the candidate for The Protector of Citizens to the Committee.

The Protector of Citizens shall be elected for a period of eight years and may not be reelected to that function.

A national of the Republic of Serbia that fulfils the following conditions may be elected Protector of Citizens:

1) that he has acquired a higher educational degree in a basic academic study course of

the minimum of 240 ECTS credits or a higher educational degree acquired in a basic study course of the duration of four years at the minimum;

2) that he has at least ten years of professional experience acquired in the jobs of relevance for the performance of tasks within the remit of the Protector of Citizens;

3) that he possesses high ethical and professional qualities;

4) that he possesses notable experience in protection of citizens' rights.

The Protector of Citizens shall have four deputies who shall help him/her in performing the duties prescribed by this Law, and within the powers delegated to them by the Protector of Citizens.

The deputies to the Protector of Citizens shall be appointed by the Protector of Citizens following a public competition announced by the Protector of Citizens within 15 days from the date of assumption of official position.

The function of the deputy to the Protector of Citizens shall last until the assumption of official position by a new deputy to the Protector of Citizens.

Provisions regarding the conditions for election of the Protector of Citizens are applied accordingly to the conditions for appointment of deputies to the Protector of Citizens.

Commissioner for Protection of Equality

Appointment of the Commissioner for Protection of Equality is regulated by the **Law on Prohibition of Discrimination** ('*Official Gazette of the RS*', no. 22/09 and 52/21). The Commissioner for Protection of Equality shall be appointed by the National Assembly, by a majority vote of all Members of Parliament, on the proposal of the Committee in charge of Constitutional issues. Each parliamentary group in the National Assembly shall be entitled to propose to the Committee its candidate for the Commissioner.

A person shall be eligible for the position of the Commissioner for Protection of Equality if they are nationals of the Republic of Serbia and meet the following requirements:

1) bachelor's degree in law;
2) at least ten years of experience in jobs related to legal matters in the field of protection of human rights,
3) high ethical and professional qualities.

The Commissioner may not conduct any other public or political function or professional activity, in compliance with the law

Constitutional Court judge

Article 172 of the Constitution lays down that the Constitutional Court shall have 15 judges who shall be elected and appointed for the period of nine years. Five judges of the Constitutional Court shall be appointed by the National Assembly, another five by the President of the Republic, and another five at the general session of the Supreme Court. The National Assembly shall appoint five judges of the Constitutional Court form among ten candidates proposed by the President of the Republic, the President of the Republic shall appoint five judges of the Constitutional Court from among ten candidates proposed by the National Assembly, and the general session of the Supreme Court shall appoint five judges from among ten candidates proposed at a joint session held by the High Judicial Council and the High Prosecutorial Council.

Pursuant to Article 48 of the Rules of Procedure of the National Assembly, the Committee on Constitutional and Legislative Issues shall consider issues related to election and appointment of Constitutional Court judges.

Article 172 of the Constitution lays down that a judge of the Constitutional Court shall be elected and appointed from among prominent lawyers who are at least 40 years old and have 15 years of work experience in practicing law.

- Purview of the **Committee on the Judiciary, Public Administration and Local Self-Government**:

Competences of the National Assembly – Committee on Judiciary, Public Administration and Local Self-Government - in the part of art. 7 (2) of the UN Convention against Corruption relating to the criteria concerning candidature for and election to public office:

Responsibility of the National Assembly, as well as the Committee on Judiciary, Public Administration and Local Self-Government, within their electoral function is laid down by the Constitution of the Republic of Serbia ('*Official Gazette of the RS'* no. 98/06 and 115/21), the Law on the National Assembly ('*Official Gazette of the RS'* no 9/10) and the Rules of Procedure of the National Assembly ('*Official Gazette of the RS-consolidated text'* no. 20/12), as well as by laws which prescribe that some public officials shall be appointed by the National Assembly. These provisions lay down criteria for selection of candidates and the procedure of proposing their candidature to the National Assembly.

The Constitution of the RS in Part Five, Organisation of Powers Article 99, stipulates, *inter alia*, that the National Assembly, within its election rights shall:

- elect the Government, supervise its work and decide on expiry of the term of office of the Government and ministers,
- appoint and dismiss judges of the Constitutional Court,
- appoint five members of the High Judicial Council, four members of the High Prosecutorial Council and appoint the Supreme Public Prosecutor and decide on the termination of his or her term of office"
- appoint and dismiss the Governor of the National Bank of Serbia and supervise his/her work,
- appoint and dismiss the Protector of Citizens and supervise his/her work,
- appoint and dismiss other officials stipulated by the Law.
- The National Assembly shall also perform other functions stipulated by the Constitution and the Law.

Article 7 of the **Law on the National Assembly** ('*Official Gazette of the RS'*, no. 9/2010), *inter alia*, prescribes that the National Assembly shall perform an electoral function within its competences.

Rules of Procedure of the National Assembly, in Article 51, *inter alia*, prescribe that the Committee on the Judiciary, State Administration and Local Self-Government shall deliver its Opinion on the proposed decision on the election of the President of the Supreme Court and the State Public Prosecutor. The Committee shall consider the proposed decision on the election of the members of the High Judicial Council, members of the State Prosecutorial Council, court presidents, public

prosecutors, and judges and deputy public prosecutors elected for the first time. The Committee shall deliver an opinion on proposals of decisions on the election and dismissal of public officials, in accordance with the law.

Article 5 of the **Law on High Judicial Council** (‘*Official Gazette of the RS’*, no. 116/08, 101/10, 88/11,106/15 and 76/21) lays down that the Council shall have 11 members constituted of the President of the Supreme Court of Cassation, the Minister competent for the judiciary and a Chairperson of the competent Committee of the National Assembly, as members by virtue of office, and eight Elected Members elected by the National Assembly, in accordance with this Law.

Article 20 of the Law lays down that Elected Members of the Council shall be elected by the National Assembly at the motion of authorised nominators.

The Council shall be the authorised nominator for Elected Council Members from the ranks of judges. The Council is obliged to propose to the National Assembly candidates who are directly elected by judges in a manner and in the procedure as provided under this Law.

The authorised nominator for the Elected Member of the Council from the ranks of attorneys shall be the Serbian Bar Association.

Candidates for the Elected Member of the Council from the ranks of Faculty of Law professors shall be proposed by the joint session of Deans of law faculties in the Republic of Serbia.

Article 38 of the Law lays down that the National Assembly shall elect the Members of the Council at the proposal of authorised nominators.

The National Assembly shall, for the Council Member from the ranks of judges, elect two candidates from the candidacy list of basic courts, misdemeanour courts and higher misdemeanour court, that is, one candidate per list from other lists of candidates.

If the Elected Member of the Council, without justified reason, fails to take up office within 30 days from the day of the election in the National Assembly, s/he shall be deemed as not elected.

The reason for the failure to take up office mentioned in paragraph 3 of this Article shall be established in the Council’s decision, which shall notify the National Assembly thereon.

Article 46 of the Law lays down that the decision on the dismissal from office, on grounds of the proposal of an authorised nominator, shall be taken by the National Assembly.

Article 10 of the **Law on Judges** (‘*Official Gazette of the RS*, no. 116/08, 58/09, 104/09, 101/10, 8/12, 121/12, 124/201, 101/13, 111/14, 117/14, 40/15, 63/15, 106/15, 63/16,47/17 and 76/21), *inter alia*, stipulates that the National Assembly and the High Judicial Council respectively decide on the election and termination of office of a judge and a president of the court, pursuant to this Law.

Article 51 of the Law lays down that the National Assembly shall elect a first-time elected judge from among the candidates nominated by the High Judicial Council. The decision on the election referred to in paragraph 1 of this Article shall be published in the "*Official Gazette of the Republic of Serbia*".

Article 53 of the Law lays down that before taking up office, a judge shall take an oath before the National Assembly Speaker. The President of the Supreme Court of Cassation shall take an oath before the National Assembly.

Article 71 of the Law lays down that the National Assembly elects the president of the court at the proposal of the High Judicial Council.

Article 74, paragraph 3 of the Law lays down that the National Assembly decides on the termination of office of the president of the court.

Article 77 lays down that the National Assembly shall issue the decision on the dismissal of the president of the court, following the proposal of the High Judicial Council, and after the completion of the proceedings for establishing the reasons for dismissal.

Article 79 of the Law lays down that the National Assembly shall elect the President of the Supreme Court of Cassation from among the judges of that court, upon the recommendation of the High Judicial Council and following the opinion of the General Session of that court and the competent Committee of the National Assembly.

The National Assembly shall issue the decision on the dismissal of the President of the Supreme Court of Cassation, following the proposal of the High Judicial Council. The decision on the termination of office of the President of the Supreme Court of Cassation caused by other reasons is taken by the National Assembly.

Article 5 of the **Law on the State Prosecutors' Council** ('*Official Gazette of RS*' no. 116/08, 101/10, 88/11, and 106/15) lays down that the State Council shall have 11 members including: The Republic Public Prosecutor, the Minister competent for the judiciary and the Chairperson of the competent Committee of the National Assembly, as members by *ex officio*, and eight elective members elected by the National Assembly, in accordance with this Law.

Elective members shall include six Public Prosecutors or Deputy Public Prosecutors holding permanent posts, of which one shall be from the territory of autonomous provinces, and two respected and prominent lawyers who have at least 15 years of professional experience, one of whom shall be an attorney and the other a Faculty of Law professor.

Article 20 of the Law lays down that Elective Members of the Council shall be elected by the National Assembly at the motion of authorised nominators.

The State Council is an authorised nominator for elective members of the State Council from among public prosecutors and deputy public prosecutors.

The State Council is obliged to propose to the National Assembly the candidates directly elected by public prosecutors and deputy public prosecutors in a manner and in the procedure provided for by this Law.

The Bar Association of Serbia is an authorised nominator for an elective member of the State Council from among attorneys.

Candidates for elective members of the State Council from among Faculty of Law professors shall be nominated by the joint session of Deans of law faculties in the Republic of Serbia.

Article 38 of the Law lays down that the National Assembly shall elect the members of the State Council at the proposal of authorised nominators.

The National Assembly elects, for the member of State Council from ranks of public prosecutors and deputy public prosecutors, two candidates from the candidacy list of basic prosecutor's office, that is, one candidate from each of other lists of candidates. If the elected State Council member fails to take up office within 30 days from the day of election in the National Assembly with no justifiable reason, s/he shall be deemed as if not elected. Reasons for the failure to take up office referred to in paragraph 3 of this Article are established by a decision of the State Council which shall notify the National Assembly thereabout.

Article 46 of the Law lays down that the decision on dismissal, based on the proposal from paragraph 1 of this Article, shall be taken by the National Assembly.

Article 74 of the **Law on Public Prosecution** ('*Official Gazette of RS'*, no. 116/08, 104/09, 101/10, 78/11, 101/11, 38/12, 121/12, 101/13, 111/14, 117/14, 106/15 and 63/16-CC), lays down that the Republic Public Prosecutor shall be elected, on a nomination by the Government, by the National Assembly to a term of six years, and may be re-elected. The Government shall obtain the opinion of the competent committee of the National Assembly on the candidates nominated. The Government shall propose one or more candidates to the National Assembly for the office of the Republic Public Prosecutor.

Article 75 lays down that the National Assembly shall elect, at the proposal of the State Prosecutors Council, a deputy public prosecutor who is elected for the first time, to a term of three years. The National Assembly shall elect a deputy public prosecutor from one candidate proposed by the State Prosecutors Council.

Article 86 lays down that it shall be deemed that the public prosecutor and the deputy public prosecutor has not been elected if, without justifiable reason, he/she fails to assume office within 30 days after the election, decision about which shall be issued by the Republic Public Prosecutor. An objection against the decision from paragraph 1 of this Article may be filed to the State Prosecutors Council, within eight days. The National Assembly shall be notified of the decision of the Republic Public Prosecutor and the State Prosecutors Council, in cases where it is competent for the election of public prosecutors and deputy public prosecutors. The State Prosecutors Council shall issue a decision on reasons for the failure of the Republic Public Prosecutor to assume office; the competent Committee of the National Assembly shall issue a decision on an objection.

Article 97 of the Law lays down that the National Assembly decides on the termination of office of a public prosecutor, and shall take the decision on the dismissal on a proposal by the Government. Prosecutorial office shall cease on the day specified in the decision of the National Assembly or the State Prosecutors Council, except in cases referred to in Article 88 paragraph 4, and in Article 89 of this Law. The decision on the termination of office shall be published in the "*Official Gazette of the Republic of Serbia*".

Article 11 of the **Law on Anti-Corruption** ('*Official Gazette of RS'*, no. 35/19, 88/19, 11/21-authentic interpretation, 94/21 and 14/22), lays down that following a public competition announced by the Ministry in charge of judicial affairs, the Director shall be elected by the National Assembly, by a majority vote of all deputies. The announcement of a public competition for the election of Director shall be published in the "*Official Gazette of the Republic of Serbia*" and in at least one public media outlet with nation-wide coverage, as well as on the websites of the Ministry of Justice, the Agency and the Judicial Academy.

Article 13 of the Law lays down that the Minister in charge of judicial affairs shall propose to the National Assembly candidates who have received at least 80 points on the test. If the National Assembly decides not to elect any of the candidates, or if there are no candidates who have received at least 80 points on the test, a public competition shall be re-announced within 30 days from the day when the National Assembly had taken the decision and/or from the day when the ranking list of candidates referred to in Article 12 (12) of this Law had been compiled.

Article 16 of the Law lay down that the Director shall be dismissed if s/he becomes a member of a political party and/or political entity, if s/he is convicted for a criminal offence to a prison term of minimum of six months or for a punishable offence that renders him/her unworthy of public office, or if it is determined that s/he has violated the law governing prevention of corruption. The procedure to determine the existence of grounds for dismissal of the Director shall be initiated by the competent committee of the National Assembly. The Director shall have the right to make a statement before the competent committee of the National Assembly regarding the initiation of the procedure.

The competent committee of the National Assembly may remove from public office the Director against whom the procedure has been initiated, until the conclusion of the procedure but not longer than for a period of six months from the day of initiating the procedure. The decision to dismiss the Director shall be made by the National Assembly, by a majority vote of all deputies, at the proposal of the competent committee of the National Assembly.

Article 22 of the Law lays down that a member of the Board of the Agency shall be elected by the National Assembly, by a majority vote of all deputies, following a public competition announced by the Ministry in charge of judicial affairs. The announcement of the public competition for the election of a member of the Board of the Agency shall be published in the "*Official Gazette of the Republic of Serbia*" and at least one public media outlet with nation-wide coverage, as well as on the websites of the Ministry, the Agency and the Judicial Academy.

Article 24 of the Law lays down that the Minister in charge of judicial affairs shall propose to the National Assembly candidates who have achieved at least 80 points on the test. If the National Assembly decides not to elect all members of the Board of the Agency whose election has been announced, or if there are not enough candidates who have achieved at least 80 points on the test, a public competition shall be re-announced within 30 days from the day of the above decision of the National Assembly and/or from the day when the ranking list of candidates referred to in Article 23 (12) of this Law was compiled.

Article 27 of the Law lays down that a member of the Committee of the Agency shall be dismissed if s/he becomes a member of a political party and/or political entity, if s/he is convicted for a criminal offence to a prison term of minimum of six months or for a punishable offence that renders him/her unworthy of public office, or if it is determined that s/he has violated the law governing prevention of corruption. The procedure to determine the existence of grounds for dismissal of the member of the of the Agency shall be initiated by the competent committee of the National Assembly. The member of the Board of the Agency shall have the right to make a statement before the competent committee of the National Assembly regarding the initiation of the procedure. The competent committee of the National Assembly may remove from public office the member of theof the Agency against whom the procedure has been initiated, until the conclusion of the procedure but not longer than for a period of six months from the day of initiating the procedure. The decision to dismiss a member of the of the Agency shall be made by the National Assembly, by a majority vote of all deputies, at the proposal of the competent committee of the National Assembly.

The Supervisory Board is elected in each new legislature of the National Assembly

Pursuant to Article 278 of the **Law on Enforcement of Criminal Sanctions** ('*Official Gazette of RS'*, no. 55/14) and the **Decision on the Establishment of the Commission for Control of Execution of Criminal Sanctions** ('*Official Gazette of RS*', no. 39/21), the National Assembly shall establish the Commission for Control of Execution of Criminal Sanctions.

The National Assembly shall make a decision on election of members of the Commission, on proposal of the Committee on Judiciary, Public Administration and Local Self-Government, in accordance with Article 278 (2) of the Law on Enforcement of Criminal Sanctions. The commission is formed of:

- three members elected from among members or deputy members of the committee with the purview of the judiciary, and

- two members elected from among members or deputy members of the committee whose purview includes issues in the field of human rights, health or social policy.

The Commission for the Control of the Execution of Criminal Sanctions is elected in each new legislature of the National Assembly.

- Purview of the **Committee on Finance, State Budget and Control of Public Expenditure**:

Appointment of the Council of Governors of the National Bank of Serbia - proposal of the NA Decision

Law on the National Bank of Serbia (‘*Official Gazette of RS’*, no. 72/03, 55/04, 85/05, 44/10, 76/12, 106/12, 14/15, 40/15 and 44/18)

Relevant provisions of the Law:

Article 22

(1) The Council shall consist of five members, including the president, appointed by the National Assembly upon the proposal of the Finance Committee (hereinafter: Finance Committee).

(2) Members of the Council shall be appointed for a five-year renewable term of office.

(3) If the office of a member of the Council terminates before the expiry of his term, a new member of the Council shall be appointed to serve out the remainder of the term of the member whose office has terminated.

(4) Members of the Council shall not be employees of the National Bank of Serbia.

(5) The provisions of Article 19, paragraph 3 and Article 20 of this Law shall apply accordingly to the appointment, incompatibility of office and conflict of interest of the Council members.

(6) Apart from the conditions set out in Article 19, paragraph 3 of this Law, at least one member of the Council must have minimum of ten years of work experience in accounting or auditing.

According to Article 19 (3) of the Law, the person eligible to the office of a Member of the Council of the Governor shall be the national of the Republic of Serbia, shall meet the general requirements for employment, shall hold a university degree and shall have at least ten years of professional experience in the fields of economics, banking or finance.

According to Article 20 of the law, the member of the Council of the Governor may not:

1) be a deputy to the National Assembly, member of the Government or body or authority established by the National Assembly or the Government, perform tasks of the body or of a member of a body of an autonomous province, local government unit or trade union, nor may he/she perform a function in a political party, perform any other public function or hold public office;

2) be a member of a managing, executive or supervisory board or of any other body of a financial institution, audit firm or other entity that the National Bank of Serbia supervises or cooperates with in carrying out its tasks, nor may he be employed by or be an associate of any such entity;

3) hold shares, equity interest or debt securities of a financial institution, audit firm or other legal entity that the National Bank of Serbia supervises or cooperates with in carrying out its tasks;

4) hold shares, equity interest or debt securities of legal entities that hold participation in a financial institution, audit firm or other legal entity that the National Bank of Serbia supervises or cooperates with in carrying out its tasks.

Participation within the meaning of paragraph 1 of this Article means direct or indirect right or possibility to exercise voting rights in a legal entity, and/or direct or indirect ownership in the capital of such legal entity.

The Governor may not be a person connected to the persons who perform functions or activities referred to in paragraph 1, items 1) and 2) of this Article, and/or persons that hold shares, equity interest or debt securities referred to paragraph 1, items 3) and 4) of this Article.

If the Governor or a person connected to the Governor hold shares, equity interest or debt securities referred to in paragraph 1, items 3) and 4) of this Article, they shall alienate them within three months from the day of the Governor's appointment.

Immediately upon appointment the Governor shall submit a written statement to the National Assembly that he and the persons connected to him do not perform functions and activities from paragraph 1 (1) and (2) of this Article and do not hold shares, equity interest or debt securities referred to in paragraph 1 (3) and (4) of this Article, and that if any, they shall alienate them within the time limit from paragraph 4 of this Article.

A connected person, referred to in paragraphs 3 and 5 of this Article, shall have the meaning defined by the law governing the prevention of the conflict of interest in the exercise of public office.

In the event referred to in paragraph 4 of this Article, the Governor shall submit to the National Assembly a written statement within three months from the date of his appointment that he/ she and the connected persons no longer hold shares, equity interest or debt securities referred to in paragraph 1 (3) and (4) of this Article.

The Governor shall act in full compliance with regulations governing the prevention of the conflict of interest in the discharge of public office.

Article 26

(1) The office of the Governor, Vice-Governors and members of the Council (hereinafter: officials of the National Bank of Serbia) shall terminate by the expiry of their term of office, and prior to expiry of their term of office – if they submit a resignation in writing, as well as in the case of dismissal.

(2) A new official of the National Bank of Serbia shall be elected by no later than the expiry of the term of office of the official whose term is expiring, and at the earliest 120 days before term expiry. The term of office of the new official shall start on the day following the office termination of the previous official.

(3) If the office of an official of the National Bank of Serbia terminates before the expiry of his term, a new official shall be appointed within 90 days of office termination, unless the new official has already been elected in accordance with paragraph 2 of this Article.

Article 27

(1) Officials shall submit letters of resignation to the National Assembly and shall notify the Council thereof without delay.

(2) Term of office of an official who resigned shall terminate by the appointment of a new official, but no later than 90 days from the day of resignation.

(3) Termination of office of officials of the National Bank of Serbia shall be acknowledged by the Finance Committee.

Article 28

An official of the National Bank of Serbia shall be dismissed:

1) if he/she was sentenced by a final court decision for a business crime, or an offence against labour rights, property, government institutions, judiciary, public order and legal procedures and official duty or for a crime by unconditional imprisonment longer than six months;

2) if it is established that his/her unprofessional and conscienceless performance of tasks and serious misconduct in the adoption and implementation of decisions or in the organisation of operations of the National Bank of Serbia have resulted in substantial deviations from the accomplishment of the National Bank of Serbia's primary objective set out in Article 3 of this Law;

3) if, on the basis of findings and opinions of the competent medical institution, it is established that due to his/her health status he/she has permanently lost the capacity to work or is temporarily incapacitated to perform his/her duties for a period longer than six months;

4) if he/she fails to submit a statement regarding the information referred to in Article 20, paragraph 5 of this Law, or submits a false one or acts contrary to the provisions of paragraph 1 of that Article;

5) if it is established that he/she does not meet the requirements for appointment referred to in Article 19 of this Law.

The reasons for the dismissal of the Governor and Vice-Governors shall be examined by the Council, whilst the reasons for the dismissal of a member of the Council shall be examined by the Finance Committee.

If the Council, and/or the Finance Committee finds that one of the reasons for the dismissal of the Governor and Vice-Governor, and/or member of the Council is satisfied, it shall without delay

submit an elaborated notification thereof to the President of the Republic of Serbia and the National Assembly, and/or to the Speaker of the National Assembly.

In assessing whether the reasons referred to in paragraph 1 of this Article are satisfied, the Council shall seek a statement from the Governor and/or Vice-Governor, while the Finance Committee shall seek a statement from the Council member.

Together with the notification referred to in paragraph 3 of this Article, the Council shall submit the statement of the Governor and Vice-Governor, while the Finance Committee shall submit the statement of the Council member to the Speaker of the National Assembly.

The National Assembly shall take a decision on the dismissal of an official of the National Bank of Serbia based on the elaborated notification referred to in paragraph 3 of this Article.

The office of an official of the National Bank of Serbia shall terminate by adoption of the decision on dismissal.

An official of the National Bank of Serbia may lodge an appeal against the decision on dismissal to the Constitutional Court within 30 days from the day that decision was published in the "*Official Gazette of RS*".

Article 29

After termination of office, an official of the National Bank of Serbia may not for six months get employed with or be in any other way engaged by a financial institution or other legal entity that the National Bank of Serbia supervises or cooperates with in the performance of its tasks.

The Governor and Vice-Governors shall be entitled to remuneration in case of expiry of their term of office, resignation or dismissal for the reasons set forth in Article 28 (1)(3) of this Law, equal to 80% of the earnings paid out in the month preceding the expiry of the term of office or taking of the decision on dismissal – until new employment, but for no longer than six months following termination of office.

NOTE: The Council of the Governor is appointed by the National Assembly upon the proposal of the Finance Committee, and the Governor and Vice-Governors are appointed by the National Assembly upon the motion of other authorised proposers.

- Election of the Council of the State Audit Institution

The Law on State Audit Institution ('*Official Gazette of RS'*, no. 101/05, 54/07, 36/10, 44/18-other law)

Relevant provisions of the Law:

Article 13

(1) The Council is the supreme body of the Institution.

(2) The Council is a collegial body.

(3) The Council has five members, which include: President, Vice-President, and three members.

(4) President of the Council is at the same time the President of the Institution.

(5) The Council decides in sessions presided by the President of the Council, or the Vice-president, who acts on his/her behalf.

(6) Council passes decisions by majority vote of all members.

(7) Members of the Council cannot put in question independence in the course of decision making, or independence of the Institution.

(8) Rules of Procedure of the Institution's Council shall more precisely determine issues in respect to Council's work.

(9) An enactment from Paragraph 8 of this Article is adopted by the Council.

Criteria for election of Council members

Article 16

(1) A citizen of the Republic of Serbia may be elected a member of the Council, if he/she fulfils the following criteria (beyond general criteria stipulated by the Law on public administration employment): holds a University degree, minimum 10 years of work experience, out of which, minimum five years are on a position related to the competencies of the Institution.

(2) At least two members of the Council shall have a university degree in economics, with relevant auditing or accounting titles.

(3) At least one of the members of the Council shall have a university degree in law, with passed Bar Exam.

Incompatibility of functions

Article 17

Function of a member of the Council is **not** consistent with:

1) a position in a state body, in local government bodies or holders of public authority and a position in political parties or trade unions;

2) employment in government bodies, body of local authority or with elected official;

3) membership in the body of management or supervision of a company, public enterprise, fund, organisation of obligatory social insurance or other legal entity with participation of state capital;

4) an equity share in legal entities, under jurisdiction of the Institution, in accordance with this Law;

5) performing other tasks that are not legally compatible with performing a public function;

6) performance of other duties, which might have an adverse effect on their autonomy, impartiality and social reputation, as well as on confidence and reputation of the Institution;

7) performance of any other paid duties, except scientific and education functions, and only if such functions are not in ethical collision with performance of duties of Council's members.

Members of the Council are subject to obligations and restrictions stipulated by the law governing prevention of the conflict of interest in discharging of public office.

Member of the Council is required to inform the Council about the facts from Paragraph 1 of this Article.

Prohibited mutual relations between the holders of office in the Institution and the auditee

Article 18

(1) Members of the Council must not be blood related in a straight line or collaterally up to the fourth degree of kinship, spouse, relatives from the wife's side, up to the second degree of kinship, even if the marriage had terminated, legal guardians, adoptee, adoptive parents and foster parents.

(2) Member of the Council cannot participate and make decisions in the audit process, if he/she was professionally engaged with the auditee, or performed certain tasks for the auditee, if the period of five years since the termination of such employment, or termination of tasks, has not expired.

(3) Member of the Council is obliged to inform the Council in a timely manner about the facts from Paragraphs 1 and 2 of this Article.

Election of President, Vice-President and members of the Council

Article 19

(1) President, Vice-President and members of the Council are elected and dismissed by the Assembly, by a majority vote of members of Parliament, at the motion of the competent working body of the Assembly. The competent working body reviews candidatures, determines fulfilment of criteria stipulated by this Law and decides on the list of candidates, which it submits to the Assembly. Proposal of candidatures shall be elaborated, with the enclosed written statement of the candidate declaring that he/she accepts the candidacy.

(2) If a candidate proposed for President, Vice-President and members of the Council does not receive the necessary majority vote of the members of Parliament, the competent working body of the Assembly shall decide upon a proposal of the new candidate.

(3) After the election, President, Vice-President and members of the Council take an oath before the Assembly, by which they assume their office. The oath shall read as follows: "I pledge my allegiance to the Republic of Serbia. I do vow and affirm to respect the Constitution and the laws. I swear on my honour to do my duty independently, honestly and impartially, and that I shall not abuse my competencies ".

Term of office of the members of the Council

Article 20

(1) A members of the Council are elected for a term of five years.

(2) Elected members of the Council may be elected no more than two times.

(3) The President of the Council shall notify the president of the competent working body of the Assembly on expiry of the term of office of a member of the Council no later than six months prior to the expiry of the term of office.

(4) A Member of the Council, whose term of office expired for other reasons than those stipulated by Article 22 of this Law, may discharge the office until election of a new member of the Council.

Termination of the term of office of the member of the Council

Article 21

Term of office of a member of the Council shall terminate prior to expiry of the term to which he/she has been elected, by resignation, fulfilment of retirement conditions, or dismissal.

Reasons for dismissal/release of duty

Article 22

Member of the Council is dismissed from office:

1) if legally binding decision sentences him to unconditional prison sentence in duration of minimum six months, or a misdemeanour of shorter duration, which makes him/her unworthy of office;

2) is declared incompetent by final court decision;

3) by assuming duty or office, incompatible with the function of member of the Council;

4) if he/she fails to act in accordance with Constitution and laws.

Procedure to establish grounds for dismissal

Article 23

(1) The Council shall notify the Assembly without delay of the existence of grounds for termination of office or dismissal.

(2) The motion for dismissal of a member of the Council may be submitted by minimum 20 members of Parliament.

(3) The motion shall be submitted in written form, with reasoning and evidence of the existence of grounds specified in Article 22 of this Law.

(4) The motion shall be taken under consideration by competent working body of the Assembly.

(5) Member of the Council, whose dismissal is proposed, has a right to address the members of the competent working body of the Assembly, orally or in writing, on the session on which his/her dismissal is being considered.

(6) After discussion and voting, the competent working body of the Assembly shall submit a report to the Assembly, with the proposal for the Assembly to pass a decision on dismissal or to reject the motion.

(7) The term of office of the member of the Council and all pertaining rights shall cease as of the day of issuing of the decision on dismissal at the session of the Assembly.

Article 24

(1) Competent working body may initiate the proposition for the Assembly to dismiss a member of the Council, when, based on continuous monitoring of the Council's work, in accordance with the Law, or on the grounds of other information, it concludes that there are grounds for dismissal specified in Article 22 of this Law.

(2) In the procedure when competent working body of the Assembly initiates the proposition for the Assembly to dismiss a member of the Council, the provisions from Article 23, Paragraph 5 of this Law are applied.

- Election of the Republic Commission for the Protection of Rights in Public Procurement Procedures

The Law on Public Procurement ('*Official Gazette of the RS'* no. 91/19);

Relevant provisions of the Law:

Republic Commission for the Protection of Rights in Public Procurement Procedures

Article 186

(1) The Republic Commission for the Protection of Rights in Public Procurement Procedures (hereinafter: the Republic Commission) is an autonomous and independent body of the Republic of Serbia, which ensures the protection of rights in line with the law.

(2) The Republic Commission has a status of legal person.

(3) The seat of the Republic Commission is in Belgrade.

(4) The Republic Commission has a seal, in accordance with the law.

(5) The funds for operation of the Republic Commission are provided from the budget of the Republic of Serbia, within a special budget section.

Prohibition of influencing the Republic Commission

Article 188

(1) Any attempting to influence or influencing the decision making of the Republic Commission shall be prohibited.

(2) Use of public powers and public appearance for the sake of influencing the proceedings and decision making of the Republic Commission shall be prohibited.

Composition and Election of the Republic Commission

Article 189

(1) The Republic Commission shall have a Chairman and eight members.

(2) The Chairman and the members of the Republic Commission shall be elected and dismissed by the National Assembly upon the proposal of the competent committee of the National Assembly in charge of finance (hereinafter: competent committee), following the completed public competition.

(3) The Chairman and members of the Republic Commission shall be elected to a five-year period.

(4) The competent committee shall initiate a procedure for determining a proposal for the election of Chairman or member of the Republic Commission not later than six months prior to the expiry of their term of office, and the election procedure shall be completed not later that one month prior to the expiry of their term of office.

Requirements for election

Article 191

(1) A person that may be deemed eligible to the office of a Chairman of the Republic Commission shall have qualifications which include: higher education at law studies of second degree (undergraduate academic studies - master, specialist academic studies, specialist vocational studies), i.e. higher education legally equivalent to academic title of master’s degree at the undergraduate studies lasting for, at least, four years, no less than seven-year work experience in legal practice following the bar exam, and minimum of five-year work experience in the field of public procurement.

(2) A person that may be deemed eligible to the office of a member of the Republic Commission shall have qualifications which include: higher education at law studies of second degree (undergraduate academic studies - master, specialist academic studies, specialist vocational studies), i.e. higher education legally equivalent to academic title of master's degree at the undergraduate studies lasting for, at least, four years, no less than five-year work experience in legal practice, following the bar exam, and minimum of five-year work experience in the field of public procurement.

(3) A person that may be deemed eligible to the office of a Chairman of the Republic Commission shall have qualifications which include: higher education at law studies of second degree (undergraduate academic studies - master, specialist academic studies, specialist vocational studies), i.e. higher education legally equivalent to academic title of master's degree at the undergraduate studies lasting for, at least, four years, no less than seven-year work experience in the field of public procurement and shall meet other requirements prescribed for the employment in the service of state authorities.

(4) At least five members of the Republic Commission shall be elected from among the persons fulfilling the requirements referred to in paragraph 2 of this Article.

Accountability of the Chairman and members of the Republic Commission

Article 194

Chairman and the members of the Republic Commission may not be held accountable neither for the expressed opinion or voting while passing decision from the remit of the Republic Commission, nor may be held accountable for the expressed opinion or voting while passing a decision and be accountable for damage, with the exception of committing a criminal offence.

Conflict of interest prevention and recusal

Article 196

(1) Chairman, i.e. member of the Republic Commission may not perform any other public duty, have any position in a political party, or engage in any other office, service, work, duty or activity that might have impact on his independence in work and performance, or that might decrease his reputation or the reputation of the office of the Chairman or a member of the Republic Commission.

(2) Chairman or member of the Republic Commission may not decide in the proceedings for the protection of rights or in any other proceedings in compliance with the law whether there are any reasons that may lead into doubting his impartiality.

(3) The Chairman or a member of the Republic Commission may not decide in the rights' protection proceedings or in other proceedings in line with the law if he is in a relationship, with the party to this proceedings, legal or authorised party's proxy, or legal representatives, members of governing bodies or supervisory bodies of parties, which gives rise to doubt about his impartiality, including: business relationship, kinship through direct line of descent, irrespective of the degree of kinship, and inside line up to the fourth degree, marriage (regardless of whether the marriage ceased to exist or not), extramarital relationship, family-in-law kinship up to second degree, guardianship, as well as the relationship between adoptive parent and adoptee.

(4) The Chairman or a member of the Republic Commission may not decide in the rights' protection proceedings or in other proceedings in line with the 3% law if he/she is the owner of more than 3% of equity interest, i.e. shares of the parties to the proceedings concerning the protection of rights.

(5) The Chairman or a member of the Republic Commission may not decide in the rights' protection proceedings or in other proceedings in line with the law if he/she was employed with the party to the proceedings for rights' protection, except in case when the employment was terminated more than two years before.

(6) Party to the proceedings may demand recusal of the Chairman or members of the Republic Commission on the grounds provided in paragraphs 2-5 of this Article.

(7) The Chairman of the Republic Commission shall decide on the request for the recusal of a member.

(8) Decision on the request for recusal of the Chairman of the Republic Commission shall be made at the session of all members of the Republic Commission which will be convened and chaired by the Deputy Chairman of the Republic Commission.

Termination of the term of office of the Chairman and members of the Republic Commission

Article 197

(1) The term of office of the Chairman and members of the Republic Commission shall be terminated upon dismissal.

(2) The Chairman or members of the Republic Commission shall be removed from office, in case of the following circumstances:

1) if convicted of a crime to an unconditional sentence of at least six months of imprisonment and if the crime for which he was convicted makes him unfit to hold office;

2) if he was sentenced for a criminal offence concerning violation of this law;

3) if it is established that by unconscientiously performing his duties he damaged the reputation, impartiality and independence of the Republic Commission in its decision-making;

4) if he has lost work capacity;

5) if it is established that he does not meet the requirements for appointment;

6) if he resigns and

7) expiry of the term of office.

(3) The competent Committee submits to the National Assembly a reasoned proposal for removal from office of the Chairman or member of the Republic Commission together with evidence for removal from office, if it was established that the requirements referred to in paragraph 2 of this Article were fulfilled.

(4) Chairman, i.e. member of the Republic Commission shall be given an opportunity to give his view on the reasons for his dismissal in the National Assembly.

(5) Chairman, i.e. a member of the Republic Commission as regards to whom there is a reason for removal from office referred to in paragraph 2, items 1)-6) of this Article shall terminate his office as of the day of the occurrence of the reasons for dismissal.

(6) In case referred to in paragraph 5 of this Article, the office of the Chairman shall be held by the deputy Chairman, until the appointment of a new Chairman.

(7) If there are reasons for dismissal of the Chairman, i.e. a member of the Republic Commission referred to in paragraph 2, items 1)-6) of this Article, a new Chairman, i.e. a member of the Republic Commission shall be appointed within a term of 90 days from the day of removal from office.

(8) Chairman, i.e. a member of the Republic Commission as regards to whom there is a reason for dismissal referred to in paragraph 2, item 7) of this Article, shall perform the duty until dismissal, i.e. until the appointment of the new Chairman or a member of the Republic Commission.

Accountability for work and reporting

Article 203

(1) The Republic Commission is accountable for its work to the National Assembly.

(2) The Republic Commission delivers to the National Assembly an annual report on its work by 31 March of the current year for the previous year, wherein it specifically lists:

1) Statistics on procedures for protection of rights, adopted decisions and the deadlines for deciding;

2) Data on contracting authorities who failed to deliver report referred to in Article 230 (2) of this law;

3) Data on contracting authorities who failed to observe the instructions contained in decision of the Republic Commission;

4) Data on contracts it has annulled;

5) Data on fines imposed;

6) Data on requests for Initiation of misdemeanour procedure;

7) Data on decisions of the Administrative Court relating to the decisions of the Republic Commission;

8) Most frequently spotted irregularities that occur in public procurement procedures and recommendations aimed at identifying the irregularities in implementation of regulations on public procurement and adjustment of practice regarding public procurements;

9) Other issues significant for the operation of the Republic Commission.

(3) Upon request of the competent committee of the National Assembly, the Republic Commission shall deliver a report for the period shorter than one year.

(4) For the damage caused to natural and legal persons by its illegal operation, the Republic Commission shall be accountable to the Republic of Serbia

(5) The Republic of Serbia may request compensation of the indemnity paid for damage only if it was determined in proceedings, in compliance with the law, that the damage referred to in paragraph 4 of this article was caused by premeditated intent or by gross negligence.

- Election of the Securities Commission

The Law on the Capital Market ("*Official Gazette of RS*" No. 1/11, 112/15, 108/16, 9/20 and 153/20)

Relevant provisions of the Law:

Commission status

Article 239

(1) The Commission shall be a legal entity that is an independent and autonomous organisation of the Republic of Serbia, accountable to the National Assembly of the Republic of Serbia.

(2) The seat of the Commission is in Belgrade.

Members of the Commission

Article 245

(1) The Commission shall have five members, including the Chairman of the Commission.

(2) The Chairman and the members of the Commission shall be elected and released from duty by the National Assembly of the Republic of Serbia, at the proposal of the working body in charge of financial affairs of the National Assembly of the Republic of Serbia.

(3) The Commission shall be represented by its Chairman, who manages it.

(4) The Chairman and members of the Commission of shall be appointed for a five-year period and entitled to serve until they have relieved from duty, in accordance with paragraph 2 of this Article.

(5) If the Chairman's function or the function of a member of the Commission ceases, prior to the end of their term of office, the new Chairman, i.e. a member of the Commission is appointed for the period until the end of the term of office of the Chairman, i.e. the member of the Commission whose function ceased.

(6) The Chairman and members of the Commission can be re-elected.

(7) The Chairman and members of the Commission shall be full-time employees of the Commission.

Qualifications

Article 246

The Chairman and members of the Commission must be citizens of the Republic, possessing general work ability, university degree, and at least five years of professional experience acquired on jobs involving securities, in the Republic or abroad.

Disqualification from service

Article 247

(1) The Chairman, members of the Commission or an employee of the Commission shall not be a person who:

1) Is subject to statutory disqualifications;

2) Is related or married to another member of the Commission;

3) Is performing another function in a state agency or organisation on the grounds of election or appointment.

(2) The Chairman, Commissioners and employees of the Commission shall not be allowed to have a holding in ownership of or participation in the management of legal persons licensed by the Commission and they cannot represent the interests of these persons before the Commission, state bodies or other bodies.

(3) The Chairman, Commissioners and employees of the Commission shall not perform other duties that could adversely affect their independence, impartiality and reputation and the reputation of the Commission.

(4) Any violation of the provisions of this Article shall constitute grounds for removal from office and termination of employment.

Removal from office and termination of employment

Article 248

The Chairman, members of the Commission and employees of the Commission shall be relieved of their functions i.e. their employment shall be terminated:

1) If they are sentenced for a criminal offense to unconditional imprisonment for a minimum of six months, or for a criminal offense against the labour relations, commerce, property, judicial system, money laundering and terrorism financing, public law order and legal transactions, and line of duty;

2) If it is determined, on the grounds of findings and opinions of the competent health-care institution that they have permanently lost the capacity of performing their functions;

3) Should it be determined that they perform their tasks unprofessionally;

4)If the existence of one or more circumstances from Article 247 of this Law is established.

Competent body for removal from office and termination of employment

Article 249

(1) The working body in charge of financial affairs of the National Assembly of the Republic of Serbia shall determine the fulfilment of conditions for termination of the function or dismissal of the Chairman and members of the Commission, by initiating the procedure before the National Assembly, within 60 days from the day of ascertaining these conditions.

(2) The National Assembly shall enact a decision on the termination of function or release from duty of a member of the Commission, specifying the day of the termination of function i.e. release from duty.

(3) The Commission shall be responsible for the termination of employment of any other employee of the Commission.

Principle of work

Article 253

(1) The Chairman, members of the Commission and other employees of the Commission shall act with expertise, conscientiously and impartially in performing their duties.

(2) The Chairman, members of the Commission and other employees of the Commission shall not jeopardise their autonomy in making their decisions, nor the autonomy of the Commission.

(3) Any person, agency or organisation shall not undertake any action to influence the autonomy in operation and decision-making of the Commission or any member of the Commission other than the right of such person, agency or organisation to appear and be heard by the Commission in accordance with the Commission's regulations.

(4) Any person, agency or organisation shall not take actions that are foreseen by law as the competence of the Commission, unless otherwise stipulated by this Law.

Prohibitions on trading in financial instruments and advice, and using Commission position for private gain

Article 254

The Chairman, members of the Commission and other employees of the Commission shall not engage in activities involving financial instruments trading or providing advice regarding investments in financial instruments.

(2) The persons referred to in paragraph 1 of this Article shall not use their employment in the Commission for the advancement of their own interests or the interest of other persons.

Personal transactions in securities

Article 255

1) The Chairman, Commissioners and other employees of the Commission shall provide the Commission with the information on securities they have at their disposal, including the information on any changes in those securities holdings.

(2) The obligation referred to in paragraph 1 of this Article shall also apply to the immediate family members of person referred to in that paragraph.

(3) The information on securities holdings referred to in paragraphs 1 and 2 of this Article shall be accessible to general public.

- Election of the Commission for State Aid Control

The Law on State Aid Control ("*Official Gazette of the RS*", No. 73/19)

Relevant provisions of the Law:

Article 9

(1) The Commission is an independent organisation that exercises public authority in accordance with this Law and has the status of a legal entity.

(2) The seat of the Commission is in Belgrade.

(3) The Commission shall be responsible for the performance of tasks within its competence to the National Assembly, to which it shall submit a report on its work by March of the current year for the previous year.

(4) The work report shall be published on the website of the Commission after it has been adopted by the National Assembly.

Election of the Commission bodies

Article 12

(1) A citizen of the Republic of Serbia who has a university degree, at least seven years of work experience in the profession and who is professional and qualified to perform the duties of the Chairperson or a member of the Council may be elected as the Commission Chairperson and a member of the Council.

(2) The expertise and competence referred to in paragraph 1 of this Article implies the possession of theoretical and practical knowledge in the field of state aid, competition and/or Acquis Communautaire of the European Union, which may be verified by the National Assembly Committee on Finance.

(3) The decision on the election of the Chairperson of the Commission or a member of the Council shall be made by the National Assembly by a majority vote of all Members of Parliament upon the proposal of the committee of the National Assembly competent for finance.

(4) The Commission Chairperson or Council members shall be elected from among candidates on two separate lists of candidates containing at least the same, and no more than twice the number of candidates against the number to be elected.

(5) Candidates who receive the most votes in each list, or the first subsequent candidate, shall be elected as the Chairperson of the Commission or members of the Council.

(6) The same person may be a candidate on both lists, and if selected from the list for the Chairperson of the Commission, the voting results for this person on the other list shall not be taken into account.

(7) The election of the body of the Commission is made by a public competition announced by the Speaker of the National Assembly, no later than three months before the termination of the office of the Chairperson of the Commission or a member of the Council, by expiration of the term of office or meeting the general conditions for old-age pension prescribed by law, or within 15 days from the termination of the term of office of the Chairperson of the Commission or a member of the Council by resignation by resignation, due to permanent inability to perform the function or dismissal.

(8) The announcement of the public competition for the election of the bodies of the Commission shall be published in the "Official Gazette of the Republic of Serbia" and at least one means of public information covering the entire territory of the Republic of Serbia, as well as on the website of the Commission and the National Assembly.

(9) If a smaller number of candidates is applied for in a public competition than the number to be appointed if the National Assembly committee competent for finance proposes a smaller number of candidates than the number to be appointed or if the National Assembly decides not to elect the Chairperson of the Commission or appoint a smaller number of members of the Council than the number to be appointed, the Speaker of the National Assembly is obliged to re-announce a public competition for the appointment of the Chairperson of the Commission or a member of the Council who has not been nominated or appointed within 15 days from the expiration of the deadline for submitting applications in the public competition, or from the day of deliberating by the Committee of the National Assembly competent for finance or the National Assembly.

(10) The following persons may not be elected as the Chairperson of the Commission and a member of the Council:

1) Members of Parliaments at the National Assembly, Assembly Autonomous provinces, councillors, other elected and appointed persons, or members of political parties;

2) a person who has been sentenced to imprisonment of at least six months or for a criminal offense that makes him/her unworthy of public office.

The term of office of the Chairperson of the Commission and members of the Council

Article 13

(1) The term of office of the Chairperson of the Commission and members of the Council shall be five years.

(2) The Chairperson of the Commission and a member of the Council shall take office on the day of taking the oath in the National Assembly.

(3) The same person may be elected Chairperson of the Commission and a member of the Council no more than twice.

Termination of the term of office of the Chairperson of the Commission and a member of the Council

Article 14

(1) The term of office of the Chairperson of the Commission or a member of the Council shall terminate on the day of expiration of the mandate, by resignation, if he/she meets the legally prescribed general conditions for old-age pension, if due to illness he/she becomes permanently incapable of performing the duties, or dismissal.

(2) In the event that the function of the Chairperson of the Commission is terminated, the Committee of the National Assembly competent for finance shall appoint the acting Chairperson of the Commission from among the members of the Council.

(3) The acting Chairperson of the Commission shall perform that function until the new Chairperson of the Commission takes office.

Dismissal of the Chairperson of the Commission and a member of the Council

Article 15

1) The Chairperson of the Commission or a member of the Council shall be dismissed if s/he becomes a member of a political party and/or political entity, if s/he is convicted for a criminal offence to a prison term of minimum of six months or for a punishable offence that renders him/her unworthy of public office, or if it is determined that s/he has violated the law governing prevention of corruption.

(2) The procedure in which it is decided on the existence of reasons for dismissal of the Chairperson of the Commission and members of the Council shall be initiated by the Committee of the National Assembly competent for finance.

(3) The initiative for initiating the procedure referred to in paragraph 2 of this Article may be submitted by the Chairperson of the Commission, the Council, the Secretary of the Commission or the competent body for the prevention of corruption.

(4) The Chairperson of the Commission or a member of the Council against whom the procedure referred to in paragraph 2 of this Article has been initiated shall be immediately informed of the reasons for initiating the procedure, to be acquainted with the initiative for initiating the procedure, accompanying documentation during the procedure, and evidence for his/her allegations.

(5) The Chairperson of the Commission or a member of the Council against whom the procedure referred to in paragraph 2 of this Article has been initiated shall have the right to present his/her allegations orally before the National Assembly committee competent for finance.

(6) The Chairperson of the Commission or a member of the Council, against whom the procedure has been initiated, may be removed from public office by the Committee of the National Assembly competent for finance, until the end of the procedure, but not longer than six months from the day of initiating the procedure.

(7) In the case referred to in paragraph 6 of this Article, the Committee of the National Assembly competent for finance shall appoint the acting Chairperson of the Commission from among the members of the Council.

(8) In case of termination of the office of the Chairperson of the Commission or a member of the Council, the Council shall continue its work as long as the remaining composition of the Council enables decision-making by the prescribed majority.

(9) The decision on dismissal of the Chairperson of the Commission or a member of the Council shall be made by the National Assembly by a majority vote of all Members of Parliament upon the proposal of the committee of the National Assembly competent for finance.

Incompatibility of positions held and obligations

Article 18

(1) The Chairperson of the Commission and members of the Council, during the term of office in the Commission, may not perform other public function or professional activity, or may not engage in any public or private business, including the provision of consulting services and advice in the Republic of Serbia in the scope of work they perform in accordance with this law.

(2) The position of a member of the Council and the Chairperson of the Commission is not compatible with:

1) a position in a state body, in local government bodies or holders of public authority and a position in political parties or trade unions;

2) work in a state body, local government body or with holders of public authorisations, or other state aid providers;

3) membership in the body of management or supervision of a company, public enterprise, fund, organisation of obligatory social insurance or other legal entity with participation of state capital;

4) ownership share of more than 3% in legal entities that are beneficiaries of state aid, or within the competence of the Commission in accordance with this Law;

5) performing other tasks that are not legally compatible with performing a public function;

6) performing other tasks that could negatively affect their independence, impartiality and social reputation, as well as the trust and reputation of the Commission;

7) performing other paid duties, except for scientific and educational functions, and only if those duties are not in moral conflict with the performance of duties of the members of the Council.

(3) Members of the Council are subject to obligations and prohibitions established by the law governing the prevention of conflicts of interest in the performance of public functions.

(4) A member of the Council is obliged to inform the Council on the facts referred to in para. 1 and 2 of this Article.

- Purview of the Committee on Economy, Regional Development, Trade, Tourism and Energy:

Criteria for appointment of the Chairperson of the Commission for Protection of Competition and members of the Council of the Commission for Protection of Competition are laid down in Article 23 of the **Law on Protection of Competition** ("*Official Gazette of the RS*", No. 51/09 and 95/13), worded as follows:

"Article 23:

The Chairperson of the Commission and members of the Council shall be selected from among distinguished experts in the field of law and economics, with at least ten years of relevant professional experience, who have written significant and recognised papers or have practice in the relevant field, particularly in the fields of protection of competition and the European law, and who enjoy reputation of being objective and impartial persons. (para. 1) The composition of the Council, including the Commission Chairperson shall include experts in both relevant fields referred to in paragraph 1 of this Article, with at least two representatives of each field. (para. 2) The Chairperson of the Commission and Council members shall be appointed and dismissed by the National Assembly on the proposal of the Committee in charge of trade. (para. 3). The Commission Chairperson or Council members shall be selected from among candidates on two separate lists of candidates containing at least the same, and no more than twice the number of candidates against the

number to be elected. (para 4) Candidates who receive the most votes in each list, or the first subsequent candidate or candidates on the list for Council members, with appropriate expertise, until the requirements referred to in Paragraph 2 of this Article are met, shall be appointed the Commission Chairperson or Council members. (para. 5) The same person may be a candidate on both lists, and if selected from the list for the Chairperson of the Commission, the voting results for this person on the other list shall not be taken into account. (para. 6) The appointment of the Commission's bodies shall be conducted following a public call published by the National Assembly Speaker, no later than three months before the expiry of the Commission Chairperson's and Council members' terms of office, or immediately upon termination or dismissal within the meaning of Article 24 hereof. (para. 7).

Pursuant to Article 40 of the **Energy Law** ("*Official Gazette of the RS*", no. 145/14, 95/18 – other law and 40/21), the President and members of the Council of the Energy Agency shall be appointed by the National Assembly, on the basis of a public competition announced and conducted by the Commission for Selection of Candidates (hereinafter: the Commission), established by the Government on the proposal of the Ministry. Under Article 40 of the Law, the Commission shall comprise five members, two representatives of the National Assembly's competent Committee and three prominent experts with more than 15 years of work experience in the energy field. A Commission member may not be a person employed with the energy entity. Within 30 days as of the date of receipt of the Commission's opinion, the Government shall make a proposal for selection of the President and members of the Council and submit it to the National Assembly for adoption.

Pursuant to Article 42 of the Law, the following persons may not be elected as the President and members of the Council:

1) MPs of the National Assembly, MPs of the Assembly of the Autonomous Province, elected members of city councils, other elected and appointed persons, as well as political party officials;

2) owners or co-owners of energy entities, as well as persons whose spouses, children or relatives in straight line regardless of the degree of kinship, or relatives in lateral line ending with the second degree of kinship, are owners or co-owners of energy entities;

3) persons convicted of criminal offences against official duty, corruption, fraud or other criminal offences making them unfit to perform the function they are elected for.

- **Purview of the Committee on Spatial Planning, Transport, Infrastructure and Telecommunications:**

Under Article 10 of the **Law on Electronic Communications** ("*Official Gazette of the RS*" Nos. 44/10, 60/13-Constitutional Court, 62/14 and 95/18 - other law), the National Assembly on the proposal by the Government, shall appoint and dismiss the Managing Board of the Regulatory Agency for Electronic Communications and Postal Services (RATEL).

Article 16 of the Law provides for cases in which the National Assembly, on its own initiative or on the Government's proposal, may dismiss a member of the Managing Board of the Regulatory Agency for Electronic Communications and Postal Services.

- **Purview of the Culture and Information Committee:**

1. Commissioner for Information of Public Importance and Personal Data Protection

For the purpose of exercising the right to access to information of public importance owned/ held by public authorities, the **Law on Free Access to Information of Public Importance** ("*Official Gazette of the Republic of Serbia*" No. 120/04, 54/07, 104/09, 36/10 and 105/21) establishes the Commissioner for Information of Public Importance and Personal Data Protection, as an independent public authority, independent in carrying out its responsibilities.

Article 30 of the Law lays down that the National Assembly of the Republic of Serbia shall appoint the Commissioner by a majority vote of all MPs, on the proposal of the State Administration Committee, for an eight-year term of office, without the possibility of re-election to this position.

Moreover, this Article lays down following requirements the Commissioner must meet:

- a person of renowned reputation and expertise in the field of protecting and promoting human rights;
- a person, who meets the requirements for employment in state bodies and has a Bachelor's degree in Law and at least ten years of working experience;
- a person that performs any other public office or professional activity, as well as any other duty or job that could affect his autonomy and independence, or is member of a political party, may not be appointed Commissioner.

The Commissioner's appointment procedure entails a public invitation to all interested persons to apply for the candidate for Commissioner, published on the same day on the website of the National Assembly and in at least one daily newspaper distributed throughout the Republic of Serbia. Within 15 days following the expiration of the deadline for application to the Public Invitation, the Committee shall determine and publish on the website of the National Assembly a list of registered persons who meet the conditions for election as Commissioner, along with their biographies and shall submit an invitation to the parliamentary groups in the National Assembly to propose a candidate for Commissioner from the list of registered persons who meet the conditions for election as Commissioner.

After the public interview, the Committee adopts a Proposal of the Decision on appointment of the Commissioner and submits it to the National Assembly for adoption.

2. National Council for Culture

The National Council for Culture is a professional and advisory body established for the purpose of providing constant professional support to preservation, development and dissemination of culture.

Article 16 of the **Law on Culture** ("Official Gazette of the Republic of Serbia", no. 72/09, 13/16, 30/16 – corrigendum and 6/20, 47/21 and 78/21) lays down that the National Council for Culture shall have nineteen members appointed by the National Assembly on the proposal of authorised nominators, for a five-year term of office. All authorised nominators shall propose the same number or twice the number of candidates as the number of candidates appointed from among the nominators.

The Ministry of Culture and Information conducts the procedure of proposing the candidates and submits a Joint List of candidates for members of the National Council for Culture to the Culture and Information Committee that establishes whether the Joint List is in line with Article 16 of the Law and submits it to the National Assembly for adoption.

3. Council of the Regulatory Authority for Electronic Media

Article 5 of the Law on **Electronic Media** ("*Official Gazette of the RS*" no. 83/14, 6/16 - other law and 129/21) lays down that the Regulatory Authority for Electronic Media shall be an independent Regulatory organisation as a legal entity that exercises public authority for the purpose of: effective implementation of the defined policy in the provision of media services in the Republic of Serbia; improving the quality and variety of electronic media services; providing contribution to the preservation, protection and development of freedom of opinion and expression; in order to protect the public interest in the field of electronic media and protection of electronic media services beneficiaries, in accordance with the provisions of the Law on Electronic Media, in the manner appropriate for a democratic society.

Article 8 of the Law lays down that Council members shall be appointed by the National Assembly, on the proposal of authorised nominators, and a member of the Council shall be deemed appointed if she/he has won a majority vote of the total number of Members of Parliament.

Under Article 10 of the Law, the procedure for nominating members of the Council entails that competent body of the National Assembly (Culture and Information Committee) publishes a public call for nomination of candidates for members of the Council six months prior to the expiration of the mandate of a Council member, or within 15 days of the termination of the mandate in case of death, resignation or dismissal, at the latest.

Eligibility criteria for a candidate for a member of the Council of the Regulatory Authority for Electronic Media are the following:

- a member of the Council of the Regulatory Authority for Electronic Media shall be selected from the ranks of distinguished experts in the field important for performing duties within the purview of the Regulator (media experts, economists, lawyers, telecommunication engineers, etc.);
- a member of the Council may only be a person who has a university degree, who is a national of the Republic of Serbia and whose domicile is in the territory of the Republic of Serbia;
- the authorised nominator shall submit a written consent of the candidate to be appointed as a member of the Council of the Regulatory Authority for Electronic Media;

- a member of the Council shall not be a person who holds a public office or performs a function in a political party within the meaning of regulations laying down the rules relating to the prevention of conflicts of interest in performing public functions.

Besides the above requirements, each authorised nominator or an organisation that belongs to the group of organisations that together form a single authorised nominator shall additionally submit evidence of compliance with the requirements for the organisation to nominate candidates (evidence varies for each authorised nominator).

An authorised nominator, or an organisation that belongs to the group of organisations that together form a single authorised nominator referred to in Article 9 paragraph 1 items 3-8 of this Law, shall submit to the competent body of the National Assembly (Culture and Information Committee) a reasoned proposal of two candidates for membership to the Council within 15 days following the date of publication of the public call.

At its sitting, the competent body of the National Assembly (Culture and Information Committee) shall establish a list of eligible candidates for Council members and the list of organisations who jointly make a single authorised nominator, within seven days following the expiration of the time limit for submitting a proposal of a candidate, and shall publish them on the National Assembly's website, in compliance with Article 10 (5) of the Law.

The competent body of the National Assembly shall set the date to adopt the joint proposal of two candidates for membership to the Council, within 7 days following the publication of the list of candidates and lists of organisations referred to in Article 10 of the Law.

Moreover, the competent body of the National Assembly (Culture and Information Committee) shall provide organisations that together form a single authorised nominator premises for meetings to define a joint proposal of a candidate, in accordance with Article 11 of the Law.

At the meeting the organisations shall define by mutual agreement the final proposal of two candidates for the membership to the Council, and if the agreement cannot be achieved by consent of all organisations, the final proposal of a joint candidate shall be defined by voting.

The competent body of the National Assembly (Culture and Information Committee) shall provide and organise voting and publish the final proposal on the National Assembly's website, in compliance with Article 11 (7) of the Law.

The Culture and Information Committee shall organise a public interview with the proposed candidates for membership to the Council within 15 days following the establishment of the proposal of the candidates, in accordance with Article 11 (8) of the Law and it shall submit the List of Candidates for membership to the Council of the Regulatory Authority for Electronic Media to the National Assembly for adoption.

4. Programming Council of the Public Service Broadcaster "*Radio-Television of Serbia*"

The Programming Council shall be an advisory body comprising 15 members who are appointed by the Management Board from among experts in the fields of media and media contractors, scientists, creators in the field of culture, and representatives of associations that focus on protection of human rights and democracy, in compliance with Article 28 of the **Law on Public Service Broadcasters** ("*Official Gazette of the RS*", no. 83/14, 103/15, 108/16).

The National Assembly adopted a **Decision on the rules for carrying out the public call for applications for the selection of candidates for the membership to the Programming Council of the Public Service Broadcaster "Radio-Television of Serbia"** ("Official Gazette of the RS", no. 132/14) laying down additional rules for conducting a public call for applications for the selection of candidates for the membership to the Programming Council.

The RTS Programming Council members shall be elected by the RTS Management Board, on the proposal of the National Assembly's Culture and Information Committee, pursuant to Article 29 (1) of the Law.

The Culture and Information Committee shall propose to the Management Board a list of 30 candidates for the Programming Council membership that shall reflect the territorial, ethnic, religious, gender, and other structures of the population, in accordance with Article 29, para. 3 of the Law.

The public call for applications for the selection of candidates for the membership to the Programming Council shall be published by the Culture and Information Committee six months before the Programming Council members' tenure expires, pursuant to Article 29 (5) of the Law.

The Committee shall publish the public call in "the Official Gazette of the Republic of Serbia", the only daily published on the entire territory of the Republic of Serbia, and on the National Assembly's webpage.

The candidate for the membership to the RTS Programming Council shall be selected from among experts in the fields of media and media contractors, scientists, creators in the field of culture, and representatives of associations that focus on protection of human rights and democracy.

In addition, a candidate for the membership to the RTS Programming Council may not be a person who holds a public or political office.

The Culture and Information Committee shall compile a List of all eligible candidates who applied, within 15 days following the closure of the call.

After compiling the List, the Committee shall convene a sitting to conduct interviews with the eligible candidates.

After conducting the interviews with the candidates, the Committee shall compile a final list comprising 30 candidates for the membership to the RTS Programming Council, which it then shall submit to the RTS Management Board that shall select 15 members of this body.

Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.

(b) Observations on the implementation of the article

[*Observations of the governmental experts with regard to the implementation of the article. Depending on the scope of the review cycle, findings with respect to the way in which national law has been brought into line with the article, as well as to the implementation of the article in practice.]*

[*Observations on the status of implementation of the article, including successes, good practices and challenges in implementation*.]

(c) Successes and good practices

[*Identification of successes and good practices in implementing the article, where applicable.*]

Paragraph 3 of article 7

3. Each State Party shall also consider taking appropriate legislative and administrative measures, consistent with the objectives of this Convention and in accordance with the fundamental principles of its domestic law, to enhance transparency in the funding of candidatures for elected public office and, where applicable, the funding of political parties.

(a) Summary of information relevant to reviewing the implementation of the article

Is your country in compliance with this provision?

The Republic of Serbia **is in compliance** with this provision

Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

In accordance with the **Law on Anti-Corruption** and the **Law on the financing of political activities** ("*Official Gazette of the RS*", no. 14/22) the control of the financial activities of political entities is carried out by an independent state authority, the Agency for Prevention of Corruption.

The Agency controls **annual financial reports** of political entities, as well as reports on contributions and assets submitted by political entities with the opinion of the authorized auditor, by 30th April of the current year for the previous year. Reports on the cost of the election campaign political entities are obliged to submit within 30 days from the date of announcement of final election results.

The Agency has the authority to request access to bookkeeping records and documentation of political entities and endowments or foundations established by political parties and to financial statements of political entities, as well as the right to engage relevant experts and institutions in the control procedure. Political entities have an obligation to submit, at the request of the Agency, **all** documents and information within a period that may not exceed 15 days, provided that during the election campaign this period may not exceed 3 days.

There is a special form of activities which the Agency is conducting when there is an election campaign. Specifically, that period is between the date of scheduling the elections and the announcement of the final election results. During that period the Agency is conducting a form of independent monitoring of election campaigns. That process consists of direct observation and recording of activities of political entities during election campaigns on the entire territory of the Republic of Serbia.

During the process of controlling annual financial reports and reports on the expense of election campaigns the Agency requests information from the Ministry of State Administration and local self-government, the Ministry of Finance, the Tax Administration, the Administration for Treasury, the Ministry of Internal Affairs, the Election Commissions and the Republic Broadcasting Agencies. Furthermore, banks and legal persons who finance political entities are also obligated to submit all requested information to the Agency.

In accordance with the collected data from the above-mentioned institutions, the Agency determines the funds allocated to political entities. Electoral commissions submit the data on proclaimed electoral lists, as well as the data on the submitters of electoral lists and the candidate nominators. A major component of control is based upon data which is submitted by providers of different services to political entities, such as renters of outdoor advertising space, transport companies, and the media. Political entities are obliged to deliver certain documents and information if further clarification is required.

After carrying out the control of the political entity's financial statements, the Agency may submit a request to the State Audit Institution to conduct an audit of those statements.

For financing the election campaign of parliamentary or presidential elections, a participant in the election (political party, a coalition of political parties, or groups of citizens) may use funds collected from public and private sources. In order to collect and spend funds for financing the election campaign, a participant in the elections must have a **special account**, which he/she is obliged to open **before** the announcement of his/her electoral list, i.e. his/her presidential candidate. All payments for election campaign expenses must be made exclusively from that specified account.

Regarding the collection of funds from private sources, it must be taken into account that the **maximum annual value that a natural person can give to a participant in the election campaign is 10 average monthly salaries, whereas in the case of legal entities maximum amount is 30 average monthly earnings**.

When it comes to financing the costs of the election campaign from public sources, i.e. the budget of the Republic of Serbia, in order for a participant in the elections to receive these funds, it is necessary to submit a **statement** to the Republic Election Commission that the participant intends to use funds from public sources to finance election campaign expenses, when submitting the electoral list. The Republic Election Commission collects these statements from the participants of the elections and forwards them to the Ministry of Finance for further proceeding.

Subsequently within the procedure, the competent institutions are the Ministry of Finance, which calculates and transfers funds from the budget to the participants of the elections, and the Agency for Prevention of Corruption, which controls the costs of the election campaign after the elections.

Another precondition for a participant of the elections to receive the budget funds for financing the costs of the election campaign is passed so-called "**election guarantee**", in the value of funds that should be allocated to participants from the budget. The election guarantee is deposited with the Ministry of Finance and may consist of a cash deposit, a bank guarantee, government securities, or a mortgage for the amount of the guarantee on the immovable property of the person providing the guarantee. If the participant of the elections does not win at least 1% of the valid votes or 0.2% of the valid votes in the case of a representative of national minorities, it shall return the received funds for which he/she has posted the election guarantee.

Please note however, it is forbidden to finance a political entity from:

- foreign countries,
- foreign natural and legal persons
- legal or natural person engaging in activities of general interest based on a contract entered into with the authorities of the Republic of Serbia, Autonomous Province or a local self-government unit or with public services founded by them shall be prohibited throughout the validity term of such contractual relation and for a period of two years subsequent to termination of contractual relations.

The contribution that international political associations give to a political subject **cannot** be in money. It may, however, be in the form of seminars, courses, or other forms of training and educational process.

It is prohibited for a political party to acquire a share or shares in a legal entity.

Financing a political entity by an endowment or foundation is forbidden.

The state allocates the amount of 0.07% of tax revenues of the budget of the Republic of Serbia to cover the costs of the election campaign.

The distribution of these funds varies depending on whether it is a parliamentary or presidential election.

In the parliamentary elections, 40% of the budget funds, intended to cover the costs of the election campaign, are distributed before the elections, in **equal amounts** to all participants in the elections who have given a statement that they will use funds from public sources.

The remaining 60% of the budget is allocated to election participants who have won parliamentary seats, in accordance with the number of seats won, regardless of whether they have used public funds to cover election campaign expenses or not.

Regarding the presidential elections, 40% of the budget are allocated before the elections to the participants of the elections, who have stated that they will use funds from public sources, also in **equal amounts**. The distribution of the remaining 60% of the funds depends on whether the President of the Republic is elected in the first or repeated vote (the so-called first and second round of elections).

If the President of the Republic is elected in the first round of elections, the remaining 60% of the budget funds will be allocated to the nominee of the candidate who was elected, regardless of whether he/she used funds from public sources.

If the President of the Republic is elected in the second round of elections, the remaining 60% of the budget funds are paid in equal amounts, before the second round, to the nominators of candidates participating in the second round, also regardless of whether they used funds from public sources.

One of the provisions in both laws: the Law on Anti-Corruption and the Law on Financing of Political Activities was that during the period from the announcement until the end of the elections, an official may not use public gatherings and meetings as an official to promote political parties, and in particular that "*he/she must not use them for public purposes, representation of election participants, election programs, inviting voters to vote or not to vote for certain election participants*."

After the elections, the participant of the elections is obliged to:

- return all unspent funds received from the budget of the Republic of Serbia;
- transfer all unspent funds obtained from private sources to the account the political subject uses for regular work;

- return all funds received from the budget of the Republic of Serbia if the political subject does not win at least 1% of the votes in the elections (or at least 0.2% of the votes if it has the status of a political party or coalition of political parties of national minorities in parliamentary elections);

- submit to the Agency for Prevention of Corruption, within 30 days from the day of announcing the final election results, a **report on the costs of the election campaign**, i.e. on the origin, amount and structure of collected and spent funds from public and private sources.

The Agency is providing support to political entities in the implementation of the Law on Financing of Political Activities in order to contribute to improving the transparency of disposal of funds from public sources, bearing in mind that it is one of the **main sources of funding** political entities. Support is focused on **training political representatives to manage finances in a responsible and transparent manner,** as well as to prepare appropriate reports (both annual financial and reports on expenses of election campaigns) which will be presented in accordance with the law and the principles of good governance.

Besides trainings for representatives of political entities, the Agency, depending on the election dynamics, conducts **trainings for election campaign observers** with the aim of obtaining relevant and additional sources of information for the control purpose of the report on election campaign expenses.

The Agency provides support through various forms of advisory assistance for activities of public authorities in the development of analyses, models of internal rules, procedures, methodology, strategic and operational documents to prevent corruption and strengthen institutional integrity and the integrity of managers and employees.

Special attention is dedicated to the development of **opinions on the risks of corruption** in the drafts and draft regulations and development of initiatives for amendments of existing regulations or adoption of new ones, in order to reduce the risk of corruption and in accordance with the domestic regulations harmonized with ratified international agreements in this field.

All registered political parties, as well as groups of citizens who have representatives in representative bodies, are obliged to submit the **Annual Financial Report,** which shall also comprise data on contributions and assets, to the Agency no later by April 30th of the current year for the previous year, with the previously obtained opinion of the certified auditor.

The registered political parties and citizens' groups that in the year for which the annual statement on financing is submitted have incoming or outgoing payments in the accounts the amounts of which do not exceed one average monthly salary shall be exempt from the obligation to submit the opinion.

In 2020, 248 political entities were obliged to submit the Annual Financial Report for the previous year, of which 113 political parties and 135 groups of citizens. The legal obligation was fulfilled by

111 political entities, of which 68 were political parties and 43 were groups of citizens. Five political entities did not submit reports in electronic form, but only in printed form, so these reports are not in the electronic records nor on the Agency's website. In the procedure of substantial control of 22 annual financial reports for 2019, a total of 93.69 % of funds from public sources were controlled. Due to the non-submission of the annual financial reports for 2019, 63 requests for initiating misdemeanor proceedings had been submitted.

On the other hand, all political subjects who declared electoral lists for the elections for the National Assembly, which were held on June 21, 2020 (949 entities), were obliged to submit a report on the costs of the election campaign to the Agency within 30 days from the day of publishing the final results. The legal obligation was fulfilled by 747 political entities, i.e. 78.71% of the total number of political entities obliged to submit a report.

In 2020, a total of 310 proceedings were initiated for violations of the law on financing of political activities. Out of the total number of initiated proceedings, 255 requests were submitted for initiating misdemeanor proceedings, of which 144 requests for initiating misdemeanor proceedings against political entities due to the non-submission of the Report on the costs of the election campaign in 2020, and 55 proceedings were initiated before the Agency against political entities for violations of the provisions of the Law on Financing of Political Activities, 35 of which relate to election campaigning (34 per complaints during the election campaign and one ex officio).

An essential condition for substantial control of financial reports of political entities is the existence of a comprehensive legislative framework that complies with international standards, efficient cooperation of competent institutions as well as appropriate IT infrastructure.

The current Law on the Financing of Political Activities was adopted in 2011 and has been amended twice (2014 and 2019) All relevant recommendations of GRECO were implemented in a satisfactory manner. The Agency also has made a significant effort in order to improve the reporting process for political entities by introducing new software for submitting reports.

Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.

(b) Observations on the implementation of the article

[*Observations of the governmental experts with regard to the implementation of the article. Depending on the scope of the review cycle, findings with respect to the way in which national law has been brought into line with the article, as well as to the implementation of the article in practice.]*

[*Observations on the status of implementation of the article, including successes, good practices and challenges in implementation*.]

(c) Successes and good practices

[*Identification of successes and good practices in implementing the article, where applicable.*]

Paragraph 4 of article 7

4. Each State Party shall, in accordance with the fundamental principles of its domestic law, endeavour to adopt, maintain and strengthen systems that promote transparency and prevent conflicts of interest.

(a) Summary of information relevant to reviewing the implementation of the article

Is your country in compliance with this provision?

The Republic of Serbia **is in compliance** with this provision

Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Conflict of interest system of the Republic of Serbia is aimed at preventing and detecting conflict of interest, enhancing transparency, raising public official's awareness and their understanding of the conflict of interest concept and risks related thereof as well as contributing to the reduced public perception of corruption in the public sector. It leads to increased transparency and accountability of public officials in discharging their office, in accordance with the public purpose. In addition, disclosure system is aimed at enhancing integrity regime and control of using public funds.

Resolving conflict of interest is one of the most important corruption prevention mechanism and, as such, it has been recognized and touched upon in all relevant strategic anti-corruption documents. The work in this area is of paramount importance for a comprehensive fight against corruption, in view of the fact that the practice of the Agency in this area has shown that conflict of interest among public officials in certain cases may lead to a serious crime and corruption.

In the Republic of Serbia, prohibition of conflict of interest in discharging public office is a constitutional category. According to Article 6 of the Constitution[17] of the Republic of Serbia ("*Official Gazette of the Republic of Serbia*", no. 98/06 and 11/98), **no person may perform a state or public function in conflict with their other functions, occupation or private interests**.

The importance of prohibiting the conflict of interest lies in the fact that it is ensuring respect of the Constitutional principles of the rule of law and separation of powers. The Agency has the sole authority to decide on conflicts of interest, i.e. is an authorized institution to decide on the conflict of interest of public officials in discharge of public office as stipulated by the Law on Corruption of Prevention, i.e. its Articles 40-44. The Agency also deals with incompatibilities of other work with the discharge of public office, also as stipulated by the Law on Corruption Prevention, i.e. its Articles 45-55 as well as accumulation of public offices (Article 56 of the Law on Corruption Prevention).

[17] http://www.parlament.gov.rs/upload/documents/Constitution_%20of_Serbia_pdf.pdf

NOTA BENE: *Please also see the Law on Amendments and Supplements to the Law on Anti-Corruption which entered into force on October 5, 2021.*

The Law on Anti-Corruption contains definition of **three types of conflict of interest**: actual conflict of interest, perceived conflict of interest and potential conflict of interest, i.e. according to Article 41 of the Law on Corruption Prevention a conflict of interest is a situation where a public official has a private interest which affects, may affect, or appears to affect the discharge of public office. Private interest is any benefit or advantage in favour of a public official or an associated person.

The **Civil Servants Law** ("*Official Gazette of the Republic of Serbia*", no. 79/05, 81/05 – correction, 83/05 – correction, 64/07, 67/07 – correction, 116/08, 104/09, 99/14, 94/17 95/18 and 157/20) regulates the conflict of interest of civil servants in general (please see Articles 25-31).

Verification of interest disclosure has been conducted by the Agency.

Pursuant to the Law on Corruption Prevention, verification is conducted in three ways. The first one relates to decisions granting approval upon requests of public officials to hold another public office or to engage in other jobs or activities besides public office, or employment or business cooperation upon termination of the public office (pantouflage). Should the incompatibility of offices be determined (in a situation that public offices are in such relation of mutual dependency, control and oversight, that official has a private interest which affects, may affect or may be perceived to affect actions of an official in discharge of office, i. e. public office and employment or occupation are in a relation of mutual dependency, control or oversight), the Agency adopts a decision rejecting requests for approval of holding a second public office, or engaging in other employment or occupation. In that regard, if the Agency determines pantouflage in every single procedure of granting approval for employment or business cooperation upon the termination of the public office, the respective public official will not be granted approval for employment (business cooperation) upon the termination of the public office. If a public official fails to comply with decision of the Agency, rejecting his/her request for approval, the proceedings determining whether a violation of Law on Corruption Prevention had occurred is instituted against him/her, with the appropriate measure being pronounced.

The second method pertains to proceedings in terms of public officials originating from reports of citizens, wherein the Agency determines violation of the Law on Anti-Corruption and other laws and pieces of legislation, regulating public officials' conflict of interest and pronounces measures to public officials due to violation of the Law on Corruption Prevention.

The third method concerns *ex officio* acting of the Agency in terms of resolving conflict of interest and determining the violation of the Law on Corruption Prevention by public officials, on the basis of checking records and registries, being kept by the Agency, i. e. other information that the Agency might obtain within other proceedings, being conducted before the Agency. Within these procedures the Agency also determines violation of the Law on Corruption Prevention or other laws and pieces of legislation, regulating public officials' conflict of interest and accordingly pronounces measures to public officials due to determined violation of the Law on Corruption Prevention.

The verification is conducted through **internal databases** as well as **data exchange** with other relevant institutions.

Most common types of conflict of interest identified in practice are nepotism and business cooperation with associated persons. The definition of an ’associated person’’ is stipulated by Article 2 of the Law on Corruption Prevention, i.e. “associated person" is a family member of a public official, a blood relative of a public official in the direct line and/or in the collateral line up to the second degree of kinship, as well as a legal or natural person whose interests, based on other grounds and circumstances, may be reasonably assumed to be associated with those of the public official.

Regarding the provisions related to the conflict of interest and accumulation of public offices, there are significant improvements in the Law on Anti-Corruption related to the improved clarification of particular conflict of interest situations; introduction of clearer provisions pertaining to initiation and termination of proceedings; exclusion of exceptions in terms of reporting obligations on discharging another job or activity upon entry into office; the transfer of managing rights during discharging of public office as well as the extended deadline for the Agency to decide upon whether or not to grant an approval to the public official following his/her termination of public office. Certain conflict of interest related situations have been defined in a more precise manner. Notably, a public official shall be henceforth bound to, when assuming duty or in the course of discharging the public office, without delay and within five days, notify in writing, both the immediate superior and the Agency, in case of any doubt over the existence of conflict of interest or actual existence of conflict of interest that he/she or an associated person therewith might have (Article 42 of the Law on Anti-Corruption).

Moreover, there is a clearer provision related to initiation and termination of the proceedings with respect to deciding on conflict of interest, given that the Agency shall, *ex officio*, initiate the procedure, in the course of which the existence of the conflict of interest shall be decided upon, within two years from the date of acquiring knowledge of the existence of action(s) or of failure to act (i.e. omissions) by the public official, which raised doubt over the existence of conflict of interest (Article 43 of the Law on Anti-Corruption). The mentioned procedure for deciding upon the existence of the conflict of interest can neither be launched nor terminated, if, from the moment of actions or failure to act (omissions) by the public official, that raised doubt over the existence of conflict of interest, five years have lapsed (Article 43 of the Law on Anti-Corruption). The Agency may also initiate the procedure upon report by a natural person or legal entity (Article 43 of the Law on Anti-Corruption).

In terms of reporting obligations on discharging another job or activity upon entry into office there are no more exceptions related to public officials in managing and supervisory boards of public enterprises and institutions from the ranks of employees (Article 45 of the Law on Anti-Corruption).

Regarding the transfer of management rights, the provision has been extended specifying that “*Any public official that has or acquires a stake or shares in a company during the course of exercising public function, based on which he/she has managing rights, must (within 30 days from the moment of his/her election, appointment or nomination to public function or acquisition of stakes or shares)*

transfer management rights within a company to another natural person or legal entity, which acts as a fiduciary on public official's behalf throughout the period of his/her term of office" (Article 51 of the Law on Anti-Corruption).

The novelty pertains to the obligation of a public official to transfer management rights also in case that he/she acquires a stake or shares within a company in the course of discharging public office. An important novelty introduced by the Law, relates to the provision dealing with prohibition on public officials to establish employment i.e. business cooperation with legal entities, entrepreneurs or international organizations that perform activities related to the public function held within two years from the date of public official's termination of public function. Exemption to this rule is possible only upon approval by the Agency. In that respect, the Agency now has an extended deadline to decide upon whether or not to grant such approval to the public official after termination of public office. Notably, a person whose public office has terminated, must, prior to establishing any employment i.e. business cooperation with a legal entity, entrepreneurs or international organization that perform activities related to the public office which the public official discharged, seek consent of the Agency. Within 30 days the Agency must decide upon the requested consent (Article 55 of the Law on Anti-Corruption). In the event that the Agency does not provide its decision within the legally prescribed deadline, consent for establishing employment i.e. business cooperation is deemed issued.

NOTA BENE: *Please also see the Law on Amendments and Supplements to the Law on Anti-Corruption which entered into force on October 5, 2021.*

With an aim to strengthen the public integrity regime as well as to raise awareness on the importance of avoiding conflict of interest, as of its establishment the Agency has been organizing and implementing **conflict of interest tailor-made trainings** for public officials. Trainings are aimed at informing public officials about their legal obligations related to avoidance and reporting of conflict of interest as well as asset and income declaration procedure. The trainings are carried out in different administrative districts in the Republic of Serbia and are attended by public officials from different authority levels (both national and local) and various sectors (judiciary, education, local self-government, public enterprises etc.). In cooperation with the National Academy for Public Administration the Agency has also been organizing trainings on preventing conflict of interest and verification of asset and income declarations for public sector employees. In addition, on the basis of its' extensive experience in implementing the previous Law on the Agency and the most frequent violations, the Agency has also conducted tailor-made trainings for public officials in certain areas prone to corruption, such as health care and education.

If having a dilemma related to the obligations stemming from the Law on Anti-Corruption or implementation of this Law, public officials may submit a written request to the Agency to which the Agency shall respond also in writing. Requests may also relate to the hypothetical situations.

The Agency also publishes decisions, together with the ones determining violation of the Law on Anti-Corruption by public officials. Apart from decisions, the Agency also publishes opinions[18] as to how public officials should manage conflict of interest in a concrete situation.

[18]Legal opinions and the most frequent dilemmas related to conflict of interest are available here: http://www.acas.rs/praksa-agencije/pravni-stavovi/?pismo=lat and http://www.acas.rs/praksa-agencije/miljenja/?pismo=lat

The Agency also publishes decisions[19], together with the ones determining violation of the Law on Anti-Corruption by public officials.

In terms of **advice or counselling** related to obligations of public officials stemming from the Law on Anti-Corruption, public officials address to the Agency in writing (both hard copy and e-mail) as well as by phone. The Agency provides counselling on individual conflict of interest matter, i.e. asset and income declarations related issue. Depending on the issue at stake, all employees from the relevant organizational units provide the respective responses and pieces of advice. At the moment, there are total of 23 permanently employed members of Agency staff dealing with the conflict of interest, i.e. asset and income declarations related issues (both preliminary and substantial verification). They maintain a continuous communication and data exchange, in particular when it comes to the intertwined cases. In 2020, the Agency provided 371 written opinions on the implementation of the (previous) Law on the Agency and the new Law on Anti-Corruption in the area of conflict of interest and asset and income declaration.
The Agency drafted several publications such as Guide for Officials (http://www.acas.rs/izvestaji/publikacije/), and Guide through the practice of the Agency (http://www.acas.rs/wp-content/uploads/2012/06/Vodic_kroz_praksu1.pdf), containing obligations of officials stemming from the previous Law on the Agency. The Agency also drafted the Manuals for Officials in line with the new Law on Anti-Corruption and the Law on Amendments and Supplements to the Law on Anti-Corruption: https://www.acas.rs/wp-content/uploads/2021/10/ENG-Guide_for_Public_Officials.pdf.

These publications also contain practical examples from ten-year practice of the Agency deriving from proceedings previously conducted against public officials as well as the Agency's opinions on efficient conflict of interest management in concrete cases. Description of the cases has been followed by an explanation as to how corruption risks or violation of the Law have been eliminated or may be eliminated.

As a preparation for implementation commencement of the Law on Anti-Corruption, the Agency has drafted with the support of the USAID Government Accountability Initiative the **Manual for Recognizing and Managing Conflict of Interest and Incompatibility of Offices aimed at strengthening integrity of public officials and public authority bodies**. The Manual should serve public officials and general public to get acquainted with: (1) the rules on preventing conflict of interest; (2) restrictions related to discharging other offices or activities; (3) the guidelines and advice on means to identify risks for occurrence of conflict of interest i.e. conflict of interest related red flags; (4) situations and activities which must be circumvented as well as (5) what should be done in case public officials find themselves in such situations or in case they learn about or possess information that somebody else has found themselves in such situations.

Furthermore, in 2020, after the commencement of the implementation of the Law on Anti-Corruption, the APC developed a video material on conflict of interest, which is available on its website, i.e. the official YouTube channel of MyIntegrity at the following link: https://www.youtube.com/watch?v=KCoV0KRJb1g&t=12s. The video material was also made

[19] http://www.acas.rs/mere-javnog-objavljivanja-preporuke-za/

available through the APC's official social media accounts.

The Manual is available here: https://www.acas.rs/wp-content/uploads/2021/10/Conflict-of-interest-The-Manual_oct2021.pdf.

At its YouTube channel MyIntegrity[20], the Agency has also released educational movies, related to asset and income declarations, instructions on how to fill in asset and income declaration forms, gifts, registries, as well as seven educational video materials dealing with the Agency, Values of Public Sector Employees, Accountability Hierarchy, Ethical Dilemmas, Integrity, Gifts and Conflict of Interest (with the last one being also available in English language).

Within the **Twinning Project** "*Prevention and Fight against Corruption*"[21], the Agency's staff attended trainings on conflict of interest management. In addition, the Twinning experts drafted the analysis on conflict of interest red flags and tested it on concrete examples, i.e. proceedings conducted by the Agency.

Sources:

- Constitution of the Republic of Serbia: http://www.parlament.gov.rs/upload/documents/Constitution_%20of_Serbia_pdf.pdf
- The Law on Anti-Corruption : http://www.acas.rs/wp-content/uploads/2020/09/Zakon_o_spre%C4%8Davanju_korupcije_ENG.pdf
- Annual reports of the Agency: http://www.acas.rs/izvestaji/godisnji-izvestaj/
- Relevant information and statistics for 2019: http://www.acas.rs/wp-content/uploads/2020/10/AR19.pdf
- Relevant information and statistics for 2020: https://www.acas.rs/wp-content/uploads/2021/04/Annual_Report_2020_APC_F_Ivan.pdf
- Legal opinions and the most frequent dilemmas related to the conflict of interest: http://www.acas.rs/praksa-agencije/pravni-stavovi/?pismo=lat

  and http://www.acas.rs/praksa-agencije/miljenja/?pismo=lat
- Decisions, together with the ones determining violation of the Law on Corruption Prevention: http://www.acas.rs/mere-javnog-objavljivanja-preporuke-za/
- Guide for Officials: http://www.acas.rs/izvestaji/publikacije/

[20] https://www.youtube.com/channel/UC_2y-kk9H1Zgf71SMPOizzA
[21] http://www.acas.rs/twinning/en/

- Guide through the practice of the Agency: http://www.acas.rs/wp-content/uploads/2012/06/Vodic_kroz_praksu1.pdf

- Educational movies: https://www.youtube.com/channel/UC_2y-kk9H1Zgf71SMPOizzA

- Serbian contribution to the Ninth Session of the Open-Ended Intergovernmental Working Group on Prevention: https://www.unodc.org/documents/treaties/UNCAC/WorkingGroups/workinggroup4/2018-September-6-7/Contributions_NV/Serbia_EN.pdf

Regarding the already provided technical assistance, the **Twinning Project** (IPA 2013) "*Prevention and Fight against Corruption*" (e.g. various analyses related to legal framework with corresponding recommendations, trainings on conflict of interest, analysis of conflict of interest red flags/indicators, study visits, etc.) and **Service Contract** (IPA 2013) "*Prevention and Fight against Corruption*" (e.g. conflict of interest related trainings provided by the Agency's staff to public officials in vulnerable areas such as education and healthcare, etc.).

Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.

(b) Observations on the implementation of the article

[*Observations of the governmental experts with regard to the implementation of the article. Depending on the scope of the review cycle, findings with respect to the way in which national law has been brought into line with the article, as well as to the implementation of the article in practice.]*

[*Observations on the status of implementation of the article, including successes, good practices and challenges in implementation*.]

(c) Successes and good practices

[*Identification of successes and good practices in implementing the article, where applicable.*]

(d) Challenges, where applicable

Please outline actions required to ensure or improve the implementation of the article under review and describe any specific challenges you might be facing in this respect.

(e) Technical assistance needs

No assistance would be required

Legislative assistance: please describe the type of assistance

Institution-building: please describe the type of assistance

Policymaking: please describe the type of assistance

Capacity-building: please describe the type of assistance

Research/data-gathering and analysis: please describe the type of assistance

Facilitation of international cooperation with other countries: please describe the type of assistance

Others: please specify

Is any technical assistance already being provided to you? If so, please provide a general description of the nature of the assistance, including donor information.

Article 8. Codes of conduct for public officials

Paragraph 1 of article 8

1. In order to fight corruption, each State Party shall promote, inter alia, integrity, honesty and responsibility among its public officials, in accordance with the fundamental principles of its legal system.

(a) Summary of information relevant to reviewing the implementation of the article

Is your country in compliance with this provision?

The Republic of Serbia **is in compliance** with this provision

Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

NOTA BENE: Within the purview of the Agency, please see responses related to the Article 5 (2); Article 5 (4); Article 6 (1); Article 6 (2); Article 7 (4); Article 8 (2) and (3), Article 8 (5)

Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.

The Law on Anti-Corruption: http://www.acas.rs/wp-content/uploads/2020/09/Zakon_o_spre%C4%8Davanju_korupcije_ENG.pdf

Annual reports of the Agency: http://www.acas.rs/izvestaji/godisnji-izvestaj/

Relevant information and statistics for 2019: http://www.acas.rs/wp-content/uploads/2020/10/AR19.pdf

Relevant information and statistics for 2020: https://www.acas.rs/wp-content/uploads/2021/04/Annual_Report_2020_APC_F_Ivan.pdf

(b) Observations on the implementation of the article

[*Observations of the governmental experts with regard to the implementation of the article. Depending on the scope of the review cycle, findings with respect to the way in which national law has been brought into line with the article, as well as to the implementation of the article in practice.]*

[*Observations on the status of implementation of the article, including successes, good practices and challenges in implementation*.]

(c) Successes and good practices

[*Identification of successes and good practices in implementing the article, where applicable.*]

Paragraph 2 and 3 of article 8

2. In particular, each State Party shall endeavour to apply, within its own institutional and legal systems, codes or standards of conduct for the correct, honourable and proper performance of public functions.

3. For the purposes of implementing the provisions of this article, each State Party shall, where appropriate and in accordance with the fundamental principles of its legal system, take note of the relevant initiatives of regional, interregional and multilateral organizations, such as the International Code of Conduct for Public Officials contained in the annex to General Assembly resolution 51/59 of 12 December 1996.

(a) Summary of information relevant to reviewing the implementation of the article

Is your country in compliance with these provisions?

Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with these provisions of the Convention.

NOTA BENE: Within the purview of the Agency, please see responses related to the Article 5, par. 2; Article 5, par. 4; Article 6, par. 1; Article 6, par. 2; Article 7, par. 4; Article 8, par. 5

Action plan for the implementation of the Public Administration Reform Strategy in the Republic of Serbia for the period 2018−2020, envisaged the obligation for the Agency to prepare a comparative analysis for the introduction of ethics and integrity officers in public administration and analysis of the legal framework in the Republic of Serbia, as well as the development of guidelines with recommendations for implementation. Analysis and the guidelines were drafted at the end of 2019.

In order to perform all tasks related to the prevention of corruption and strengthening the integrity of public authorities more efficiently, according to these documents, ethics and integrity officers would be authorized to perform the following tasks:

a) coordination regarding the adoption, implementation and reporting on the implementation of Integrity Plans;
b) managing the conflict of interest of employees;
c) handling of complaints regarding internal whistle-blowing;
d) coordination of the implementation of trainings in the field of prevention of corruption and strengthening of integrity;
e) monitoring the implementation of the code of conduct intended for employees of a public authority;
f) promoting ethical conduct in a public authority;
g) providing advice to employees on how to act in certain situations;
h) receiving and acting on complaints about unethical behavior of employees, and giving opinions on that to the head of the public authority;
i) keeping appropriate records.

All mentioned actions apply to civil servants, not public officials.

The Draft Strategy for the Development of Public Administration for 2021-2030 foresees pilot project for introduction of Ethics and integrity officers in five ministries. After that, changes will be made to the legislative framework in order to introduce these officers in the other state bodies and local self-government.

Within the Service Contract IPA 2013 "Prevention and Fight against Corruption" (http://protivkorupcije.rs/eng/Home.php) Guidelines and recommendations for introducing ethics and integrity officers in the Serbian public administration (http://www.acas.rs/wp-content/uploads/2020/01/2019-12-25-Smernice-i-preporuke-za-uvodjenje-sluzbenika-za-etiku-i-integritet.pdf) and Comparative analysis of the respective systems in USA, the Netherlands and Croatia and the analysis of the national normative framework in this area (http://www.acas.rs/wp-content/uploads/2020/01/2019-12-25-ANALIZA_Nacionalni-pravni-okvir-i-komparativna-analiza_oficiri-za-etiku.pdf) have also been drafted.

Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.

Guidelines and recommendations for introducing ethics and integrity officers in the Serbian public administration:http://www.acas.rs/wp-content/uploads/2020/01/2019-12-25-Smernice-i-preporuke-za-uvodjenje-sluzbenika-za-etiku-i-integritet.pdf

Introducing ethics and integrity officers in the Serbian public administration-Comparative analysis of the respective systems in USA, the Netherlands and Croatia and the analysis of the national normative framework: http://www.acas.rs/wp-content/uploads/2020/01/2019-12-25-ANALIZA_Nacionalni-pravni-okvir-i-komparativna-analiza_oficiri-za-etiku.pdf

(b) Observations on the implementation of the article

[*Observations of the governmental experts with regard to the implementation of the article. Depending on the scope of the review cycle, findings with respect to the way in which national law has been brought into line with the article, as well as to the implementation of the article in practice.]*

[*Observations on the status of implementation of the article, including successes, good practices and challenges in implementation*.]

(c) Successes and good practices

[*Identification of successes and good practices in implementing the article, where applicable.*]

Paragraph 4 of article 8

4. Each State Party shall also consider, in accordance with the fundamental principles of its domestic law, establishing measures and systems to facilitate the reporting by public officials of acts of corruption to appropriate authorities, when such acts come to their notice in the performance of their functions.

(a) Summary of information relevant to reviewing the implementation of the article

Is your country in compliance with this provision?

The Republic of Serbia **is in compliance** with this provision

Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Article 23a of the Civil Servants Law ("Official Gazette of RS" No. 79/05, 81/05, 83/05 - 64/07, 67/07, 116/08, 104/09, 99 / 14, 94/17, 95/18 and 157/20) prescribes the duty to inform about the suspicion of corruption. According to that provision, a civil servant or state employee is obliged to inform the immediate superior or manager in writing if in connection with the performance of work duties it becomes known that corruption has been committed by an official, civil servant or state employee in the state body where he works. A civil servant or state employee referred to in paragraph 1 of this Article shall enjoy protection in accordance with the law from the day of submitting the written notification. (Guidelines and measures taken to ensure the protection of registered persons in the public sector.)

This provision also applies to civil servants on appointed positions on which laws and other regulations governing the prevention of conflicts of interest in the exercise of public office apply, which in the context of Article 8 of the Convention may be interpreted as public officials.

(Note: Pursuant to Articles 31 to 34 of the Law on Civil Servants, laws and other regulations governing the prevention of conflicts of interest in the performance of public functions shall apply to appointed civil servants , as well as the provisions of this Law on additional work and prohibition of additional work. An appointed position entails the job position for which a civil servant has a competence and responsibility in regard to the management and adjustment of work in a state authority. An appointed position shall be acquired by the appointment by the Government or other state authority or body. The Government shall appoint the following positions: Assistant Minister, Secretary of the Ministry, Director of the authority within the Ministry, Assistant Director of the authority within the Ministry, Director of special organisation, Deputy and Assistant Director of special organisation, Director of the Government Services, Deputy and Assistant Director of the Government Services, Deputy and Assistant of the Government General Secretariat, the Republic Public Attorney, the Deputy Republic Public Attorney. Appointed positions in courts and public prosecutors' offices shall be determined by the act of the Supreme Court of Serbia, that is of the Republic Public Prosecutor, while the appointed positions in other state authorities shall be determined by their acts.)

Guidelines and description of systems of reporting by public officials

Article 30a of the Law on Civil Servants stipulates that if a civil servant has doubts about whether there is a conflict of interest or the possibility of accepting gifts, he is obliged to request the opinion of the superior in writing within three days, and the superior is obliged to submit a written reply within five days from the date of receipt of the request for an opinion. The state body is obliged to appoint a civil servant who will be trained to: 1) provide advice and guidance to other civil servants and managers regarding the prevention of conflicts of interest; 2) participates in the preparation of the integrity plan, especially in the part related to the identification of activities that are particularly susceptible to corruption, the manner of their control and proposing preventive measures to reduce corruption; 3) receive notifications about the received gift and keep records of all gifts, reports of conflict of interest and measures taken to prevent conflicts of interest; 4) consider the efficiency of the application of the rules on conflict of interest in a state body and propose measures for their improvement; 5) prepare a report on the management of conflicts of interest in the state body

Article 13 of the Law on Organization and Competences of State Bodies in the Suppression of Organized Crime, Terrorism and Corruption ("Official Gazette of RS", No. 94/16 and 87/18 - other law) stipulates that the following are responsible for dealing with criminal corruption cases: 1)

special departments of higher public prosecutor's offices for the suppression of corruption; 2) Ministry of Interior - organizational unit responsible for combating corruption; 3) special departments of higher courts for the suppression of corruption.

These are criminal offenses against official duty (Articles 359 and 361 to 368 of the Criminal Code) and the criminal offense of giving and receiving bribes in connection with voting (Article 156 of the Criminal Code).

Bodies responsible for dealing with criminal cases of High corruption are referred to in Article 3 of this Law: 1) The Prosecutor's Office for Organized Crime; 2) Ministry of Interior - organizational unit responsible for combating organized crime; 3) Special Department of the High Court in Belgrade for Organized Crime; 4) Special Department of the Court of Appeals in Belgrade for Organized Crime; 5) Special Detention Unit of the District Prison in Belgrade.

Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.

(b) Observations on the implementation of the article

[*Observations of the governmental experts with regard to the implementation of the article. Depending on the scope of the review cycle, findings with respect to the way in which national law has been brought into line with the article, as well as to the implementation of the article in practice.]*

[*Observations on the status of implementation of the article, including successes, good practices and challenges in implementation*.]

(c) Successes and good practices

[*Identification of successes and good practices in implementing the article, where applicable.*]

Paragraph 5 of article 8

5. Each State Party shall endeavour, where appropriate and in accordance with the fundamental principles of its domestic law, to establish measures and systems requiring public officials to make declarations to appropriate authorities regarding, inter alia, their outside activities, employment, investments, assets and substantial gifts or benefits from which a conflict of interest may result with respect to their functions as public officials.

(a) Summary of information relevant to reviewing the implementation of the article

Is your country in compliance with this provision?

The Republic of Serbia **is in compliance** with this provision

Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

As per the Law on Anti-Corruption, asset and income declaration is governed by the Chapter VII, i.e. Articles 67-76 of the Law on Anti-Corruption and gifts are governed by the Chapter VI, i.e. Articles 57-66 of the Law on Anti-Corruption. Comprehensive information on conflict of interest has been provided in response related to the Article 7, par.4.

NOTA BENE: *Please also see the Law on Amendments and Supplements to the Law on Anti-Corruption which entered into force on October 5, 2021.*

As per the Law on Anti-Corruption (Article 100), the Agency shall maintain the following records:

1) Register of Public Officials;

2) Register of Assets and Income of Public Officials;

3) Record of legal persons in which public officials or their family members have stakes or shares of more than 20%, that are participating in public procurement, privatization or other procedures whose outcome is the conclusion of a contract with a public authority-budget user or another legal person in which more than 20% of the capital is owned by the Republic of Serbia.

NOTA BENE: Please also see the Law on Amendments and Supplements to the Law on Anti-Corruption which entered into force on October 5, 2021.

In Article 100, paragraph 1, item 3), after the word "shares", the words "more than 20%" are deleted and the words "in which more than 20% of the capital is owned by the Republic of Serbia, the autonomous province, a local self-government unit and a city municipality" are replaced by the words "in which the Republic of Serbia, the autonomous province, a local self-government unit or a city municipality has a stake or shares."

Serbia, the autonomous province, a local self-government unit and a city municipality;

4) Catalog of Gifts.

Asset and income disclosure system of the Republic of Serbia is aimed at enabling monitoring of public official's wealth, enhancing transparency, raising public official's awareness and their understanding of the disclosure concept and risks related thereof as well as contributing to the reduced public perception of corruption in the public sector.

An additional goal is also increased accountability of public officials as to discharge their office in accordance with public purpose. In addition, disclosure system is aimed at enhancing integrity

regime and control of using of public funds. Furthermore, the system is introduced with an aim to strengthen the public integrity (institutional and individual) regime, promote transparency, and consequently increase the trust of citizens in public administration. The obligation of submitting a declaration with complete and accurate data is an important means of protecting integrity and the officials themselves.

Verification of reports on the assets and income of officials and overseeing property status during and after the termination of public office is a powerful mechanism for preventing corruption, which contributes to strengthening personal and institutional integrity. By verifying the reports on the assets and income of officials, the Agency makes a significant contribution to the work of repressive bodies in resolving cases in which there is a suspicion that corruption has already taken place.

Asset and income declaration regime has been improved by the new Law on Corruption Prevention.

For instance, deadline for submitting extraordinary asset and income declarations has been changed in the Law on Anti-Corruption, i.e. in case property or income of a public official significantly changed in the previous year, the public official shall file the Report to the Agency, according to the state on the 31st December of the previous year and prior to the expiry of set deadline for filing annual income tax return (Article 69 of the Law on Anti-Corruption). This change shall (1) contribute to reinforced compliance of public officials with their statutory obligations and (2) enable the Agency to pursue effective verification of asset and income declarations in a more precise manner, in comparison to the previous deadline, which was set for the January 31 the latest.

NOTA BENE: Please also see the Law on Amendments and Supplements to the Law on Anti-Corruption which entered into force on October 5, 2021.

Significant improvement is made in terms of declaring assets and income of public official (Article 71-Contents of the Report), having in mind that there is no more any discretionary right of the public official to report or not on part of their assets. There is no more provision saying that the public official reports other data which s/he considers to be important for the application of the Law. Instead, data to be reported are expanded in such a manner that now public official, in addition to all other data which his/her report concerning the assets and income of a public official and the family members shall contain, the new item is incorporated and in Article 71, paragraph 1 item 22) is changed to read as follows:

"22) Cash, digital property and valuables, as well as other movable property whose value exceeds EUR 5,000, in RSD equivalent based on the middle exchange rate of the National Bank of Serbia."

Regarding asset and income verification, the Law on Anti-Corruption introduces necessary criteria for drafting the Annual Verification Plan, thus enhancing transparency of the selection process of public officials whose reports will be subject to verification. Namely, the Agency shall verify the accuracy and completeness of data contained in the Report as well as the timeliness of submission of the Report, according to the Annual Verification Plan, issued by the Agency's Director. The annual plan of verification shall be rendered based on the previous analysis of the Agency, whereby particular attention shall be paid to (1) the category of public officials, (2) the amount of their earnings and (3) the amount of the financial funds from the budget that public authority bodies, in which public officials are holding public office, have available (Article 75 of the Law on Anti-Corruption).

Provisions of the Law also closely regulate the procedure for determining reasons for detected potential discrepancy of reported declarations. In case, in the course of verification of the Report, there is any doubt that a public official is concealing the actual (true) value of his/her property or income, the Agency may directly request from the associated persons to file data on their property and incomes within 30 days (Article 76 of the Law on Anti-Corruption). This is a significant improvement, given that, according to the previous Law on the Agency, the Agency was able to request the data on the property and income of the associated persons only from the public official himself/herself and not directly from the associated persons.

With reference to that, one of the significant novelties of the Law on Anti-Corruption is also the legal extension of the circle of associated persons, i.e. associated person shall be a family member of the public official, blood relative of the public official, i.e. lateral blood relative to the second degree of kinship, as well as natural person or legal entity who may, on other bases and circumstances, be reasonably assumed to be associated in interest with the public official (Article 2 of the Law on Anti-Corruption).

Verification of asset and income declarations has been conducted by the Agency, through preliminary procedure as well as through regular (targeted) and extraordinary procedure. Preliminary procedure entails formal verification of asset and income declarations, i.e. whether public officials have declared their assets and income in a timely manner as well as whether they have submitted complete declarations upon entry/termination of office whereby the Agency conducts corresponding proceedings thus issuing measures, filing requests for initiation of misdemeanour proceedings or criminal charges.

Regular (targeted) and extraordinary procedure entails verification of timeliness, completeness, and accuracy of data in asset and income declarations for public official's subject to regular or extraordinary verification thus also issuing measures, filing requests for initiation of misdemeanour proceedings or criminal charges.

Verification procedures are primarily aimed at checking formal compliance with reporting requirements, timely submission of declarations, accuracy of provided information as well as detection of conflict of interest, which is why respective organizational units of the Agency cooperate and exchange data on a daily basis.

Regular verification has been pursued in accordance with the Annual Verification Plan (established each year in accordance with the estimated priorities) for a certain number and category of officials. Annual verification plans are available here: http://www.acas.rs/11111-2/.

As mandatory, the Agency checks the accuracy of information in the Report pursuant to the Annual Verification Plan schedule for a certain number and category of officials. The Agency also pays due attention to consistency of information provided in previous declarations. In its statutory capacity to deal with asset and income declarations of a huge number of public officials, the Agency prioritizes certain categories of public officials for each year so as to pursue comprehensive verification in a most effective way.

During the verification procedure, officials' assets are overseen, i.e. whether there is a

discrepancy between the reported data and the actual situation, and a discrepancy between the increased value of the officials' assets and their lawful and reported income.

Extraordinary verification has been pursued ex officio when there are relevant indications that the official might be concealing the actual state of his/her property due to evident inconsistencies between his/her actual and declared property status. These indications are founded on the reports and information obtained from other departments within the Agency, other state institutions, and additional sources, such as media, civil society organizations, etc. if accompanied by relevant proofs. Extraordinary verification may also be triggered by a complaint, submitted to the Agency by a natural person or legal entity.

The Agency has an extensive cooperation with other authorities in terms of data exchange. Inter alia, the Agency concluded agreements on cooperation with the Republic Geodetic Authority, Administration for Prevention of Money Laundering, Business Registers Agency, Tax Administration, Customs Administration, Treasury, Ministry of Interior, Public Procurement Office, Republic Commission for Protection of Rights in Public Procurement Procedures and Commission for Protection of Competition, Republic Public Prosecutor's Office, Office of the National Security Council and Classified Information Protection. The Agency also closely cooperates with the Central Securities Depository and Clearing House.

In order to fight against organized crime more effectively, an Agreement on cooperation in the establishment and development of the National Criminal Intelligence System was also signed, thus encompassing the Agency, Ministry of Interior, Ministry of Finance, Ministry of Justice, Republic Public Prosecutor’s Office, Prosecutor’s Office for Organized Crime and the Office of the National Security Council and Classified Information Protection.

Concerning verification of assets and income declarations, the Agency has access to allowed set of data kept by Business Registers Agency, Republic Geodetic Authority, Central Securities, Depository and Clearing House, Ministry of Interior, whilst it also exchanges data with the Tax Administration, Administration for Prevention of Money Laundering and other relevant state bodies in writing. The Agency also gets information from the Republic Public Prosecutor’s Office on the state of play of the cases submitted to competent prosecutor’s offices on a quarterly basis. On a semi-annual basis the Agency receives information relevant for interim benchmarks for the Chapter 23 related to asset and income declarations and in particular asset and income declarations of judicial office holders from Republic Public Prosecutor Office and misdemeanor courts.

On a regular basis, the Agency also cooperates with other state institutions, local self-government bodes, public enterprises, educational and health institutions at the national and local level, political entities, judicial institutions, etc.

When it comes to cooperation with the judiciary institutions, the Agency established liaison officers within the prosecutor’s office and misdemeanor courts, thus conducting regular consultations. With an aim of improving the cooperation and focusing on the implementation of the activities within the (Revised) Action Plan for Chapter 23, regular meetings are organized with the representatives of the High Judicial Council and State Prosecutorial Council.

In the process of data exchange with other institutions the Agency obtains useful information but also provides one for other relevant bodies, including Prosecutor's Office and Tax Administration.

When pursuing verification of assets and income of public officials, the Agency also encounters data which are important for corruption repression bodies in dealing with cases in which there is a reasonable suspicion that the corruption related offence had already been committed.

Cooperation of the Agency with public authorities, scientific institutions and associations and obligation of public authorities and other persons have been stipulated by the Article 33, i.e. 36 of the Law on Anti-Corruption (http://www.acas.rs/wp-content/uploads/2020/09/Zakon_o_spre%C4%8Davanju_korupcije_ENG.pdf).

The right to immediate access to data from other public bodies stands for one of the most significant advancements of the new Law on Anti-Corruption. Article 36 establishes important rights of the Agency to collect information and documentation via most effective and expeditious procedures representing significant improvement from the previous versions of the Law. The Agency is now enabled to have a direct access to data for the purpose of executing tasks within its purview. Pursuant to the above mentioned Article 36 of the Law on Anti-Corruption, public authority bodies and other persons exercising public powers shall be bound to, allow the Agency for the purpose of executing tasks within its purview, upon its' written and reasoned request, direct access to data bases that they maintain in electronic form.

In case access to the respective data is not possible, public authority bodies and other persons exercising public powers shall be bound to provide all the documents and information sought that they have available within 15 days from the date of receiving written and reasoned request of the Agency, i.e. to enable the Agency direct insight into these documents, for the purpose of performing task within the scope of work of the Agency. Other legal entities, except for the banks and other financial institutions, shall also have the above-mentioned obligations (Article 36 of the Law on Anti-Corruption).

Nonetheless, the Agency may, for the purpose of performing tasks within its scope, obtain data on financial accounts of public officials, from the banks and other financial institutions, as well as the data on accounts of other persons (for example associated persons), upon their consent.

Penal provisions have been governed by the Chapter XII, i.e. Articles 101-108 of the Law on Corruption Prevention.

If the Agency has a reasonable doubt that an official had not declared his/her assets or provided false information about the assets, with an intention of concealing the facts, the Agency files a criminal charge to competent prosecutor's offices. If the Agency has a suspicion that some other criminal offense has been committed (abuse of office, money laundering, tax evasion, etc.), the Agency files the report (with all findings and evidences) to the Prosecutor's Office and other competent bodies.

NOTA BENE: Please also see the Law on Amendments and Supplements to the Law on Anti-Corruption which entered into force on October 5, 2021.

Article 101 and its title are changed to read as follows:

“Failure to Report Assets and Income

or Submission of False Information on Assets and Income

Article 101

A public official who, contrary to the provisions of this Law, fails to report assets and income to the Agency, or provides false information on assets and income in order to conceal information on assets and income, shall be punished by a prison term of six months to five years.”

Further information and statistics on criminal and misdemeanor proceedings for 2019 is available here: http://www.acas.rs/wp-content/uploads/2020/10/AR19.pdf.

Relevant information and statistics for 2020: https://www.acas.rs/wp-content/uploads/2021/04/Annual_Report_2020_APC_F_Ivan.pdf

On a regular basis, the Agency provides trainings for public officials in terms of their obligations deriving from the Law on Anti-Corruption, i.e. the ones related to asset and income declaration as well as registers kept by the Agency. The Agency also provides advice for public officials in terms of asset and income declaration obligations stemming from the Law on Anti-Corruption, opinions on the Law on Anti-Corruption as well as corresponding manuals and educational movies. The latest edition of the Manual for Officials related to asset and income declaration is being prepared as to adjust it to the novelties within the Law on Anti-Corruption. Previous editions are available here: http://www.acas.rs/izvestaji/publikacije/.

In cooperation with USAID Government Accountability Project (with the support of OSCE Mission to Serbia) Methodology for Selection of categories of officials whose asset and income declarations will be subject to annual verification has been drafted. Furthermore, within the same USAID Government Accountability Project the prominent international expert prepared the analysis of the existing procedures of the Agency for asset and income declaration verification with the corresponding recommendations.

In line with the new Law on Anti-Corruption, the Agency has built a new, significantly improved infrastructure for asset and income declaration. The new web forms are available here: http://www.acas.rs/awf/#/login. The records are available here: http://www.acas.rs/pretraga_registra/#/acas/funkcioner. The information on the most frequent violations of the Law in terms of asset and income declarations are available here: http://www.acas.rs/11111-2/, including the Annual Verification Plan. The information on the most frequent violations of the Law in terms of records kept by the Agency are available here: http://www.acas.rs/10629-2/, including the annual statistical analyses of Catalog of Gifts.

Additional information has also been provided in the response related to the Article 7, par. 4.

Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.

The Law on Anti-Corruption: http://www.acas.rs/wp-content/uploads/2020/09/Zakon_o_spre%C4%8Davanju_korupcije_ENG.pdf

Annual reports of the Agency: http://www.acas.rs/izvestaji/godisnji-izvestaj/

Relevant information and statistics for 2019: http://www.acas.rs/wp-content/uploads/2020/10/AR19.pdf

Relevant information and statistics for 2020: https://www.acas.rs/wp-content/uploads/2021/04/Annual_Report_2020_APC_F_Ivan.pdf

Guide for Officials: http://www.acas.rs/izvestaji/publikacije/

The new web forms related to asset and income declarations: http://www.acas.rs/awf/#/login

The records kept by the Agency: http://www.acas.rs/pretraga_registra/#/acas/funkcioner

The most frequent violations of the Law in terms of asset and income declarations: http://www.acas.rs/11111-2/

The Annual Verification Plan: http://www.acas.rs/11111-2/

The information on the most frequent violations of the Law in terms of records kept by the Agency: http://www.acas.rs/10629-2/

The annual statistical analyses of Catalog of Gifts: http://www.acas.rs/10629-2/

Serbian contribution to the Ninth Session of the Open-Ended Intergovernmental Working Group on Prevention:
https://www.unodc.org/documents/treaties/UNCAC/WorkingGroups/workinggroup4/2018-September-6-7/Contributions_NV/Serbia_EN.pdf

Apart from the already provided information on USAID and OSCE Mission to Serbia support, the Twinning experts have also provided various analyses relevant for asset and income declarations, including the analysis on cooperation between the Agency and relevant state institutions, draft laws on corruption prevention as well as relevant trainings within the Twinning Project “Prevention and Fight against Corruption” (IPA 2013).

(b) Observations on the implementation of the article

[*Observations of the governmental experts with regard to the implementation of the article. Depending on the scope of the review cycle, findings with respect to the way in which national law has been brought into line with the article, as well as to the implementation of the article in practice.]*

[*Observations on the status of implementation of the article, including successes, good practices and challenges in implementation*.]

(c) Successes and good practices

[*Identification of successes and good practices in implementing the article, where applicable.*]

Paragraph 6 of article 8

6. Each State Party shall consider taking, in accordance with the fundamental principles of its domestic law, disciplinary or other measures against public officials who violate the codes or standards established in accordance with this article.

(a) Summary of information relevant to reviewing the implementation of the article

Is your country in compliance with this provision?

The Republic of Serbia **is in compliance** with this provision

Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

As per the Law on Anti-Corruption (http://www.acas.rs/wp-content/uploads/2020/09/Zakon_o_spre%C4%8Davanju_korupcije_ENG.pdf), procedure to decide on the existence of violation of the Law on Anti-Corruption are governed by the Chapter VIII (including types of measures that may be imposed), i.e. Articles 77-86 whereas penal provisions are governed by the Chapter XII, i.e. Articles 101-108 of the Law on Anti-Corruption.

Criminal liability has been stipulated by the Article 101 of the Law on Anti-Corruption, which states that “a public official that, contrary to the provisions of this Law, fails to report assets to the Agency or provides false information about assets, with the intention of concealing information, shall be punished by imprisonment ranging from six months up to five years.” As a result of sentencing to imprisonment for the criminal offense referred to the Article 101, the following legal consequences shall occur on the day the verdict becomes final: 1. Termination of public function i.e. termination of employment; 2. Ten-year prohibition to exercise a public function.

NOTA BENE: Please also see the Law on Amendments and Supplements to the Law on Anti-Corruption which entered into force on October 5, 2021.

Article 101 and its title are changed to read as follows:

"Failure to Report Assets and Income

or Submission of False Information on Assets and Income

Article 101

A public official who, contrary to the provisions of this Law, fails to report assets and income to the Agency, or provides false information on assets and income in order to conceal information on assets and income, shall be punished by a prison term of six months to five years."

NOTA BENE: Please also see the Law on Amendments and Supplements to the Law on Anti-Corruption which entered into force on October 5, 2021 in the area of sanctioning regime.

The procedure to decide on the existence of violation of the Law on Anti-Corruption shall be conducted in case of suspicion of a conflict of interest (Articles 40-44), existence of incompatibility (Articles 45-55), accumulation of public offices (Article 56), acceptance of gifts (Articles 57-66) and reporting assets and income (Articles 67-76). The procedure to decide on the existence of violation of the Law on Anti-Corruption entails provisions pertaining to initiating the procedure (Article 78), Statement of a public official (Article 79), decisions and remedies (Article 80), public nature of the procedure (Article 81), types of measures (Article 82), requirements for imposing measures (Article 83), acting following the finality of the recommendation for dismissal from public office (Article 84), public announcement of the decision (Article 85) and reporting violations of the Law to the competent authorities (Article 86).

In terms of violation of the Law on Anti-Corruption, a measure of reprimand or a measure of public announcement of the recommendation for dismissal from public office may be imposed on a public official. A public official who was elected directly by citizens, as well as a person whose public office has been terminated, may be issued a reprimand or a measure of public announcement of the decision on the violation of this Law. When imposing a measure, all the circumstances of the case shall be taken into account, especially the severity and consequences of the violation of this Law and the possibility of remedying the violation (Article 82).

In terms of requirements for imposing measures, a reprimand shall be issued if a public official has made a minor violation of the Law on Anti-Corruption. A minor violation of the Law is a violation that did not affect the objective discharge of public office. The measure of public announcement of the recommendation for dismissal from public office and the measure of public announcement of the decision on violation of the Law shall be issued for a major violation of the Law. It is deemed that a major violation of the Law is a violation that affected the objective discharge of public office, the trust of citizens in a public official and the reputation of the public office (Article 83).

As for misdemeanor offences, they are prescribed by the Article 103 (misdemeanor offences of public officials), Article 104 (misdemeanor offences of responsible persons in public authorities), Article 105 (misdemeanor offences of legal persons), Article 106 (misdemeanor offences of natural persons). In addition, Article 107 stipulates that misdemeanor proceedings for misdemeanor offences may not be initiated if five years have elapsed from the day when the misdemeanor was committed.

Regarding misdemeanor offences specified by this Law, the Agency may conclude a misdemeanor agreement with the perpetrator of the misdemeanor offence (Article 108).

Articles 103-106 further prescribe applicable fines for misdemeanors by public officials, responsible persons within the public authority bodies, legal and natural persons. The statute of limitations for misdemeanors prescribed by the Law on Corruption Prevention has been extended i.e. the misdemeanor proceedings for misdemeanors prescribed by the Law on Anti-Corruption Prevention cannot be initiated following the expiration of five years from the day when the misdemeanor was committed (Article 107 of the Law on Anti-Corruption Prevention). For misdemeanors set forth by the Law on Anti-Corruption Prevention, the Agency may conclude a Plea Agreement with the perpetrator of a misdemeanor, pursuant to the Article 108 of the Law on Anti-Corruption .

Advisory activities have already been indicated in the response related to Article 7, par. 4.

Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.

The Law on Anti-Corruption: http://www.acas.rs/wp-content/uploads/2020/09/Zakon_o_spre%C4%8Davanju_korupcije_ENG.pdf

Annual reports of the Agency: http://www.acas.rs/izvestaji/godisnji-izvestaj/

Relevant information and statistics for 2019: http://www.acas.rs/wp-content/uploads/2020/10/AR19.pdf

Relevant information and statistics for 2020: https://www.acas.rs/wp-content/uploads/2021/04/Annual_Report_2020_APC_F_Ivan.pdf

(b) Observations on the implementation of the article

[*Observations of the governmental experts with regard to the implementation of the article. Depending on the scope of the review cycle, findings with respect to the way in which national law has been brought into line with the article, as well as to the implementation of the article in practice.]*

[*Observations on the status of implementation of the article, including successes, good practices and challenges in implementation*.]

(c) Successes and good practices

[*Identification of successes and good practices in implementing the article, where applicable.*]

(d) Challenges, where applicable

Please outline actions required to ensure or improve the implementation of the article under review and describe any specific challenges you might be facing in this respect.

(e) Technical assistance needs

No assistance would be required

Legislative assistance: please describe the type of assistance

Institution-building: please describe the type of assistance

Policymaking: please describe the type of assistance

Capacity-building: please describe the type of assistance

Research/data-gathering and analysis: please describe the type of assistance

Facilitation of international cooperation with other countries: please describe the type of assistance

Others: please specify

Is any technical assistance already being provided to you? If so, please provide a general description of the nature of the assistance, including donor information.

Article 9. Public procurement and management of public finances

Paragraph 1 of article 9

1. Each State Party shall, in accordance with the fundamental principles of its legal system, take the necessary steps to establish appropriate systems of procurement, based on transparency, competition and objective criteria in decision-making, that are effective, inter alia, in preventing corruption. Such systems, which may take into account appropriate threshold values in their application, shall address, inter alia:

(a) The public distribution of information relating to procurement procedures and contracts, including information on invitations to tender and relevant or pertinent information on the award of contracts, allowing potential tenderers sufficient time to prepare and submit their tenders;

(b) The establishment, in advance, of conditions for participation, including selection and award criteria and tendering rules, and their publication;

(c) The use of objective and predetermined criteria for public procurement decisions, in order to facilitate the subsequent verification of the correct application of the rules or procedures;

(d) An effective system of domestic review, including an effective system of appeal, to ensure legal recourse and remedies in the event that the rules or procedures established pursuant to this paragraph are not followed;

(e) Where appropriate, measures to regulate matters regarding personnel responsible for procurement, such as declaration of interest in particular public procurements, screening procedures and training requirements.

(a) Summary of information relevant to reviewing the implementation of the article

Is your country in compliance with this provision?

The Republic of Serbia **is in compliance** with this provision

Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

The conditions for participation in the public procurement procedure, ie the criteria for the qualitative selection of economic operators are prescribed by the provisions of the Public Procurement Law (Official Gazette of the Republic of Serbia No. 91/2019) (hereinafter: PPL).

Article 111 of the PPL prescribes mandatory grounds for exclusion, which the contracting authority is obliged to predict in the procurement documentation and to exclude the economic operator from the public procurement procedure if the economic operator does not prove the non-existence of any of these grounds, that is, if contracting authority determine the existence of any other individual grounds for exclusion.

The first mandatory ground for exclusion refers to the conviction of a economic operator or its legal representative for certain criminal offenses, listed in the PPL, in the period of the previous five years up to the date of expiry of the time limit for submission of tenders, i.e., requests, has not been convicted by the final judgment, unless where different period of exclusion from the participation in the public procurement procedures has been set by the final judgment (the criminal offense he/she committed as a member of an organised criminal group and criminal offense of organising for the purpose of committing criminal offenses; the criminal offense of abuse of the position of the responsible person, the criminal offense of misconduct in connection with public, the criminal offense of taking bribe in performing an economic activity, the criminal offense of giving bribe in performing an economic activity, the criminal offense of abuse of official position, the criminal offense of trafficking in influence, the criminal offense of accepting bribe and the criminal offense of bribery; the criminal offense of fraud, the criminal offense of obtaining and using the loan and other benefits, the criminal offense of fraud in performing an economic activity and the criminal offense of tax evasion; the criminal offense of terrorism, criminal offense of public incitement to commit terrorist acts, the criminal offense of recruitment and training for the commission of terrorist acts and the criminal offense of terrorist association; the criminal offense of money laundering and the criminal offense of financing terrorism; the criminal offense of trafficking in human beings and the criminal offense of establishing a slavery relation and transportation of persons in slavery relation).

The second ground for exclusion refers to the economic entity fails to prove it has settled due taxes and contributions for compulsory social insurance or that the payment of debt has been postponed, in accordance with a special regulation, under a binding agreement or decision, including any interests accrued and fines. The third basis determines that the economic operator has in the period of the previous two years up to the date of expiry of the time limit for submission of tenders, i.e., requests, violated applicable obligations in the area of the environmental protection, social and labour law, including collective agreements, and in particular the obligation to disburse the contracted wages, or other compulsory payments, including obligations in accordance with the provisions of the international conventions listed in Annex 8 of the PPL. The fourth ground implies to the existence of conflict of interest, within the meaning of the PPL, which cannot be remedied by other measures. The fifth obligatory ground for exclusion exists if the contracting authority determines that the economic operator has undertaken to unduly influence the decision-making process of the contracting authority/entity or obtain confidential information that may confer upon it undue advantage in the public procurement procedure or to has provided misleading information that may have effect on decisions concerning the exclusion of economic operator, the selection of an economic operator or the award of a contract.

The second group of grounds for exclusion are the optional grounds for exclusion which the contracting authority may provide in the procurement documentation. If the contracting authority envisages them in the procurement documentation, these grounds become obligatory, ie the contracting authority is obliged to exclude the economic operator from the public procurement procedure when it has been determined that some of these grounds exist. These grounds for exclusion are prescribed by the Article 112 of the PPL and there are six of them: the first refers to insolvency, bankruptcy, winding-up proceedings or other similar situation arising from a similar procedure under national laws or regulations; the second ground determines that under the final judgement or decision of another competent authority, responsibility of the economic operator has been determined of grave professional misconduct which brings into question its integrity, in the period of the previous three years up to the date of expiry of the time limit for submission of tenders, i.e., requests, unless where different period of exclusion from the participation in the public procurement procedures has been set by the final judgment or decision; the third ground determines that under the decision of the competent authority for the protection of competition it has been determined that the economic operator has entered into agreements with other economic operators aimed at distorting competition, in the period of the previous three years until the date of expiry of the time limit for submission of tenders; the fourth ground determines that a distortion of competition, due to the prior involvement of the economic operator in the preparation of the procurement procedure, as referred to in Article 90 of the PPL, cannot be remedied by other measures; the fifth ground determines that the economic in the period of previous three years until the date of expiry of the time limit for the submission of tender did not meet obligations under the previously concluded public procurement contract, or of a previously concluded concession contract, which resulted in termination of that prior contract, collection of security instruments, damages or other; the sixth ground determines that the economic operator has in the public procurement procedures in the period of the previous three years until the date of expiry of the time limit for submission of tenders supplied false information required for the verification of grounds for exclusion or the criteria for the selection of economic operator, or has not been able to submit evidence on fulfilment of the criteria for qualitative selection of economic operator, if it had used as evidence a declaration referred to in Article 118 of the PPL.

In accordance with the provisions of the PPL, the contracting authority may determine in the procurement documents the criteria for selection of the economic operator related to the fulfillment of conditions for performing professional activity, financial and economic capacity and technical and professional capacity (Articles 114-117 of the PPL). Regarding the criteria for the selection of the

economic operator, the provisions of the PPL stipulates that the contracting authority will determine the criteria for the qualitative selection of a economic operator whenever is necessary, having in mind the subject of public procurement. Also, the provisions of the PPL stipulates that when determining the criteria for selection of an economic operator, the contracting authority may require only the level of capacity that ensures that the economic operator will be able to perform the public procurement contract, and that the selection criteria must be logicaly related to the subject of procurement and proportional to the subject of procurement.

When it comes to the contract award criteria, the PPL stipulates that in the public procurement procedure, the contract is awarded to the most economically advantageous tender, which is determined on the basis of one of the following criteria:

1) prices or

2) costs by applying a cost-effectiveness approach, such as life cycle costing or

3) the price-quality ratio i.e. cost-quality ratio which shall be assessed on the basis of criteria, including qualitative, environmental and/or social aspects, linked to the subject-matter of the public procurement contract in question,

The criteria for awarding the contract are determined by the contracting authority in the procurement documentation, where it describes and evaluates them. The criteria must not be discriminatory and must be related to the subject of the public procurement contract, and they must also allow for effective competition. The criteria must be determined in a way that enables subsequent objective verification and evaluation of tenders, as well as verification of data submitted by tenderers. For each contract award criterion, the contracting authority/entity shall specify in the procurement documents the relative weightings for each contract award criterion, and shall indicate the methodology for allocating the weighting to each criterion, except where the criterion is the price only. The contracting authority/entity shall also determine the spare criteria on the basis of which it will award the contract in the case when application of the award criteria results in two or more tenders being equally ranked. The contracting authority may evaluate the tenders only on the basis of the criteria contained in the procurement documentation. In a competitive dialogue and innovation partnership (types of public procurement procedure), the criterion for awarding the contract is exclusively the best price-quality ratio. Therefore, in these public procurement procedures, the selection of the most economically advantageous tender cannot be based only on the price, but other criteria must also be taken into account. Apart from the mentioned types of procedures, the PPL does not contain provisions on the basis of which priority should be given to a certain criterion (such as price).

Article 86 of the PPL stipulates that when setting time limits for the submission of requests and tenders, contracting authority/entity shall set appropriate time limits, in particular by taking into account the complexity of the subject-matter of procurement and the time required to prepare the requests and tenders, whereby observing the minimum time limit set forth by the provisions of the PPL for each public procurement procedure separately. Therefore, in addition to the general provision which obliges contracting authorities to take care in each specific procedure to leave sufficient time for economic operatorc to prepare applications and tenders, the provisions of the PPL prescribe minimum deadlines for each type of public procurement procedure. **In the open procedure**, the minimum deadline for submission of tenders is: 35 days from the date of sending the contract notice in case of procurement whose estimated value is equal or exceeds the amounts of European thresholds; 25 days from the date of sending the contract notice in case of procurement whose estimated value is less than the amounts of European thresholds; 15 days from the date of sending the contract notice in case of procurement of works whose estimated value is less than RSD 30,000,000.00; 10 days from the date of sending the contract notice in case procurement of supplies and services whose estimated value is less than RSD 10,000,000.00. **In a restricted procedure**, **a**

competitive procedure with negotiations, a competitive dialogue, an innovation partnership and a negotiated procedure with publication of the contract notice, the minimum time limit for submission of applications may not be less than 30 days from the date on which contract notice was sent for publication in case of procurement with estimated value equal or exceeding the amounts of European thresholds, ie it cannot be shorter than 20 days from the date on which contract notice was sent for publication a in case of procurement with estimated value less than the amounts of European thresholds. In the second phase of the restricted procedure, the minimum deadline for submission of bids is 30 days from the date on which the invitation to tender was sent in case of public procurement with estimated value equal or exceeding the amounts of European thresholds, or 15 days from the date on which the invitation to tender was sent, in case of public procurement with estimated value less than the amounts of European thresholds. In a competitive negotiated procedure, the minimum deadline for submission of bids is 30 days from the date on which the invitation for initial tenders was sent, in case of public procurement with estimated value equal or exceeding the amounts of European thresholds, or 20 days from the date on which the invitation for initial tenders was sent, in case of public procurement with estimated value less than the amounts of European thresholds.

In accordance with the provisions of Article 146 and 147 of the PPL, the contracting authority is obliged to publish the decision on contract award, as well as the decision on discontinuation of the public procurement procedure on the Public Procurement Portal, within three days from the day decision was taken. Also, contracting authorities are obliged to publish on the Public Procurement Portal a contract award notice, within 30 days from the date of conclusion of the contract, as well as a notice of suspension or annulment of the procedure, within 30 days from the day the decision on suspension or annulment of a public procurement procedure became final. These decisions and notices are published by electronic means on the Public Procurement Portal.

In accordance with the provisions of the PPL, contracting authorities are obliged to apply the provisions of the PPL to the procurement of goods, services, works and conducting design contests whose estimated value exceeds the thresholds prescribed by Article 27 of the PPL. Contracting authorities are not obliged to conduct public procurement procedure of supplies, services and conducting of design contests, if the estimated value is less than RSD 1,000,000.00 and for the procurement of works, if the estimated value is less than RSD 3,000,000.00. When it comes to the procurement of social and other special services, the thresholds up to which the PPL does not apply for contracting authorities is RSD 15,000,000, and for contracting entities RSD 20,000,000. Also, Article 27 of the PPL prescribes the thresholds up to which the application of the provisions of the PPL for procurement of goods, services and works for the needs of diplomatic missions, diplomatic and consular missions and other activities of the Republic of Serbia abroad is not mandatory, and that threshold amounts to RSD 15,000,000 for goods and services and RSD 650,000,000 for works. For procurements whose estimated value is above the stated limit values, the contracting authorities are obliged to carry out the public procurement procedure provided for by the PPL.

Article 51 of the PPL stipulates that the contracting authority awards the contract in an open procedure or a restricted procedure, and in other public procurement procedures if the conditions prescribed by law are met. Therefore, when the estimated value of the public procurement is above the above-mentioned thresholds, the contracting authority is obliged to conduct a public procurement procedure for it, that is an open procedure, as a rule.

The reasons for rejecting the tender submitted in the public procurement procedure are prescribed by Article 144 of the PPL. In accordance with the provisions of the said Article of the PPL, the contracting authority shall reject the tender as unacceptable if: it establishes that there are grounds for exclusion of the economic operator; the criteria for the selection of economic operator have not been met; the requirements and conditions related to the subject-matter of procurement and technical specifications have not been met; the security instrument for the seriousness of the tender in

accordance with the procurement documents has not been submitted; there is valid evidence of collusion or corruption; it establishes other deficiencies due to which it is not possible to determine the actual content of the tender or to compare it with other tenders. Also, the contracting authority may reject as unacceptable a tender that exceeds the amount of the estimated value of the public procurement or available funds, as well as a tender that in accordance with the provisions of the PPL determines to be unusually low.

When it comes to rules that allow the use of public procurement procedures other than open procedure, there are differences in the procedures that can be carried out by contracting authorities and contracting entities. Article 51 of the PPL stipulates that, as a rule, contracting authority awards contracts in open or restricted procedures, and may also award contracts in other public procurement procedures in case when the requirements prescribed by the PPL are met, with the exception of negotiated procedure with publication of the contract notice. Other procedures in which the contracting authority may award a public procurement contract are: competitive procedure with negotiation, competitive dialogue, innovation partnership and negotiated procedure without publication of a public invitation. The contracting entity may award contracts in an open procedure, restrictive procedure, negotiated procedure with publication of the contract notice and competitive dialogue, and in other procedures if the conditions prescribed by law are met for their implementation. Other procedures in which a contracting entity may award a public procurement contract are an innovation partnership and a negotiated procedure without publication of the contract notice.

Contracting authority may conduct **competitive procedure with negotiations for the procurement of supplies, services or works,** in the following cases:

1) the needs of contracting authority cannot be met without adaptation of the readily available solutions;

2) contract involves design or innovative solutions;

3) contract may not be awarded without prior negotiations because of specific circumstances related to the nature, complexity, legal or financial structure of the subject-matter of public procurement, or because of the risks related thereto;

4) contracting authority cannot determine with sufficient precision the technical specifications of the subject-matter of public procurement in terms of Article 98, paragraphs 2 to 5 of the PPL, or

5) in the previously conducted open or restricted procedure, only unacceptable tenders are received.

Under the same conditions, the contracting authority may apply a competitive dialogue.

An innovation partnership may be implemented by the contracting authority if it has a need for innovative goods, services or works, which it cannot satisfy by procuring goods, services or works that are available on the market.

Contracting authority may conduct negotiated procedure without publication of the contract notice:

1) where only a particular economic operator is capable of delivering supplies, provide services or execute works, for any of the following reasons:

(1) the aim of procurement is the creation or acquisition of a unique work of art or of an artistic performance;

(2) competition is absent for technical reasons or

(3) for the protection of exclusive rights, including intellectual property rights;

- to the extent as is strictly necessary where, for reasons of extreme urgency brought about by events that the contracting authority/entity could not foresee, it is not possible to act within the time limits set forth for open procedures or restricted procedure, or for competitive procedure with negotiations or for negotiated procedure with publication, provided that the circumstances invoked by the contracting authority/entity to justify extreme urgency are not in any event caused by the contracting authority/entity's actions;

- for additional deliveries by the initial supplier, which are intended for partial replacement of products, materials or installations, or for the extension of volume of the existing products, materials or installations, where a change of supplier would oblige the contracting authority/entity to acquire supplies having different technical characteristics, which would result in incompatibility or disproportionately great technical difficulties in operation and maintenance, with the proviso that for contracting authorities duration of such contracts may not be longer than three years;

- in the case of public procurement of supplies quoted and purchased on a commodity market;

- for the procurement of goods or services under particularly favorable conditions from a supplier who permanently suspends or has suspended business activities, from a bankruptcy or liquidation trustee within the appropriate procedure, agreement with creditors or other appropriate procedure according to the regulations of the state of the economic operater;

- for procurement of services:

1) following the design contest which has been conducted pursuant to the provisions of the PPL, where under the rules provided for in the design contest, the contract is to be awarded to a winning candidate or one of the winning candidates in the design contest, in which case all winning candidates shall be invited to negotiate;

2) for new services consisting in the repetition of similar services entrusted to the economic operator to whom the contracting authority/entity has awarded the basic contract, if all the following requirements are met: (1) such services conform to the basic project for which the basic contract was awarded; (2) the basic contract was awarded pursuant to a conducted public procurement procedure in which a contract notice was published; (3) the extent of possible services which will repeat, and the conditions under which these would be awarded, were indicated in procurement documentation for the basic contract; (4) the option of applying this procedure was envisaged in the contract notice for the basic contract; (5) when calculating the estimated value of procurement for the basic contract, the total estimated value of new services to be repeated was included in calculation, and (6) in the case that the procedure is conducted by the contracting authority, this procedure may be used within three years from the conclusion of the basic contract.

- Contracting authority/entity may conduct negotiated procedure without publication of the contract notice for procurement of works, for new works consisting in the repetition of similar works entrusted to the economic operator to whom the contracting authority/entity has awarded the basic contract, if all the following requirements are met: 1) such works conform to the basic project for which the basic contract was awarded; 2) the basic contract was awarded pursuant to a conducted public procurement procedure in which a contract notice was published; 3) the extent of possible works which will repeat, and the conditions under which these would be awarded, were indicated in procurement documentation for the basic contract; 4) the option of applying this procedure was envisaged in the contract notice for the basic contract; 5) when calculating the estimated value of procurement for the basic contract, the total estimated value of new works to be repeated was included in calculation, and 6) where the procedure is conducted by the contracting authority, this procedure may be used within three years from the conclusion of the basic contract;

- where no tenders or no suitable tenders or no requests or no suitable requests have been submitted in an open procedure or restricted procedure, provided that the initial conditions of the public procurement are not substantially altered;

- for the procurement of supplies, where the supplies are manufactured purely for the purpose of research, experiment, study or development, provided that the manufactured volume of supplies does not result in securing profit or in recovering the research and development costs.

Contracting entity may implement an innovation partnership under the same conditions as the contracting authority, ie if it has a need for innovative goods, services or works, which it cannot satisfy by procuring goods, services or works that are available on the market.

Contracting /entity may conduct negotiated procedure without publication of the contract notice:

1) where only a particular economic operator is capable of delivering supplies, provide services or execute works, for any of the following reasons:

(1) the aim of procurement is the creation or acquisition of a unique work of art or of an artistic performance;

(2) competition is absent for technical reasons or

(3) for the protection of exclusive rights, including intellectual property rights;

- to the extent as is strictly necessary where, for reasons of extreme urgency brought about by events that the contracting authority/entity could not foresee, it is not possible to act within the time limits set forth for open procedures or restricted procedure, or for competitive procedure with negotiations or for negotiated procedure with publication, provided that the circumstances invoked by the contracting authority/entity to justify extreme urgency are not in any event caused by the contracting authority/entity's actions;

- for additional deliveries by the initial supplier, which are intended for partial replacement of products, materials or installations, or for the extension of volume of the existing products, materials or installations, where a change of supplier would oblige the contracting authority/entity to acquire supplies having different technical characteristics, which would result in incompatibility or disproportionately great technical difficulties in operation and maintenance, with the proviso that for contracting authorities duration of such contracts may not be longer than three years;

- in the case of public procurement of supplies quoted and purchased on a commodity market;

- for the procurement of supplies or services on particularly advantageous terms, either from supplier which is definitely winding up or has already wound up its business activities, or from bankruptcy or liquidation administrator within a pertinent procedure, an arrangement with creditors, or another appropriate procedure under national laws of the state of economic operator;

- for the procurement of services:

1) following the design contest which has been conducted pursuant to the provisions of the PPL, where under the rules provided for in the design contest, the contract is to be awarded to a winning candidate or one of the winning candidates in the design contest, in which case all winning candidates shall be invited to negotiate;

2) for new services consisting in the repetition of similar services entrusted to the economic operator to whom the contracting authority/entity has awarded the basic contract, if all the following requirements are met: (1) such services conform to the basic project for which the basic contract was awarded; (2) the basic contract was awarded pursuant to a conducted public procurement procedure in which a contract notice was published; (3) the extent of possible services which will repeat, and the conditions under which these would be awarded, were indicated in procurement documentation

for the basic contract; (4) the option of applying this procedure was envisaged in the contract notice for the basic contract; (5) when calculating the estimated value of procurement for the basic contract, the total estimated value of new services to be repeated was included in calculation, and (6) in the case that the procedure is conducted by the contracting authority, this procedure may be used within three years from the conclusion of the basic contract.

- for new works consisting in the repetition of similar works entrusted to the economic operator to whom the contracting authority/entity has awarded the basic contract, if all the following requirements are met: 1) such works conform to the basic project for which the basic contract was awarded; 2) the basic contract was awarded pursuant to a conducted public procurement procedure in which a contract notice was published; 3) the extent of possible works which will repeat, and the conditions under which these would be awarded, were indicated in procurement documentation for the basic contract; 4) the option of applying this procedure was envisaged in the contract notice for the basic contract; 5) when calculating the estimated value of procurement for the basic contract, the total estimated value of new works to be repeated was included in calculation, and 6) where the procedure is conducted by the contracting authority, this procedure may be used within three years from the conclusion of the basic contract.

- where no tenders or no suitable tenders or no requests or no suitable requests have been submitted in an open procedure or restricted procedure, provided that the initial conditions of the public procurement are not substantially altered.

- for award of a contract purely for the purpose of research, experiment, study or development, and not for the purpose of achieving profit or recovering the cost of research and development, and insofar the award of that contract does not prevent the possibility of competitive award of subsequent contracts.

- for procurement of supplies in a case of bargain purchases, by taking advantage of using a particularly advantageous opportunity available only for a very short time at a price considerably lower than usual market prices.

On the Public Procurement Portal, contracting authorities primarily publish annual public procurement plans, which contain, among others, data on the subject of public procurement, the type of procedure that the contracting authority will conduct, the estimated value of public procurement and the approximate time of initiating the procedure. On Public Procurement Portal, contract notice is prior information notice, periodic indicative notice, notice of the existence of qualification system, notice on conduct of the negotiation procedure without publication of a contract notice, notice on social and other specific services, design contest notice, notice on the results of the design contest, voluntary ex ante transparency notice (in the case of procurement to which the provisions of the PPL does not apply), notice on submitted request for protection of rights and notice of amendment of the contract, are published. Also, contract award decision and decision on discontinuation of the procedure are published on the Public Procurement Portal, as well as contract award notice, discontinuation of procedure or cancellation of procedure. The content of these notices is prescribed by Annex 4 of the PPL. Depending on the type of the notice, they contain, among others, data on the type of public procurement procedure, the subject of the public procurement, the value of the contract, the date of conclusion, the deadline for execution of the contract, the value of the contract modification, etc. Bearing in mind that the mentioned notices and decisions made in the public procurement procedure are published on the Public Procurement Portal, all the data contained in them are publicly available.

Changing the criteria for qualitative selection of an economic operator and the criteria for awarding a contract is possible until the deadline for submission of tenders, under the conditions prescribed by the PPL. Criteria for qualitative selection of the economic operator and criteria for awarding the

contract are an integral part of the procurement documentation. In accordance with Article 96 of the PPL, if the contracting authority changes or supplements the procurement documentation during the deadline for submission of tenders, it is obliged to send the amendment to the Public Procurement Portal for publication without delay, that is, make it available in the same way as basic documentation. The change of the criteria for the qualitative selection of the economic operator and the criteria for the contract award is considered to be a significant change of the procurement documentation, and the contracting authority is obliged to extend the deadline for submission of tenders in that case. After the expiration of the deadline for submission of tenders, the contracting authority may not change or supplement the procurement documentation, and therefore neither the criteria for qualitative selection of the economic operator and the criteria for contract award.

Article 236 of the PPL prescribes the actions of contracting authorities that are considered misdemeanors, as well as fines for committed misdemeanors, both for contracting authorities and for responsible persons. In addition, Article 228 of the 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, 94/16 and 35/19) envisage the criminal offense of abuse in connection with public procurement.

As mentioned above, invitation for tenders/applications are published electronically on the Public Procurement Portal. In addition, for public procurements whose estimated value is equal to or greater than RSD 5,000,000, the contract notice, prior information notice, periodic indicative notice and the qualification system notice are published on the Portal of Official Gazettes of the Republic of Serbia and the database of regulations.

The system of legal protection in public procurement procedures in the Republic of Serbia is regulated by the PPL as a two-stage procedure, consisting of a preliminary procedure conducted by the contracting authority and a procedure before the Republic Commission for Protection of Rights in Public Procurement Procedures (hereinafter: Republic Commission), which is an independent body of the Republic of Serbia, which provides protection of rights in accordance with the PPL. A legal remedy that can be filed against the actions and decisions of the contracting authority in public procurement procedures is called a request for protection of rights. The provisions of the PPL prescribe the content of the request for protection of rights and deadlines for its submission. The request for protection of rights is submitted to the contracting authority and, at the same time, to the Republic Commission. Deciding on the submitted request for protection of rights, the contracting authority than decide to approve the request in its entirety and partially annulling the public procurement procedure, if it considers that the allegations of the request are grounded. If it considers that the allegations of the request are ungrounded or that the validity of the allegations may result in annulment of the public procurement procedure as a whole, the contracting authority shall submit complete documentation from the public procurement procedure to the Republic Commission for deciding on the request for protection of rights. In addition to the request for protection of rights, the provisions of the PPL envisaged the possibility of filing up an appeal against the decisions of the contracting authority rejecting the request for protection of rights due to lack of active identification or other procedural shortcomings. Appeals against the decisions of the contracting authority are also decided by the Republic Commission. The decision of the Republic Commission is final, i.e no appeal can be filed against the decision of the Republic Commission, but an administrative dispute can be initiated within 15 days from the day of receipt of the decision of the Republic Commission. An administrative dispute is initiated by filing a lawsuit to the Administrative Court. Also, the right to compensation for damage caused by violation of the provisions of the PPL may be exercised in the proceedings before the competent court.

In accordance with Article 49 of the PPL, the contracting authority is obliged to take all necessary measures, primarily preventive, in order to prevent corruption at any stage of public procurement, ie during public procurement planning, public procurement or during the performance of public

procurement contracts. Using the special act, contracting authority shall regulate, in more detail, the manner of planning, conducting public procurement procedures and monitoring of the execution of the public procurement contract (the manner of communication, the rules, duties and responsibilities of persons and organisational units), the manner of planning and conducting procurements exempted from the law and procurements of social and other specific services. Clients are obliged to publish this act on their website.

The provisions of Article 50 of the PPL prescribes the obligation for contracting authority to undertake all measures in order to identify, prevent and eliminate conflicts of interest relat+ed to public procurement procedure. According to the provisions of the PPL, conflict of interest between contracting authority/entity and economic operator covers situations in which representatives of the contracting authority/entity, who are involved in the conducting of that procedure, or may influence the outcome of that procedure, have direct or indirect financial, economic or other private interest, which might be perceived to compromise their impartiality and independence in that same procedure. Conflict of interest includes, in particular, the instances where contracting authority/entity's representative takes part in economic operator's management, or where contracting authority/entity's representative holds more than 1% of economic operator's share or stocks. A representative of the contracting authority is considered to be the manager, ie the responsible person of the contracting authority, a member of the administrative, executive or supervisory board of the contracting authority, a member of the public procurement commission, ie a person conducting the public procurement procedure, as well as other persons not listed in the PPL and, in some way affect the outcome of the procedure. The provisions of the PPL relating to the representative of the contracting authority also apply to related persons of the representative of the contracting authority (lineal consanguinity; collateral kinship up to the third degree; in-laws up to the second degree of kinship; relationship of adopter and adoptee; marriage, irrespective of whether the marriage is terminated or not; extramarital union; living together, and in relationship of guardian and ward.).

If it is determined that there is a conflict of interest in a certain public procurement procedure, the representative of the contracting authority is obliged to be excluded from the public procurement procedure. The provisions of the PPL also stipulate that the representative of the contracting authority signs a statement on the existence or non-existence of a conflict of interest, after the opening of tenders or applications.

The public procurement procedure is conducted by a commission appointed by the contracting authority and which must have an odd number of members, and at least 3 members. The contracting authority is not obliged to appoint a public procurement commission if the estimated value of the public procurement does not exceed the amount of RSD 3,000,000. In such cases, the contracting authority may appoint a person conducting the public procurement procedure. One member of the Public Procurement Commission must be a person who has acquired higher education in the field of legal science or a public procurement officer. The contracting authority may, when necessary, appoint a person who has the appropriate professional knowledge in the field that is the subject of public procurement as a member of the Commission.

In accordance with Article 185 of the PPL, the contracting authority shall provide to the persons performing the public procurement activities the training for performing the public procurement activities and taking the exam for public procurement officer as well as continuous development.

Based on the legal authorization, the Public Procurement Office (hereinafter: the PPO) issued a bylaw which regulates the procedure and conditions for obtaining a certificate for a public procurement officer.

The PPL stipulates that the PPO, among other activities, monitors the implementation of public procurement regulations in order to prevent, detect and eliminate irregularities that may occur or have occurred in the application of the PPL.

The monitoring procedure is carried out on the basis of the annual monitoring plan adopted by the PPO by the end of the current year for the following year; in the case of conducting a negotiated procedure without publication of the contract notice referred to in Article 61, paragraph 1, item 1) and 2) of the PPL ex officio; as well as on the basis of notifications of a legal entity or individual, state administration bodies, autonomous province bodies and local self-government units and other state bodies.

The PPO prepares an annual report on the conducted monitoring, which is submitted to the Government and the National Assembly no later than March 31st of the current year for the previous year.

The ministry in charge of financial affairs carries out supervision over the performance of the public procurement contract, in accordance to Article 154, paragraph 5 of the PPL.

The Law on Organization and Competences of State Bodies in the Suppression of Organized Crime, Terrorism and Corruption ("Official Gazette of the RS", No. 94/16 and 87/18 – other law) defines the competencies of state bodies for the purpose of cooperation in the suppression of organized crime, terrorism and corruption, as well as prosecution of perpetrators of criminal offenses which are specified in the provisions of the Law.

In accordance to the above, in order to detect and prosecute perpetrators of criminal offenses against official duty, receiving and giving bribes as well as groups of criminal offenses against the economy, the competent prosecutor's offices regularly cooperate with the PPO and request supervision of public procurement procedures covered by the criminal charges by which the competent prosecutor's office acted. Namely, special departments of higher public prosecutor's offices for the suppression of corruption, as well as the Ministry of the Interior - the organizational unit responsible for the suppression of corruption, are responsible for dealing with the cases of the mentioned criminal offenses. With regard to the mentioned special departments of higher public prosecutor's offices for the suppression of corruption, the competence of four higher public prosecutor's offices in Belgrade, Kraljevo, Novi Sad and Nis is established by the PPL, where special departments for the suppression of corruption were established.

In addition to the abovementioned state bodies, in order to prevent corruption, the PPO also cooperates with the Anti-Corruption Agency. Namely, the PPO regularly submits reports to the Anti-Corruption Agency, based on previously submitted petitions indicating irregularities in public procurement procedures.

As per the Law on Anti-Corruption (Article 42) if a public official requests an opinion on the existence of a conflict of interest in a public procurement procedure, the Agency shall provide the opinion thereon within a period of eight days. To obtain information about the existence of a conflict of interest referred to in paragraphs 1 and 4 of this Article, the Agency may call a public official and request that he/she submit necessary information. Should the Agency establish that a conflict of interest referred to in paragraphs 1 and 4 of this Article exists, it shall notify the public official thereof as well as the body where in such public official holds public office and propose measures to eliminate the conflict of interest. In accordance with Article 53 if a legal person in which a public official or his/her family member possesses, during the public official’s discharge of public office and two years after its termination, a stake or shares greater than 20% and such legal person participates in a public procurement or privatization procedure or other procedure resulting in concluding a contract with a public authority, another budget user or another legal person in which more than 20% of the capital is owned by the Republic of Serbia, the autonomous province, a local

self-government unit or a city municipality, shall submit to the Agency, within 15 days from the day of completion of the procedure, a notification containing information on the following:

1) Submitter of notification (name of the legal person, registration number, registered office and name and surname of the responsible person);

2) Name and surname of the public official and his/her family member;

3) Name of the public authority that contracted the work;

4) Type and subject of procedure;

5) Date of beginning and conclusion of the procedure;

6) Decision in the procedure of public procurement, privatization or other procedure, and the number and value of the public procurement contract, privatization procedure or other procedure;

7) Signature of the responsible person.

The notification shall be submitted on the form and in the manner prescribed by the Agency.

Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.

The new Public Procurement Portal, which is harmonized with the new Public Procurement Law, has been in operation since July 1st, 2020. The new Portal can be found at the following link: *https://jnportal.ujn.gov.rs/.*

Instructions for user on how to use the Portal can be found at the following links:

1. Video instructions: *https://gizsr.visualstudio.com/Uputstva/_wiki/wikis/Uputstva/1360/Video-uputstva.*
2. Written instructions: *https://gizsr.visualstudio.com/Uputstva/_wiki/wikis/Uputstva/1207/Uputstva.*

The Public Procurement Portal represents the starting point for all participants in the public procurement process in the sense that:

1. Contracting authorities shall publish plans, contract notices and all other documentation on the Public Procurement Portal;

2. Tenderers shall submit their tenders through the Public Procurement Portal;

3. Communication between participants in the public procurement procedure is conducted through the Portal;

4. Evaluation of tenders by the contracting authority is done through the Portal;

5. All decisions and notices are published by the contracting authorities on the Portal.

The Public Procurement Portal is free to use, and all interested parties can register on the Portal, which makes public procurement activities available to the widest public, and thus ensures the highest possible degree of transparency in public procurement processes. Since July 1st, 2020 there were registered:

- 3,578 contracting authorities;
- 10,087 tenderers.

An important instrument for greater transparency of the procedure is the obligation to publish annual public procurement plans on the Public Procurement Portal. Starting from July 1st, 2020, 1,694 plans for 2020 and 1,024 plans for 2021 were published on the new Portal. Pursuant to the PPL, the contracting authority is obliged to regulate with the special act the manner of planning, implementation of public procurement procedure and monitoring the performance of public procurement contracts (manner of communication, rules, obligations and responsibilities of persons and organizational units), manner of planning and implementation of procurement on which the PPL is not applied, as well as the procurement of social and other special services. The contracting authority is obliged to publish this act on its website.

- Reports on internal or external evaluation regarding the efficiency of the public procurement system and to what extent it is based on transparency, competition and objective decision-making criteria;
- Statistics regarding the number of conducted public procurement procedures, the subject of the procurement process, the number and variety of tenders and the resulting outcomes and award decisions;

Starting from the implementation of the new Portal, 10,957 public procurement procedures, 15,073 contract award decisions, 3,427 decisions on discontinuation of the procedure, 1,507 decisions on concluding a framework agreement and 11,397 contract award notices were published. According to the subject of procurement, 5,899 procedures for procurement of goods, 3,944 for procurement of services and 1,114 for procurement of works were published. The average number of tenders since the establishment of the new Portal by procedure is 2.28.

- Examples of invitations to tender and descriptions of the media through which these invitations were published;
- Standard tender documentation used for tender submission;
- Guidelines for conducting tender procedures;
- Cases involving a successful appeal or challenge to the procurement process;
- Statistics on the number of trained public procurement officers, including applicable curricula, manuals and other material.

Looking at the data from October 2014, when the second cycle of certification of public procurement officers began, ending in 2019, 145 exams were organized, in which a total of 4,844 candidates took the exam, out of which 2,917 passed and obtained a certificate for public procurement officer. In the period before the second cycle of certification, 1,810 candidates obtained the certificate. A total of 4,727 candidates acquired the status of public procurement officers.

The PPO has prepared the Manual for preparation of the exam for the Public Procurement Officer, which is available at the following link: *http://www.ujn.gov.rs/wpcontent/uploads/2020/11/PRIRUCNIK.pdf.*

(b) Observations on the implementation of the article

[*Observations of the governmental experts with regard to the implementation of the article. Depending on the scope of the review cycle, findings with respect to the way in which national law has been brought into line with the article, as well as to the implementation of the article in practice.]*

[*Observations on the status of implementation of the article, including successes, good practices and challenges in implementation*.]

(c) Successes and good practices

[*Identification of successes and good practices in implementing the article, where applicable.*]

Paragraph 2 of article 9

2. Each State Party shall, in accordance with the fundamental principles of its legal system, take appropriate measures to promote transparency and accountability in the management of public finances. Such measures shall encompass, inter alia:

(a) Procedures for the adoption of the national budget;

(b) Timely reporting on revenue and expenditure;

(c) A system of accounting and auditing standards and related oversight;

(d) Effective and efficient systems of risk management and internal control; and

(e) Where appropriate, corrective action in the case of failure to comply with the requirements established in this paragraph.

(a) Summary of information relevant to reviewing the implementation of the article

Is your country in compliance with this provision?

The Republic of Serbia **is in compliance** with this provision

Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

(a) Procedures for the adoption of the national budget;

The Budget System Law prescribes the procedure for the preparation and adoption of budgets and financial plans of organizations for mandatory social insurance.

(b) Timely reporting on revenue and expenditure;

Reporting on revenue and expenditure is carried out in accordance with the Budget System Law and by-laws that regulate this area. Also, based on user requests, reports on public revenues are delivered on a daily or monthly basis to the following users: Ministry of Finance, Tax Administration, Public Debt Administration, Customs Administration, National Bank of Serbia, National Employment Service, Republic Pension and Disability Insurance Fund, Ministry of Defense, the City of Belgrade, the Republic Health Insurance Fund, the Republic Statistical Office and the Fiscal Council.

(c) A system of accounting and auditing standards and related oversight;

The activities of the Public Financial Management Reform Programme 2021-2025 aim at the adoption of International Accounting Standards for the Public Sector with the cash basis accounting.

(d) Effective and efficient systems of risk management and internal control;

After more than ten years of work on the introduction of internal financial control in the public sector according to international principles and standards (a reform that includes the transition from bureaucratic management to management oriented towards achieving goals), significant results were achieved:

- The legal (Public Internal Financial Control (PIFC) Strategy 2017-2020, the Budget System Law, Financial Management and Control (FMC) Rulebook, Internal Audit (IA) Rulebook, IA Certification Rulebook, IA Professional Training Rulebook) and PIFC institutional framework (state administration tasks related to the harmonization and coordination of financial management and control and internal audit in the public sector were entrusted to the Ministry of Finance and the Central Harmonization Unit (CHU) was formed) ;

- The regulatory-methodological framework is regularly improved (regulations and an extensive set of guidelines have been developed in order to facilitate users of public funds to establish and apply FMC and IA according to international standards and principles);

- The main and most relevant public sector institutions have largely harmonized their respective FMC systems with international principles (COSO framework) and standards (INTOSAI) and regularly inform the CHU about the compliance of their FMC systems;

- The national certification scheme was developed for obtaining the title of authorized internal auditor in the public sector, which is in compliance with the International Standards for the Professional Practice of Internal Auditing (ISPPIA), and to date 532 internal auditors have obtained that title.

According to the PIFC regulation, the risk management system is an integral part of the internal control system, that is, financial management and control.

In order to ensure full compliance with the provision of the Convention in the part related to internal control, and to continue work on establishing internal control for users of public funds, the Ministry of Finance, Sector Central Harmonization Unit organizes trainings in the field of financial management and control and internal audit, certifies internal auditors in the public sector, monitors the state of the FMC and IA for users of public funds by analyzing the users of public funds reports that they are obliged to submit every year for the previous year and by reviewing the quality of the FMC and IA, by harmonizing, coordinating and providing a methodological framework and support

Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.

- So far, the CHU has organized training in the field of FMC for 2,880 employees in the public sector - training for employees, managers and internal auditors and more than a thousand representatives of the top management of users of public funds;
- According to the latest data from 2022, 359 users of public funds normatively and 211 functionally established the internal audit function in accordance with regulations (196 normatively at the central level and 163 at the local level, and 125 functionally at the central level and 86 at the local level). Most institutions at the central level have established IAs. In the public sector in the RS, there are currently 728 systematized positions of internal auditors, of which 538 are filled, and the number of internal auditors is constantly increasing;
- CHU regularly reviews the quality of internal audit work and reviews the quality of the FMC system, and reports on the conducted review are always available on the MoF-CHU website ;
- The Minister of Finance reports to the Government of RS on the state of internal controls of users of public funds every year on the basis of the Consolidated Annual Report on the status of PIFC in RS with recommendations to users of public funds for correcting weaknesses, which the Government adopts with a conclusion that represents a mechanism by which competent state authorities are ordered to submit to users of public funds from its jurisdiction for implementation.

(b) Observations on the implementation of the article

[*Observations of the governmental experts with regard to the implementation of the article. Depending on the scope of the review cycle, findings with respect to the way in which national law has been brought into line with the article, as well as to the implementation of the article in practice.]*

[*Observations on the status of implementation of the article, including successes, good practices and challenges in implementation*.]

(c) Successes and good practices

[*Identification of successes and good practices in implementing the article, where applicable.*]

Paragraph 3 of article 9

3. Each State Party shall take such civil and administrative measures as may be necessary, in accordance with the fundamental principles of its domestic law, to preserve the integrity of accounting books, records, financial statements or other documents related to public expenditure and revenue and to prevent the falsification of such documents.

(a) Summary of information relevant to reviewing the implementation of the article

Is your country in compliance with this provision?

The Republic of Serbia **is in compliance** with this provision

Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

The provision of Article 1 of the Law on Tax Procedure and Tax Administration ("Official Gazette of RS", No. 80/2002, 84/2002 - amended, 23/2003 - amended, 70 /03, 55/04, 61/05, 85/05 – other law, 62/06 – other law, 63/06 - corr. other laws, 61/07, 20/09, 72/09 – other law, 53/10, 101/11, 2/12 - corr., 93/12, 47/13, 108/13, 68/14, 105/14, 91/15 – authentic interpretation, 112/15, 15/16, 108/16, 30/18, 95/18, 86/19, 144/20 and 96/21 - hereinafter: LTPTA) regulates the procedure for determining, collecting and controlling public revenues to which this law applies, the rights and obligations of taxpayers, registration of taxpayers and tax crimes and misdemeanors, as well as that the Tax Administration is an administrative body within the Ministry responsible for finance and regulates its competence and organization.

The provision of Article 160, paragraph 1, item 5) stipulates that the Tax Administration detects tax crimes and their perpetrators and in this regard takes the measures prescribed by law. Further, item 6) prescribes that the Tax Administration issues misdemeanor orders, i.e. submits requests for initiating misdemeanor proceedings to the competent misdemeanor court for tax misdemeanors and misdemeanors prescribed by the law governing fiscal cash registers, then item 10) keeps tax accounting and item 11a) that the Tax Administration performs internal control over the application of laws and other regulations by its organizational units, as well as internal control of the work and conduct of tax officials and employees in connection with the work; - in cases when illegal conduct is established, it conducts appropriate procedures to determine responsibility.

The manner and keeping of tax accounting is regulated in more detail by the Rulebook on Tax Accounting, which regulates bookkeeping records, accounting plan, bookkeeping principles, opening of books, posting payments and liabilities, consolidating and closing books, deadlines for posting changes and keeping bookkeeping records, responsible persons and public tax accounting documents for all public revenues collected by the Tax Administration, in accordance with the provisions of the LTPTA. Also, the said Rulebook regulates the deadlines for posting changes and keeping accounting records.

In order to protect personal data, the Tax Administration has established a mechanism in accordance with the provisions of the Law on Personal Data Protection („Official Gazette of the RS“, No. 87/18), where all employees in this body, while performing their jobs, can access only the data and information necessary to perform the jobs to which they are assigned and to use the available data and information in the manner prescribed by law. Also, all employees in the Tax Administration are obliged to respect the principle of keeping official secrets in the tax procedure, prescribed by the provisions of Article 7 of the LTPTA.

Based on the Budget System Law („Official Gazette of the RS“, No. 54/09, 73/10, 101/10, 101/11, 93/12, 62/13, 63/13 - corr., 108/13, 142/14, 68/15 – other law, 103/15, 99/16, 113/17, 95/18, 31/19, 72/19, 149/20, 118/21 and 118/21 – other law), internal financial control in the public sector has been established. Beneficiaries of public funds establish financial management and control, which is implemented through policies, procedures and activities, with the task of providing reasonable assurance that they will achieve their goals through:

- doing business in accordance with regulations, internal acts and contracts;
- accuracy and integrity of financial and business reports;
- economical, efficient and effective use of funds and
- protection of funds and data.

In order to take measures and actions within its scope of authority, i.e. to prevent abuse by employees in the Tax Administration, the Tax Administration has established internal control and internal audit, which ultimately initiate disciplinary proceedings to determine responsibility, and file criminal charges with the competent state authorities, when there is reasonable doubt that a criminal offence has been committed.

Also, the above activities are aimed primarily at preventive action, in order to combat illegal activities, coordinate the work of organizational units of the Tax Administration, in terms of uniform application of laws and bylaws, elimination of irregularities and illegalities by means of giving orders and recommendations, and ultimately, by conducting disciplinary proceedings and imposing disciplinary measures against the employees of the Tax Administration in order to sanction activities that constitute any violation of work obligations with the characteristics of corrupt activities..

We emphasize that the Tax Administration actively cooperates with all relevant state bodies with reference to fight against corruption (Ministry of the Interior, Prosecutor's Offices, Courts, Protector of Citizens, Anti-Corruption Agency, etc.). LTPTA also prescribes cooperation of the Tax Administration with other bodies. Namely, the provision of Article 135, paragraph 5 stipulates that the Tax Police undertakes the authorities referred to in paragraphs 3 and 4 of the same Article of the Law independently or in cooperation with the Ministry of the Interior. The Tax Police has other forms of cooperation with the Ministry of the Interior. Furthermore, according to the provision of Article 136, paragraph 4, it is stipulated that, if the tax inspector determines during the tax control procedure that the facts and circumstances indicate the existence of reasonable doubt that a criminal offence was committed in other areas, or a misdemeanor for which the Tax Administration is not competent, the Tax Administration files criminal i.e. misdemeanor charges to the competent state authority. Article 137 paragraph 6 of the LTPTA prescribes the obligation of the Tax Police to cooperate with the Court and the Prosecutor's office in criminal proceedings.

Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.

(b) Observations on the implementation of the article

[*Observations of the governmental experts with regard to the implementation of the article. Depending on the scope of the review cycle, findings with respect to the way in which national law has been brought into line with the article, as well as to the implementation of the article in practice.]*

[*Observations on the status of implementation of the article, including successes, good practices and challenges in implementation*.]

(c) Successes and good practices

[*Identification of successes and good practices in implementing the article, where applicable.*]

(d) Challenges, where applicable

Please outline actions required to ensure or improve the implementation of the article under review and describe any specific challenges you might be facing in this respect.

(e) Technical assistance needs

No assistance would be required

Legislative assistance: please describe the type of assistance

Institution-building: please describe the type of assistance

Policymaking: please describe the type of assistance

Capacity-building: please describe the type of assistance

Research/data-gathering and analysis: please describe the type of assistance

Facilitation of international cooperation with other countries: please describe the type of assistance

Others: please specify

Is any technical assistance already being provided to you? If so, please provide a general description of the nature of the assistance, including donor information.

Article 10. Public reporting

Subparagraph (a) of article 10

Taking into account the need to combat corruption, each State Party shall, in accordance with the fundamental principles of its domestic law, take such measures as may be necessary to enhance transparency in its public administration, including with regard to its organization, functioning and decision-making processes, where appropriate. Such measures may include, inter alia:

(a) Adopting procedures or regulations allowing members of the general public to obtain, where appropriate, information on the organization, functioning and decision-making processes of its public administration and, with due regard for the protection of privacy and personal data, on decisions and legal acts that concern members of the public;

(a) Summary of information relevant to reviewing the implementation of the article

Is your country in compliance with this provision?

The Republic of Serbia **is in compliance** with this provision

Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

- Law on Free Access to Information of Public Importance ("Official Gazette of RS" No. 120/04, 54/07, 104/09,36/10 and 105/21) proclaims, in Art. 39, obligation to publish Information Booklet, which specifies that it should include relevant information on the organization, functioning and decision-making processes of its public administration and, on decisions and legal acts that concern members of the public.

Law on Free Access to Information of Public Importance ("Official Gazette of RS" No. 120/04, 54/07, 104/09,36/10 and 105/21) is the main law that regulates the procedure of free access to information of public importance, and other relevant laws should be harmonized with this act. This act regulates so called “proactive” and “reactive” access to information in possession of a public authority body. Government bodies, as defined in Art. 3 of the Law, are obliged to proactively disclose information in the form of Information Booklet. Exact type of information published in Information Booklet is defined in Art. 40 of the Law, and further detailed in bylaw Instruction for the creation and publication of the Information Booklet on Public Authority Work ("Official Gazette of RS" No. 68/19). Information Booklet is mandatory published on the web page of the public authority, and it is printed upon request (Art 39, Para 2. of the Law). Content of Information Booklet is the following:

1) Description of its powers, duties and internal organization;

2) Information on the budget and means of work;

3) Information on the types of service it directly provides to interested parties;

4) Procedure for submitting a request to the government body concerned or for lodging a complaint against its decisions, actions or omissions;

5) Review of requests, complaints and other direct measures taken by the interested parties, as well as of decisions made by the government body concerned upon received requests and complaints and/or responses to other direct measures taken by interested parties;

6) Information on the manner and place of storing information mediums, type of information it holds, type of information it grants access to and the description of the procedure for submitting a request;

7) Names of the heads of the government body, descriptions of their powers and duties and procedures for their decision-making;

8) Rules and decisions of the government body concerning the transparency of its operations (working hours, address, contact phones, logo, accessibility for persons with special needs, access to sessions, permissibility of audio and video recording, etc.), as well as any authentic interpretation of these decisions;

9) Regulations and decisions on exemptions or limitations of the transparency of work of the government body, with relevant rationale.

Information Booklet is published once a year, or that document produced in earlier years, could be regularly updated, in accordance with this Instruction. Public authorities that are obliged to publish this document should update its content on a monthly basis.

When "reactive" access to information is concerned i.e., access to information upon request, the Law defines in Art. 2 that Information of public importance, is information held by a public authority body, created during or relating to the operation of a public authority body, which is contained in a document and concerns anything the public has a justified interest to know. Justified public interest to shall be deemed to exist whenever information held by a public authority concerns a threat to, or protection of, public health and the environment, while with regard to other information held by a public authority, it shall be deemed that justified public interest to know within the meaning of Article 2 of this Law exists unless the public authority concerned proves otherwise. The Law imposes standards of protection of privacy in Art. 14. Stating that information will not be granted if it would thereby violate the right to privacy of individuals, unless:

1) The person concerned has given his/her consent;

2) Such information relates to a person, event or occurrence of public interest, especially in case of holder of public office or political figures, insofar as the information bears relevance on the duties performed by that person;

3) A person's behavior, in particular concerning his/her private life, has provided sufficient justification for a request for such information.

An applicant can lodge a complaint with the Commissioner If a public authority:

- refuses to inform the applicant whether it holds the requested information or whether it is otherwise accessible to it,

- refuses to allow insight in the document containing the requested information,

- refuses to issue or to submit to the applicant a copy of the document or fails to do so within the general statutory deadline of 15 days;

A complaint can also be lodged with the Commissioner against a decision of a public authority denying an applicant's request or against a conclusion rejecting his/her request from formal reasons. The deadline for lodging of a complaint in this case is 15 days from the date of submission of a decision or a conclusion to an applicant. An applicant must enclose with such complaint a copy of his/her request and a copy of the decision or conclusion of a public authority against which the complaint is lodged.

As part of its awareness raising activities, the Commissioner annually publishes a guidebook with practical examples on the effective exercise of rights provided for in this Law. Commissioner also organizes celebration of International Right to Know Day. In cooperation of various other institutions, Commissioner conducts trainings for public officials in implementation of this Law. Furthermore, this institution regularly communicates with media representatives informing the public on the specific challenges of this right.

Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.

Basic information about the organization, and functioning and decision-making of Government is mandatory content of Information Booklet, and Government should update its content on a monthly basis (more details on the content of the Information booklet is provided in response to questions on Article 10, subparagraph (a), question 2).

In order to illustrate how often is free access to information used, we can point to relevant statistics from Commissioners's 2019 Annual Report. Total number of requests submitted to public authority bodies is unknown to Commissioner, as this institution possess only information from government bodies that are obliged to submit their annual reports to Commissioner, in accordance with Art. 43. Of the Law. Out of 3813 such institutions, only 1238 of them submitted their reports.

When referring to activities of the Government and ministries, in 2019 there were 53 information requests addressed to the Government, of which the Government responded on 32, whereas 21 requests were denied access to, or were rejected. The ministries (with bodies subordinate to them) received, in the same period, 3.756 information requests and responded to 2.422, whereas they rejected or denied access to 573 requests. Total number of information requests, according to data provided by 1238 public bodies, in 2019 was 25.410, 20.566 of which were responded, whereas 2.309 requests were denied access to, or were rejected. The applicants may lodge a complaint if they are unsatisfied with the provided answer, or if their information request was rejected or denied, which doesn't mean that on every rejected/denied access to information a complaint was lodged.

According to Commissioner's 2019 Report, in 2019 ministries had total of 3.756 requests, and 766 complaints were submitted, which means that for every 4.9 requests submitted to the ministries, the information seeker filed a complaint to the Commissioner due to lack of information. That ratio has been improving in recent years. For example, in 2016, one complaint was filed for every 9.5

requests, in 2017, one complaint was filed for every 7.7 requests, and in 2018, a complaint was filed for every 5.35 requests.

It can be determined that the large portion of information requests were responded, and further, that the majority of submitted complaints were founded, so there was evident public interest to know. One particular example which illustrates how information was revealed using this right is when the Ministry of Economy of the Republic of Serbia refused to provide the applicant with information regarding the privatization procedure of the Joint Stock Company "Luka Novi Sad" (reports on the inventory and assessment of the fair market value of all assets, documents that make up sales documentation, etc.), emphasizing that the privatization procedure has not been completed and that it would jeopardize the course of that procedure and the fulfillment of the country's justified economic interests. The Commissioner annulled the decisions of the Ministry of Economy and ordered the Ministry to provide the requested information to the appellant, emphasizing that the principle of transparency of the privatization procedure is one of the basic legal principles in conducting the privatization procedure, and that transparency in all phases of the procedure contributes to the prevention of irregularities and possible corruption, and that decision of the Commissioner was executed.

In 2019, in cases in which the decision to reject the requests of the information seekers as unfounded, the authorities more often invoked the violation of privacy and the right to protection of personal data than in 2018 (by 3.62%).

In 2019, the Commissioner resolved 5,188 complaints. The complaints were founded in a great number, namely 4,321 complaints or 83.29% of the total number of resolved complaints. The largest number of complaints, 4,604 or 88.74%, were filed due to complete ignoring of the request of the information seeker or a negative answer, without making a decision with the reasons for rejecting the request and an instruction on legal remedy, as required by law. Only 584 complaints, or 11.26% of the total number of resolved complaints, were filed against the decision of the authorities rejecting the information seeker's request as unfounded, with an explanation.

Complaints are inadmissible if lodged against decisions of the National Assembly, the President of the Republic, the Government of the Republic of Serbia, the Supreme Court of Serbia, the Constitutional Court and the Republic Public Prosecutor. An administrative dispute complaint may be lodged against the decision of those institutions, in accordance with law, which fact shall be notified to the Commissioner by the relevant court ex officio.

(b) Observations on the implementation of the article

[*Observations of the governmental experts with regard to the implementation of the article. Depending on the scope of the review cycle, findings with respect to the way in which national law has been brought into line with the article, as well as to the implementation of the article in practice.]*

[*Observations on the status of implementation of the article, including successes, good practices and challenges in implementation*.]

(c) Successes and good practices

[*Identification of successes and good practices in implementing the article, where applicable.*]

> *Subparagraph (b) of article 10*
>
> *Taking into account the need to combat corruption, each State Party shall, in accordance with the fundamental principles of its domestic law, take such measures as may be necessary to enhance transparency in its public administration, including with regard to its organization, functioning and decision-making processes, where appropriate. Such measures may include, inter alia:*
>
> *...*
>
> *(b) Simplifying administrative procedures, where appropriate, in order to facilitate public access to the competent decision-making authorities; and*

(a) Summary of information relevant to reviewing the implementation of the article

Is your country in compliance with this provision?

The Republic of Serbia **is in compliance** with this provision

Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Designation of officials or entities responsible for providing information to

the public;

− Examples of proactive publication of information by institutions without a special request. Legal obligation to designate officials responsible for provision of information is prescribed under Art. 38 of the Law, and if one (or more) persons has not been appointed, the duties of the authorized person shall be performed by the responsible person of the public authority. Furthermore, names and contacts of persons authorized for responding to information requests and persons responsible for Information Booklet, are obliged to be published in Information Booklets. As earlier referred, Government bodies, as defined in Art. 3 of the Law, are obliged to proactively disclose information in the form of Information Booklet.

Mandatory information is the following:

1) Description of its powers, duties and internal organization;

2) Information on the budget and means of work;

3) Information on the types of service it directly provides to interested parties;

4) Procedure for submitting a request to the government body concerned or for lodging a complaint against its decisions, actions or omissions;

5) Review of requests, complaints and other direct measures taken by the interested parties, as well as of decisions made by the government body concerned upon received requests and complaints and/or responses to other direct measures taken by interested parties;

6) Information on the manner and place of storing information mediums, type of information it holds, type of information it grants access to and the description of the procedure for submitting a request;

7) Names of the heads of the government body, descriptions of their powers and duties and procedures for their decision-making;

8) Rules and decisions of the government body concerning the transparency of its operations (working hours, address, contact phones, logo, accessibility for persons with special needs, access to sessions, permissibility of audio and video recording, etc.), as well as any authentic interpretation of these decisions;

9) Regulations and decisions on exemptions or limitations of the transparency of work of the government body, with relevant rationale.

Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.

Although Serbian Law on Free Access to Information of Public Importance has been rated as one imposing highest standard in this area, its implementation reveals some issues. Although 83.29% of the total number of resolved complaints (5,188) were founded, the Commissioner's appeal procedure ended with the suspension of the procedure, in 1,786 cases (41.33%) after the authorities acted at the request of the information seeker in the meantime, after learning of the complaint and the statement requested by the Commissioner.

The problem is when the authorities do not provide information to information seekers even after the Commissioner's order, so the level of unexecuted decisions is still high. The described situation in the freedom of access to information is significantly contributed by the fact that the legal mechanisms of forced execution of the Commissioner's decision, i.e. fines are completely blocked and make it difficult for information seekers to obtain information. In addition, the Law doesn’t specify the manner how the Government should ensure the execution of the Commissioner's decision by direct coercive measures. Together, this is one of the biggest obstacles to exercising rights.

(b) Observations on the implementation of the article

[*Observations of the governmental experts with regard to the implementation of the article. Depending on the scope of the review cycle, findings with respect to the way in which national law has been brought into line with the article, as well as to the implementation of the article in practice.]*

[*Observations on the status of implementation of the article, including successes, good practices*

and challenges in implementation.]

(c) Successes and good practices

[*Identification of successes and good practices in implementing the article, where applicable.*]

Subparagraph (c) of article 10

Taking into account the need to combat corruption, each State Party shall, in accordance with the fundamental principles of its domestic law, take such measures as may be necessary to enhance transparency in its public administration, including with regard to its organization, functioning and decision-making processes, where appropriate. Such measures may include, inter alia:

...

(c) Publishing information, which may include periodic reports on the risks of corruption in its public administration.

(a) Summary of information relevant to reviewing the implementation of the article

Is your country in compliance with this provision?

The Republic of Serbia **is in compliance** with this provision

Nota bene: Within the purview of the Agency, please see responses related to the Article 5, par. 2; Article 5, par. 3

Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Annual reports of the Agency: http://www.acas.rs/izvestaji/godisnji-izvestaj/

Relevant information and statistics for 2019: http://www.acas.rs/wp-content/uploads/2020/10/AR19.pdf

Relevant information and statistics for 2020: https://www.acas.rs/wp-content/uploads/2021/04/Annual_Report_2020_APC_F_Ivan.pdf

Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.

(b) Observations on the implementation of the article

[*Observations of the governmental experts with regard to the implementation of the article. Depending on the scope of the review cycle, findings with respect to the way in which national law has been brought into line with the article, as well as to the implementation of the article in practice.]*

[*Observations on the status of implementation of the article, including successes, good practices and challenges in implementation*.]

(c) Successes and good practices

[*Identification of successes and good practices in implementing the article, where applicable.*]

(d) Challenges, where applicable

Please outline actions required to ensure or improve the implementation of the article under review and describe any specific challenges you might be facing in this respect.

(e) Technical assistance needs

No assistance would be required

Legislative assistance: please describe the type of assistance

Institution-building: please describe the type of assistance

Policymaking: please describe the type of assistance

Capacity-building: please describe the type of assistance

Research/data-gathering and analysis: please describe the type of assistance

Facilitation of international cooperation with other countries: please describe the type of assistance

Others: please specify

Is any technical assistance already being provided to you? If so, please provide a general description of the nature of the assistance, including donor information.

Article 11. Measures relating to the judiciary and prosecution services

Paragraph 1 of article 11

1. Bearing in mind the independence of the judiciary and its crucial role in combating corruption, each State Party shall, in accordance with the fundamental principles of its legal system and without prejudice to judicial independence, take measures to strengthen integrity and to prevent opportunities for corruption among members of the judiciary. Such measures may include rules with respect to the conduct of members of the judiciary.

(a) Summary of information relevant to reviewing the implementation of the article

Is your country in compliance with this provision?

The Republic of Serbia is **in compliance** with this provision

Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

As to the training requirements and curricula for members of the judiciary, particularly in terms of codes of conducts, integrity and independence, the Judicial Academy is responsible for the initial and continuous training of judges and public prosecutors as well as for the professional development of judicial and prosecutorial staff, Therefore, Code of Ethics and integrity of the members of the judiciary are the topics covered by every annual program of the continuous as well as of the initial training in the area of developing special knowledge and skills. Seminars covering these topics have been delivered on a regular basis in the work of the Judicial Academy. The Judicial Academy organizes regularly the seminars.

2019: The Judicial Academy and the High Judicial Council with the support from the IPA 2016 Project „EU for Serbia – support to the High Judicial Council“ organized 50 training courses in the area of disciplinary liability of judges. The training courses, which were provided from September 2019 to July 2020, have covered 1,500 judges of the courts of the regular and special jurisdictions in Serbia. The lecturers were the judges – the members of the first-instance and the second-instance disciplinary bodies of the High Judicial Council.

The topics that were covered were:

• Harmonization of the local legal framework with the international standards

• The rights of the judge against whom the disciplinary proceedings are conducted

• Disciplinary accountability (the goal and the legal nature)

• The position of the judge/president of a court in disciplinary proceedings

• Disciplinary misdemeanors (there will be misdemeanors), disciplinary sanctions and relieve of duty.

The purpose of the training courses was raising awareness of the judicial office holders of the objective, nature and importance of disciplinary liability for their professional attitude towards the

work, as well as a more detailed familiarization with the behaviors that may constitute the basis for disciplinary liability. This training is particularly important in view of the fact that the topic of disciplinary liability of judges has multiple significance both for the independence of the judiciary, the integrity of judges, the trust of the citizens and the reputation of the judiciary, and for the progress of Serbia on its European path.

Beside these regular seminars delivered within the Annual Program, the Judicial Academy organizes and participates in different events devoted to the integrity of the members of the judiciary. As relevant it should be mentioned the workshop organized in October 2019 by the Judicial Academy, in cooperation with the European Centre for Judges and Lawyers (ECJL) from Luxemburg (EIPA), on the topic: „Integrity of the judiciary and resistance to corruption ". The workshop was organized for the judges of the High Court in Belgrade and the deputies of the High Public Prosecutor's Office Belgrade, who are in the special anti-corruption departments and who process in such cases, as well as for the beneficiaries of the initial training of the Academy. The objective of the workshop was enhancement and updating of the basic knowledge and capacities with regard to the prevention of unethical conduct, conflict of interest and non-compliance, control and management of risk of corruption in the judiciary and identifying necessary skills and instruments for increasing integrity of the judiciary and resistance to corruption, within the judicial system and judicial administrative services. The workshop provided practical instructions for ethical conduct in the situations of conflict between official rules and the tradition or when clear answers are lacking concerning how to act in concrete situations.

2018: During the year 2018, the most frequently discussed topics in the field of Special Knowledge and Skills were "Ethics and Integrity in the Judiciary – Judicial Ethics" (9 educational events) and "Ethics and Integrity in the Judiciary – Prosecutorial Ethics" (5 educational events).

2017: Within the continuous training programme in the area of special knowledge and skills the Judicial Academy delivered workshops on Judicial Ethics and Integrity, for each of the appellate districts and prosecutorial ethics, for each of the appellate districts and two-day workshop for the Sixth generation of the Judicial Academy trainees (one day judicial, second day prosecutorial ethics).

The High Judicial Council amended the Rules of Procedure of the High Judicial Council with provisions on the manner of work and decision-making of the Council in cases of undue influence on the work of judges and the judiciary (Official Gazette of RS, No.38/2021), and afterwards appointed a judge to act in such cases, whether it concerns requests of judges for protection against undue influence, or undue influence which is generated through the media, social networks, public gatherings, or other public means.

The judge who acts in cases of undue influence on the work of judges and the judiciary has so far been submitted requests by four judges, who believed that their work was unduly influenced. In one case, the Council determined the existence of undue influence, while in the remaining three cases the procedure is still ongoing.

Activities concerning amendment of the Rules of Procedure was supported by the joint project of the European Union and the Council of Europe "Strengthening the Independence and Accountability of

the Judiciary". Within the project, a guide for judges titled “Protection from Undue Influence” was developed and delivered to all the judges.

The Council, through the Judicial Academy, provides training for judges on ethics and the application of the Code of Ethics itself. In the period January-July 2021, 6 seminars for judges were held on the topic of ethics, Code of Ethics and integrity, while 4 seminars for judges were held on the topic of disciplinary responsibility and ethics. The Judicial Academy has issued a public call for the training of judges on the topic of ethics, ethical responsibility of judges, and 79 judges applied. Judges who have applied receive 4-day training, which includes CoE standards on ethics, ECHR and the Court of Justice practice, the Code of Ethics and Rulebook, as well as a training methodology. Upon completion of the training, it is planned to organize the first training for judges up to three years of experience from basic courts in Belgrade.

At the session held on September 15, 2021, the Council adopted a new Rulebook on the work of the Ethics Committee of the High Judicial Council, which in Art. 47. stipulates that the Ethics Committee appoints from among its members, one or more confidential advisers for the purpose of confidential consultation with judges and court presidents, i.e. members of the Council, on the application of ethical principles and rules of conduct established by the Code of Ethics for Judges and the Code of Ethics for members of the High Judicial Council in individual cases.

Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.

(b) Observations on the implementation of the article

[*Observations of the governmental experts with regard to the implementation of the article. Depending on the scope of the review cycle, findings with respect to the way in which national law has been brought into line with the article, as well as to the implementation of the article in practice.]*

[*Observations on the status of implementation of the article, including successes, good practices and challenges in implementation*.]

(c) Successes and good practices

[*Identification of successes and good practices in implementing the article, where applicable.*]

Paragraph 2 of article 11

2. Measures to the same effect as those taken pursuant to paragraph 1 of this article may be introduced and applied within the prosecution service in those States Parties where it does not form part of the judiciary but enjoys independence similar to that of the judicial service.

(a) Summary of information relevant to reviewing the implementation of the article

Is your country in compliance with this provision?

The Republic of Serbia is **in compliance** with this provision

Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

According to the Article 42 of the Rulebook on administration in public prosecution offices the case is assigned by the public prosecutor, and in case he/she is absent or not able to assign the cases, it is done by the deputy public prosecutor determined by the annual schedule.

Upon the authorization of the public prosecutor, the assignment of cases in the departments is made by the head of the department.

Prior to the assignment, the public prosecutor may sort the cases according to complexity in line with the category of persons handling cases.

As a rule, the cases are assigned to the persons handling cases in the order in which they are received, by assigning the case to the first succeeding person in the alphabetical list of all case processors.

The public prosecutor shall depart from the described manner of assigning in justified situations - individual prosecutor is overburdened or not able to handle the case at that time, in cases of specialization of prosecutors in a particular field or if justified by other reasons.

The deputy public prosecutor is, as a rule, in charge of the case until a final court decision.

A record on assignment of cases is kept.

Article 43 of the mentioned Rulebook envisages that in public prosecution offices where there are conditions for keeping electronic registers using information and communication technologies, the allocation of newly received cases is done using a special program (mathematical algorithm) that ensures that at the end of one distribution cycle all deputy public prosecutors have an equal number of newly received cases in work and that they are equally burdened. The duration of one distribution cycle, which may not be shorter than one month, is determined by each public prosecution office in accordance with the annual inflow of cases, the annual work schedule and the number of deputy public prosecutors.

Procedures on providing information about asset declarations of prosecutors and how they are used to prevent conflicts of interest (particularly if related to the case assignment system in order to avoid assigning a prosecutor who has to recuse him or herself from the case due to a conflict of interest).

According to the Article 68 of the Law on Anti-Corruption, within 30 days from the day of his/her election, appointment or nomination, a public official shall submit to the Anti-Corruption Agency a report on his/her assets and income, assets and income of his/her spouse or common law partner, as well as those of his/her under aged children if they live in the same family household, as at the day of election, appointment or nomination.

Pursuant to Article 69 of the same law, if the assets or income of a public official have changed significantly in the course of the previous year, the public official shall submit a Report to the Agency as at 31 December of the preceding year, no later than by the time of the expiry of the time limit specified for submitting the annual tax return for determining personal income tax.

A significant change exists when there has been an increase or decrease in the assets or income which, according to the preceding Report, exceed the average annual salary without taxes and contributions in the Republic of Serbia, or when there is a change to the structure of said assets.

A person whose public office has been terminated shall submit a Report as at 31 December of the preceding year, two years after the termination of the public office but no later than by the expiry of the time limit specified for submitting the annual tax return for determining personal income tax, provided that the assets and income have significantly changed in comparison with the preceding year.

Pursuant to Article 37 of Criminal Procedure Code, a judge or lay judge may not perform judicial duty in certain proceedings in the following cases:

1) if was injured by the criminal offence;

2) if a defendant, defense counsel, the prosecutor, the injured parties, their legal representatives or proxies is his/her spouse or person with whom he/she lives in a common law marriage or other permanent personal association or a relative by blood to any degree, or collaterally to the fourth degree, and by marriage to the second degree;

3) if the judge is a foster-parent or foster-child, adopter or adoptee, guardian or ward of the defendant, his/her defense counsel, the prosecutor or injured party;

4) where in the same criminal proceedings the judge had acted as a judge for the preliminary proceedings, or had decided on confirming the indictment, or had participated in rendering a decision on the merits of the charges which is being challenged through an appeal or extraordinary legal remedy, or had taken part in proceedings as a prosecutor, defense counsel, legal representative or proxy of an injured party or of the prosecutor, or was heard as a witness or an expert witness, unless specified otherwise by this Code.

A judge or lay judge may be recused from judiciary duty in a certain case if there are circumstances which raise doubt as to his/her impartiality.

As soon as learning of the existence of any of the grounds for his/her recusal, a judge or lay judge shall be required to suspend all work on the case and notify thereof the president of the court, who shall issue a ruling on recusal of the judge and assign the case to another judge according to the order.

Where a judge or lay judge believes that there are circumstances causing doubt of his/her impartiality, he/she shall notify the president of the court thereof.

The provisions on the recusal of judges and lay judges shall apply accordingly to public prosecutors and persons authorized by law to deputize the public prosecutor in proceedings, record-keepers, translators, interpreters and other professionals, as well as expert witnesses, unless otherwise provided by this Code.

Public prosecutor shall decide on motions for the recusal of persons authorized by law to deputies him/her in criminal proceedings. Motions for recusal of a public prosecutor shall be ruled on by the immediately superior public prosecutor. Motions to exclude the Republic Public Prosecutor shall be decided by the State Prosecutors Council upon obtaining an opinion from the Collegium of the Republic Public Prosecutor's Office.

Motions for recusal of record-keepers, translators, interpreters, professionals or expert witnesses shall be ruled on by the public prosecutor or the court.

Where authorized officers of the police perform evidentiary actions pursuant to this Code, motions for their recusal shall be ruled on by the public prosecutor. If a record-keeper participates in the performance of such actions, motions to recuse the record-keeper shall be ruled on by the police official performing the action.

Having in mind the manner of distribution of cases in the public prosecutor's office, the situations prescribed as reasons for recusal under points 1, 2 and 3 of Article 37 of the Criminal Procedure Code do not occur or occur very rarely, while the reasons prescribed in point 4 of this Article are not applicable to public prosecutor's office.

The largest number of requests for recusal refers to the reason prescribed by paragraph 2 of Article 37 (the existence of circumstances raise doubt as to impartiality of the public prosecutor).

Deciding on the request for recusal is also regulated by Article 33 of the Law on Public Prosecution ("Official Gazette of the RS", No. 116/08, 104/09, 101/10, 78/11 – other law, 101/11, 38/12 – CC decision, 121/12, 101/13, 111/14 – CC decision, 117/14, 106/15 and 63/16 – CC decision), which is fully harmonized with the quoted provisions of the Criminal Procedure Code.

- ***Cases in which members of the prosecution service have been subject to criminal proceedings as a result of alleged acts of corruption;***

The Prosecutor's Office for Organized Crime conducted criminal proceeding against the Deputy Municipal Public Prosecutor in Požega convicted of having committed the criminal offense of Taking Bribes under Article 367 of the Criminal Code. The holder of the judicial office is accused of receiving a bribe in order to initiate, in that capacity, criminal proceedings against a persons who were in a business relationship with a defendant giving a bribe. The deputy prosecutor was finally sentenced to a penalty of 3 years imprisonment, a fine of 300,000 dinars and security measure of prohibitions of performing a profession, activity or duty in judiciary for 5 years.

In addition, the Prosecutor's Office for Organized Crime conducted criminal proceedings against the Deputy Basic Public Prosecutor in Novi Pazar for committing the criminal offense of Abuse of Office under Article 359 of the Criminal Code. The Deputy Prosecutor was sentenced to 10 months imprisonment and security measure of prohibitions of performing a profession, activity or duty in judiciary for 2 years by the first instance court verdict. But the second instance court reversed the verdict and he was acquitted.

- ***Statistics regarding the number of reports of corruption in the prosecution service received, including mechanisms in place to facilitate such reporting, number of investigations that resulted and their outcomes;***

In the period of last five years (2015-2019), within its competence for high level and severe corruption, Prosecutor's Office for Organized Crime received criminal reports against 682 persons, initiated investigations against 313 persons, raised indictments against 213 persons, and the Special Department of the Higher court in Belgrade (1st instance) rendered judgments of conviction against 303 persons, acquitted 116 persons and charges were rejected against 5 persons[22].

Pursuant to the Article 3, paragraph 2 and 3, of the Law on organization and jurisdiction of government authorities in suppression of organized crime, terrorism and corruption, the Prosecutor's Office for Organized crime is competent to prosecute and indict for cases when committed criminal offence of:

- **"high-level" corruption** (The criminal offenses against official duty (Art. 359, 366, 367 and 368 of the Criminal Code), when the defendant, i.e. the person receiving a bribe, is an official or responsible person discharging a duty on the basis of election, appointment or nomination by the

[22] Public prosecutor's offices keep statistics *per person*, and for each person one crime is shown in the statistics, as the main one, for which the most severe punishment is threatened, even in cases when this person is charged with committing several criminal offenses.
Prosecutor's Office for Organized Crime keeps record on first instance judgments and this statistic is a part of an Annual Report, therefore abovementioned data are related to convictions of first instance which are subject to appeal.
Number of indictment is lower than the number of judgments since the annual statistical reports include data on cases initiated in previous years if a decision is issued in the reporting period.

National Parliament, the President of the Republic, the Government, or the general session of the Supreme Court of Cassation, the High Court Council of the State Prosecutorial Council")

- and **"severe" corruption** (The criminal offenses against the economy (Art. 223, 223a, 224, 224a, 227, 228, 228a, 229, 230, 231, 232, 232a, 233, Article 235, Paragraph 4, Art. 236 and 245 of the Criminal Code), if the value of the material gain exceeds 200,000,000 dinars, or, if the value of the public procurement exceeds 800,000,000 dinars").

Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.

(b) Observations on the implementation of the article

[*Observations of the governmental experts with regard to the implementation of the article. Depending on the scope of the review cycle, findings with respect to the way in which national law has been brought into line with the article, as well as to the implementation of the article in practice.]*

[*Observations on the status of implementation of the article, including successes, good practices and challenges in implementation*.]

(c) Successes and good practices

[*Identification of successes and good practices in implementing the article, where applicable.*]

(d) Challenges, where applicable

Please outline actions required to ensure or improve the implementation of the article under review and describe any specific challenges you might be facing in this respect.

(e) Technical assistance needs

No assistance would be required

Legislative assistance: please describe the type of assistance

Institution-building: please describe the type of assistance

Policymaking: please describe the type of assistance

Capacity-building: please describe the type of assistance

Research/data-gathering and analysis: please describe the type of assistance

Facilitation of international cooperation with other countries: please describe the type of assistance

Others: please specify

Is any technical assistance already being provided to you? If so, please provide a general description of the nature of the assistance, including donor information.

Article 12. Private sector

Paragraphs 1 and 2 of article 12

1. Each State Party shall take measures, in accordance with the fundamental principles of its domestic law, to prevent corruption involving the private sector, enhance accounting and auditing standards in the private sector and, where appropriate, provide effective, proportionate and dissuasive civil, administrative or criminal penalties for failure to comply with such measures.

2. Measures to achieve these ends may include, inter alia:

(a) Promoting cooperation between law enforcement agencies and relevant private entities;

(b) Promoting the development of standards and procedures designed to safeguard the integrity of relevant private entities, including codes of conduct for the correct, honourable and proper performance of the activities of business and all relevant professions and the prevention of conflicts of interest, and for the promotion of the use of good commercial practices among businesses and in the contractual relations of businesses with the State;

(c) Promoting transparency among private entities, including, where appropriate, measures regarding the identity of legal and natural persons involved in the establishment and management of corporate entities;

(d) Preventing the misuse of procedures regulating private entities, including procedures regarding subsidies and licences granted by public authorities for commercial activities;

(e) Preventing conflicts of interest by imposing restrictions, as appropriate and for a reasonable period of time, on the professional activities of former public officials or on the employment of public officials by the private sector after their resignation or retirement, where such activities or employment relate directly to the functions held or supervised by those public officials during their tenure;

(f) Ensuring that private enterprises, taking into account their structure and size, have sufficient internal auditing controls to assist in preventing and detecting acts of corruption and that the accounts and required financial statements of such private enterprises are subject to appropriate auditing and certification procedures.

(a) Summary of information relevant to reviewing the implementation of the article

Is your country in compliance with these provisions?

The Republic of Serbia **is in compliance** with this provision

Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with these provisions of the Convention.

The National Bank of Serbia (hereinafter: NBS), as the supervisory body of most financial institutions in the Republic of Serbia, issues operating licenses to supervised entities within its competence (banks; authorised exchange dealers; voluntary pension fund management companies; financial leasing providers; insurance undertakings, insurance agency/brokerage undertakings and insurance agents licensed to perform life insurance activities, except for insurance agency undertakings and insurance agents for whose work the insurance undertaking is responsible according to law; electronic money institutions and payment institutions). In this licencing process, NBS identifies all legal and natural persons involved in the establishment and management of corporate entities of financial institutions.The NBS issues operating licenses on the basis of clearly defined rules defined by sectoral laws and bylaws which ensure the transparency of the founders, ie owners and management of these financial institutions as well as the funds invested in their establishment and operation. The NBS gives consent for the election of members of the governing bodies (executive board, board of directors, supervisory board etc.) of the financial institutions under it's supervision, and data about identity of these members is publicly available.

The laws governing the establishment and operation of these financial institutions are:

-Law on the National Bank of Serbia („Official Gazette of the RS, No 72/03, 55/04, 85/05 – other law, 44/10, 76/12, 106/12, 14/15, 40/15 – Constitutional Court decision and 44/18);

- Law on Banks („Official Gazette of the RS", No. 107/05, 91/10 and 14/15),

- Law on Payment Services („Official Gazette of the RS", No 139/14 and 44/18),

- Insurance Law („Official Gazette of the Rs", No 55/04, 70/04, 61/05, 61/05–other Law, 85/05–other Law and 101/07, 107/09, 99/11, 119/12, 116/13 and 139-14-other law),

- Law on Voluntary Pension Funds and Pension Schemes („Official Gazette of the RS", No 85/05 and 31/11),

- Law on Financial Leasing („Official Gazette of the RS", No. 55/03, 61/05, 31/11, 99/11 – other law),

- Law on Foreign Exchange Operations („Official Gazette of the RS", No. 62/06, 31/11, 119/12,139/14 and 30/18).

These financial institutions are subject to mandatory internal audit based on the highest standards. All financial institution under supervison of NBS (banks, insurance and reinsurance undertakings, voluntary pension fund management companies, payment institutions and electronic money institutions, lessors) are obliged by law to have internal audit, as well as external audit. Also, all financial instituitions are obliged to apply International Financial Reporting Standards in their accounting and financial reporting, as well as to submit financial reports to NBS.

Data on financial institutions are available on NBS's website, as well as on Business Registers Agency (ownership, head office, legal form, legal representatives, tax identification number, core activity, registered capital, articles of association etc.), according to law. Additionally, a bank has to disclose data on its risk management strategy and policies, bank capital, capital adequacy, and other data and/or information, in line with the NBS's regulations. Then, NBS publishes an abbreviated financial reports of the insurance company (on which the opinion was given by an authorized audit), as well as statistical and other data by groups and types of insurance, in line with the NBS's regulations. Voluntary pension fund management companies are obliged to publish the value of investment units (weekly), the return of the voluntary pension fund (quarterly), summary prospectus, amendments to business rules (before their application) etc.

Law on the NBS incorporates strict regulations about conflict of interest, for officials of NBS. Hence it is prescribedv that an official of the NBS may not:

1) be a deputy to the National Assembly, member of the Government or body or authority established by the National Assembly or the Government, perform tasks of the body or of a member of a body of an autonomous province, local government unit or trade union, nor may he perform a function in a political party, perform any other public function or hold public office;

2) be a member of a managing, executive or supervisory board or of any other body of a financial institution, audit firm or other entity that the NBS supervises or cooperates with in carrying out its tasks, nor may he be employed by or be an associate of any such entity;

3) hold shares, equity interest or debt securities of a financial institution, audit firm or other legal entity that the NBS supervises or cooperates with in carrying out its tasks;

4) hold shares, equity interest or debt securities of legal entities that hold participation in a financial institution, audit firm or other legal entity that the NBS supervises or cooperates with in carrying out its tasks.

Above mentioned law impose restrictions on the professional activities of former public officials or on the employment of public officials by the private sector after their resignation or retirement. After termination of office, an official of the NBS may not for prescribed cooling period get employed with, or be in any other way engaged by a financial institution or other legal entity that the National Bank of Serbia supervises or cooperates with in the performance of its tasks. Also, governor of the NBS issued Code of professional conduct for members of staff of the NBS (ie ethical code of this central bank) which lays down the principles of business conduct for all members of NBS staff which include anticoruption and conflict of interest rules (e.g rules on activities outside working hours, prohibition of disclosure, prohibiton of accepting gifts, use of assets, et cetera).

To prevent conflicts of interest, it is prescribed by law that all members of the commercial bank's managing and executive board have to submit to the bank's managing board, within one month of assuming their positions, a written statement containing data on:

) proprietary rights of such persons and members of their families, whose market value exceeds EUR 10,000 in the dinar equivalent at the official middle exchange rate on the day of such property valuation;

2) the legal person in which the persons giving the statement or members of their families participate in management bodies or hold participation in that legal person, and/or have the status of a partner or general partner.

If the data specified hereof change, members of the managing and executive board notify the bank's managing board of that change within one month of learning about it. The bank's managing board shall submit this data to the bank's assembly at least once a year. The NBS may prescribe for the specified statement to contain additional data. Members of the bank's managing and executive board shall promptly inform the bank's managing board of the specified abovementioned legal person with which the bank has established or plans to establish a business relationship.

An insurance company may not conclude legal transactions with a related legal entity that directly or indirectly provide funds to those entities, such as a loan, guarantee, pledge, special-purpose deposit, etc. The insurance brokerage company is obliged to acquaint the insured with all legal and economic relations with the insurance company that affect the impartiality of the insurance brokerage company in fulfilling its obligations to the insured. Also, an insurance agency (ie an insurance agent) may perform representation activities for only one insurance company.

These include the Register of Business Entities, the Register of Associations, the Foreign Associations Register, the Register of Health Facilities which are unique, central, electronic databases and contain data on registered entities as prescribed by law, as well as the documents required for registration.

The provision of Article 3 paragraph 1, item 1 of the Law on the Procedure of Registration with the Serbian Business Registers Agency prescribes the principle of transparency and accessibility, according to which the registered data and documents shall be placed in the public domain and available to all parties, either on the Agency's website and through direct access into the Register, unless transparency and access are restricted or excluded by law.

Bearing in mind the aforementioned provision of the said Law, anyone can obtain information from any of the SBRA Registers by searching the data on legal owners (legal entities or natural persons), which is accessible via the SBRA's website, without having to prove his/her legal interest in this respect. In addition to this and in accordance with decisions determining the type, volume and mode of delivery, the state bodies and organizations, autonomous provinces and local self-government units, as well as international organizations the Republic of Serbia is cooperating with on the basis of membership, reciprocity or agreement, have the possibility to obtain either raw or aggregate data in the form of standardized reports, which are classified separately for each individual SBRA register and/or record in compliance with the criteria defined by such decisions. Moreover, the entire database of the SBRA registers is exposed to certain public authorities, in real time, via a free of charge web service. On the other hand, commercial banks for instance, also have access to the SBRA databases, but only following the payment of the fees prescribed in this respect.

Transparency and accessibility of beneficial ownership information on legal entities and legal arrangements is also ensured through the SBRA's Central Records of Beneficial Owners.

The Law on the Central Records of Beneficial Owners ("Official Gazette of the RS", No. 95/2018 and 91/2019) has established the aforementioned Central Records as a public, integrated, central, electronic database of information on natural persons, who are the beneficial owners of legal entities and other entities registered in the Republic of Serbia. All registered companies (except public joint stock companies), as well as the financial institutions supervised by the National Bank of Serbia (NBS), are obliged to record – in the SBRA's Central Records – the information on their beneficial owners.

Therefore, the SBRA's Central Records, just like its status registers that contain data on legal owners, is publicly available to all state bodies or third parties without any requirements in this respect. Through the SBRA website, everyone can search data on the legal entities and other entities registered in the Republic of Serbia in accordance with the law (the so-called "Registered Entities") without proving his/her legal interest. Also, the entire database of the SBRA's Central Records is exposed to certain public authorities, in real time, via a web service, free of charge. However, other institutions, such as commercial banks, will have a fee-based access to the SBRA databases.

As per the Law on Anti-Corruption (Article 55), two years after the termination of public office, a person whose public office has ceased may not establish an employment relationship and/or business cooperation with a legal person, entrepreneur or international organization performing activities related to the public office that had been discharged by the public official, except with the obtained consent of the Agency. Prior to establishing an employment relationship and/or business cooperation, a person whose public office has ceased shall request the consent of the Agency, which is obliged to decide on the request within 30 days. In the event that the Agency fails to decide within the time limit, it will be deemed that it has given its consent for the establishment of employment and/or business cooperation. The respective prohibition does not apply to public officials elected directly by citizens.

NOTA BENE: Please also see the Law on Amendments and Supplements to the Law on Anti-Corruption which entered into force on October 5, 2021.

Namely, **Article 55,** which regulates **Restrictions upon Termination of Public Office** is amended in such a manner that it introduces more precise rules for restrictions for establishing an employment relationship and/or business cooperation upon termination of public office.

Article 55, paragraph 1 is changed to read as follows:

"Without the obtained consent of the Agency, a person whose public office has ceased may not establish an employment relationship and/or business cooperation with a legal person, entrepreneur or international organisation ***that has a business relationship with the public authority*** *in which the public official has been discharging a public office, for two years after the termination of public office."*

Additional novelty relates to the competence granted to the APC, whereby the APC shall particularly take into account the powers the applicant had at the time when s/he was discharging the public office.

Notably, after paragraph 3, a new paragraph 4 is added, reading:

"In the procedure of granting the consent referred to in paragraph 1 of this Article, the Agency shall particularly take into account the powers the applicant had at the time when s/he was discharging the public office."

The Law on Audit ("Official Gazette of the RS", No. 73/19) prescribes the list of legal entities that have the obligation to conduct audits, as well as to conduct internal audits in accordance with the International Standards for the Professional Practice of Internal Auditing.

Statutory audit is mandatory for regular annual financial statements of large and medium-sized legal entities classified in accordance with the law governing accounting, of public companies in accordance with the law governing the capital market, regardless of their size, as well as of all legal entities or entrepreneurs whose total income realized in the previous business year exceeds 4,400,000 EUR in RSD equivalent.

Statutory audit of consolidated financial statements is mandatory for parent legal entities that prepare consolidated financial statements in accordance with the law governing accounting.

Article 114 of Law on Audit prescribes that a fine of 300,000 to 3,000,000 RSD shall be imposed for an economic offense on a legal entity:

- subject to audit, if it does not select the audit company in the manner and within the period prescribed by this law;
- subject to audit, if it does not make available to the audit company all necessary documentation, documents and reports, if it does not provide access to all programs and electronic records, including printed material and copies on electronic media, as well as if it does not provide information on programs and all information required to perform the audit.
- if it acts contrary to the provisions on obtaining and using a license to perform audit activities;
- which, as a public interest company, has not established an audit commission in accordance with the provisions of this law.

The responsible person in the legal entity will also be fined for the described actions from 20,000 to 200,000 RSD for the economic offence.

Article 116 of this Law provides that a fine of 100,000 to 2,000,000 RSD shall be imposed on a legal entity for a misdemeanor if the owners or shareholders of the audit company, as well as the director or members of the management and supervisory body of that company or related party violate the prohibition of influence to perform the audit and express the audit opinion and thereby jeopardize the independence and objectivity of the licensed certified auditor performing the audit.

A fine of 50,000 to 150,000 RSD will be imposed on a natural person for a misdemeanor, as well as on a responsible person in a legal entity, if they violate the mentioned prohibition of influence.

In addition, the Law on Accounting ("Official Gazette of the RS", No. 73/2019 and 44/2021 – other law) obliges legal entities and entrepreneurs to keep business books, recognize and value assets and liabilities, income and expenses, compile, present, submit and disclose information in financial statements in accordance with this law.

Pursuant to Article 57 of this Law, a legal entity shall be fined from 100,000 to 3,000,000 RSD for an economic offense if:

 does not compile accounting documents in accordance with this law,

 fails to submit accounting documents and documentation for entry within the prescribed period and if the business change is not recorded in the business books within the prescribed period,

 does not keep business books in accordance with this law,

 does not list assets and liabilities in accordance with this law,

 does not compile and present financial statements in accordance with this law,

 does not compile financial statements in accordance with this law,

 does not audit the financial statements,

 does not compile an annual business report, corporate governance report, consolidated annual business report, non-financial report, consolidated non-financial report, report on payments to government authorities and consolidated report on payments to government authorities,

 does not compile business books, reports, decisions and other financial and non-financial information in Serbian language and in dinars,

 fails to submit to the competent Agency financial reports, documentation with financial reports and Statistical Report for public disclosure, in the manner and within the deadlines prescribed by this Law

The responsible person in the legal entity will also be fined from 20,000 to 150,000 RSD for the economic offence for the above described actions,

The Law on Accounting provides that an entrepreneur violating the provisions of this law on compiling the annual financial report will be fined from 100,000 to 500,000 RSD for a misdemeanor.

The Law on Economic Offenses (Official Journal of the SFRY", No. 4/77, 36/77 - corr., 14/85, 10/86 (clean text), 74/87, 57/89 i 3/90 and "Official Journal of the FRY", No. 27/92, 16/93, 31/93, 41/93, 50/93, 24/94, 28/96 i 64/2001 and "Official Gazette of the RS", No. 101/05 – other law) stipulates that for economic offences, court may impose on a legal entity a fine, suspended sentence or security measures - publication of a judgement, confiscation of objects, banning a legal entity from conducting a specific economic activity, and banning the responsible person from executing specific duties.

Proceedings for economic offences before the court are initiated by the public prosecutor

Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.

- The Law on Anti-Corruption: http://www.acas.rs/wp-content/uploads/2020/09/Zakon_o_spre%C4%8Davanju_korupcije_ENG.pdf

- Annual reports of the Agency: http://www.acas.rs/izvestaji/godisnji-izvestaj/

- Relevant information and statistics for 2019: http://www.acas.rs/wp-content/uploads/2020/10/AR19.pdf
- Relevant information and statistics for 2020: https://www.acas.rs/wp-content/uploads/2021/04/Annual_Report_2020_APC_F_Ivan.pdf

The statistics of the Prosecutor's Office for Organized Crime and the Special departments for the suppression of corruption against private sector entities or their responsible persons for corruption criminal acts in 2019, listed separately for relevant criminal acts, are presented in the following table. Please note that all data are presented by number of persons, as well as that data on filed indictments include all persons against whom this prosecutorial decision was made in the reporting period, regardless of the period in which criminal charges were filed.

Corruption criminal acts	**2019**		
	Total number of criminal reports	Orders to conduct investigation	Indictments
Abuse of Position of a Responsible Person	1086	157	141
Abuse Concerning Public Procurement	102	/	25
Abuse in Privatisation Procedure	/	/	/
Conclusion of a Restrictive Agreement	/	/	/

Accepting Bribes in Conducting of Business Activity	5	/	3
Giving Bribe in Conducting of Business Activity	8	/	6
Abuse of Authority in Economy	59	2	11
Embezzlement	719	9	68
TOTAL	1462	157	250

- **Statistics and cases regarding the application of civil, administrative and/or criminal penalties against private sector entities or their managers or officers for corruption and violations of accounting and auditing standards.**

The statistics on the convictions of the Prosecutor's Office for Organized Crime and the Special Departments for the Suppression of Corruption against private sector entities or their responsible persons for corruption offenses for 2019, listed separately for the relevant corruption criminal acts, are presented in the following table. Please note that all data are presented by persons against whom first instance verdicts have been rendered.

Criminal offence	**Convictions**
Abuse of Position of a Responsible Person	60
Abuse Concerning Public Procurement	9
Abuse in Privatization Procedure	/
Conclusion of a Restrictive Agreement	/
Accepting Bribes in Conducting of Business Activity	3

Giving Bribe in Conducting of Business Activity	6
Abuse of Authority in Economy	2
Embezzlement	56

In relation to paragraph 2, information sought may include:

- **Cases and/or statistics on criminal fraud relating to the private sector.**

The statistical data of the Prosecutor's Office for Organized Crime and the Special Departments for the Suppression of Corruption on crimes against the economy for 2019, presented by persons, are presented in the following table. Please note that the data refer to all criminal acts against economic interests under the jurisdiction of the Special Departments for the Suppression of Corruption and the Prosecutor's Office for Organized Crime, namely: Fraud in conducting economic activity, Fraud in insurance, Fraud in performing business activity, Abuse of trust in performing business activity, Tax evasion, Avoidance of withholding tax, Abuse of the position of responsible person, Abuse in connection with public procurement, Abuse in the privatization procedure, Conclusion of a restrictive agreement, Accepting bribes in performing business activities, Giving bribes in performing business activities, Causing bankruptcy, Causing false bankruptcy, Damaging creditors, Illegal production, Illegal trade, Smuggling, Counterfeiting money, Forgery and abuse of payment cards, Money laundering, Preventing control, Unauthorized use of another person's business name and other special designation of goods or services, Damaging of business reputation and credit rating, Disclosure of business secrets, Forging Value Tokens, Counterfeiting securities, Forging Symbols, i.e. State Hallmarks for Marking of Goods, Measuring Instruments and Objects Made of Precious Metals Making Procuring and Providing Means for Counterfeiting for Other Persons.

	Total number of criminal reports	Orders to conduct investigation	Indictments	Convictions
Criminal acts against economic interests	2430	331	464	352

(b) Observations on the implementation of the article

[*Observations of the governmental experts with regard to the implementation of the article. Depending on the scope of the review cycle, findings with respect to the way in which national law has been brought into line with the article, as well as to the implementation of the article in practice.]*

[*Observations on the status of implementation of the article, including successes, good practices and challenges in implementation*.]

(c) Successes and good practices

[*Identification of successes and good practices in implementing the article, where applicable.*]

Paragraph 3 of article 12

3. In order to prevent corruption, each State Party shall take such measures as may be necessary, in accordance with its domestic laws and regulations regarding the maintenance of books and records, financial statement disclosures and accounting and auditing standards, to prohibit the following acts carried out for the purpose of committing any of the offences established in accordance with this Convention:

(a) The establishment of off-the-books accounts;

(b) The making of off-the-books or inadequately identified transactions;

(c) The recording of non-existent expenditure;

(d) The entry of liabilities with incorrect identification of their objects;

(e) The use of false documents;

(f) The intentional destruction of bookkeeping documents earlier than foreseen by the law.

(a) Summary of information relevant to reviewing the implementation of the article

Is your country in compliance with this provision?

Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Pursuant to the Law on Confiscation of Property derived from Criminal Activity, the Unit performs inspections, among others, in legal entities and financial institutions. Given the fact that during the ten-year practice of conducting financial investigations has been noticed increasing concealment of property, especially in cases of organized crime and high corruption, the exempted documentation must be exempted in compliance with formal legal requirements, and has to be checked through analysis and verification with other documents and information (information and evidence obtained from other institutions, criminal police operational information, etc.). In its history, the Unit has witnessed several attempts of criminals to produce falsified documentation, after which measures

were taken in accordance with the Law. Likewise, while working in the case of obtaining information and data on non-compliance with the procedures of production, utilization and use of documentation and in that sense, cooperation was achieved with other state bodies, primarily with the Ministry of Finance and the National Bank to implement measures and actions within their competence.

Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.

(b) Observations on the implementation of the article

[*Observations of the governmental experts with regard to the implementation of the article. Depending on the scope of the review cycle, findings with respect to the way in which national law has been brought into line with the article, as well as to the implementation of the article in practice.]*

[*Observations on the status of implementation of the article, including successes, good practices and challenges in implementation*.]

(c) Successes and good practices

[*Identification of successes and good practices in implementing the article, where applicable.*]

Paragraph 4 of article 12

4. Each State Party shall disallow the tax deductibility of expenses that constitute bribes, the latter being one of the constituent elements of the offences established in accordance with articles 15 and 16 of this Convention and, where appropriate, other expenses incurred in furtherance of corrupt conduct.

(a) Summary of information relevant to reviewing the implementation of the article

Is your country in compliance with this provision?

The Republic of Serbia **is in compliance** with this provision

Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

The Corporate Profit Tax Law ("Official Gazette of the RS", no. 25/01 ... 118 /21 – the Law) which, among other things, regulates the method of determining the basis for taxation of the profits for legal entities, does not explicitly stipulate that the expenditure on the basis bribes are not recognized in the tax balance. However, bearing in mind that the Law prescribes that the tax balance does not recognize expenditures that were not incurred for the purpose of performing business activities, and, from the aspect of positive regulations, the subject expenditure would be considered impermissible (i.e. illegal), these expenditures, as such, in terms of the Law, could not be recognized in the tax balance, which means that they would increase the tax base.

Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.

(b) Observations on the implementation of the article

[*Observations of the governmental experts with regard to the implementation of the article. Depending on the scope of the review cycle, findings with respect to the way in which national law has been brought into line with the article, as well as to the implementation of the article in practice.]*

[*Observations on the status of implementation of the article, including successes, good practices and challenges in implementation*.]

(c) Successes and good practices

[*Identification of successes and good practices in implementing the article, where applicable.*]

(d) Challenges, where applicable

Please outline actions required to ensure or improve the implementation of the article under review and describe any specific challenges you might be facing in this respect.

(e) Technical assistance needs

No assistance would be required

Legislative assistance: please describe the type of assistance

Institution-building: please describe the type of assistance

Policymaking: please describe the type of assistance

Capacity-building: please describe the type of assistance

Research/data-gathering and analysis: please describe the type of assistance

Facilitation of international cooperation with other countries: please describe the type of assistance

Others: please specify

Is any technical assistance already being provided to you? If so, please provide a general description of the nature of the assistance, including donor information.

Article 13. Participation of society

Paragraph 1 of article 13

1. Each State Party shall take appropriate measures, within its means and in accordance with fundamental principles of its domestic law, to promote the active participation of individuals and groups outside the public sector, such as civil society, non-governmental organizations and community-based organizations, in the prevention of and the fight against corruption and to raise public awareness regarding the existence, causes and gravity of and the threat posed by corruption. This participation should be strengthened by such measures as:

(a) Enhancing the transparency of and promoting the contribution of the public to decision-making processes;

(b) Ensuring that the public has effective access to information

(c) Undertaking public information activities that contribute to non-tolerance of corruption, as well as public education programmes, including school and university curricula;

(d) Respecting, promoting and protecting the freedom to seek, receive, publish and disseminate information concerning corruption. That freedom may be subject to certain restrictions, but these shall only be such as are provided for by law and are necessary:

(i) For respect of the rights or reputations of others;

(ii) For the protection of national security or ordre public or of public health or morals.

(a) Summary of information relevant to reviewing the implementation of the article

Is your country in compliance with this provision?

The Republic of Serbia **is in compliance** with this provision

Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

In addition to establishment of a legal framework governing public participation in decision-making processes, i.e. in drafting regulations and documents of public policies, the Republic of Serbia endeavors to act strategically and to plan steps and measures in an appropriate way aimed at further enhancement of existing situation in this field, and thus in direction of ensuring full compliance with above provisions of the Convention. These steps are planned and realized through adoption and

implementation of public policy documents (strategies, programs and action plans), which, among their goals, measures and activities contain those directed to development of civic participation.[23]

One of instruments for promotion and boosting of application of values of open administration, including culture of decision-making transparency and cooperation with civil society, is **participation of the Republic of Serbia in the initiative Open Government Partnership**. In accordance with key obligation stemming from the participation in this initiative, in which the Republic of Serbia has been participating since 2012,[24] for the time being three two-year action plans were adopted and implemented, while the fourth one was adopted in December of this year.[25] These action plans were created in close cooperation of public administration bodies and civil society, and by fulfillment of particular obligations contained in existing action plans significant results were achieved as regards enhancement of key segments of open administration and values of the Partnership, to which the following belongs: public participation in decision-making, access to information possessed by public administration bodies, public responsibilities and usage of technologies and innovations in the work of public administration, including process of "data opening". Besides, in addition to specific results achieved through conduct of the action plans, through participation in the Partnership for open administration **exceptionally important topics were launched and promoted** such as "open data" and its re-usage, **transparency of work of public administration**, participation of citizens in creation of public policies, **cooperation of public administration bodies with organizations of civil society** and **enhancement of provision of public services**, by which a direct contribution was given to application of provisions of the Convention.

In the part concerning free access to information of public importance, please see answers given within article 10. sub-paragraph a) and sub-paragraph b).

In the course of November 2019 Decision on adoption of Report on implementation of integrity plan in the Ministry of Public Administration and Local Self-Government was rendered – second cycle of Integrity Plan 2016-2019, in which activities and measures in the field of regulation of ethics and personal integrity were stipulated, which were undertaken for the purpose of improvement of corruption risk management.

Pursuant to article 30a paragraph 2. clause 5) and 30b of the Civil Servants Law ("Official Gazette of the RS", 79/05, 81/05-correction, 83/05-correction, 64/07, 67/07-correction, 116/08, 104/09, 99/14, 94/17,95/18 and 157/20) Report on conflict-of-interest management in Ministry of Public Administration and Local Self-Government for 2019 was made, which is available on the ministry's

[23] More information on particular documents of public policies concerning participation of the public in decision-making is contained in the answer to the following question.

[24] Letter of Intention of the Republic of Serbia to join the initiative Open Government Partnership is available in English language at https://www.opengovpartnership.org/documents/serbia-letter-of-intent-to-join-ogp/ .

[25] Action plan for implementation of the initiative Partnership for open administration in the Republic of Serbia for 2014 and 2015 ("Official Gazette of the RoS", 14/14), is available in Serbian and English languages at https://www.opengovpartnership.org/documents/serbia-first-action-plan-2014-15/; Action plan for implementation of the initiative Open Government Partnership for 2016 and 2017 ("Official Gazette of the RoS", 93/16), is available in Serbian and English languages at https://www.opengovpartnership.org/documents/serbia-second-national-action-plan-2016-2018-english/ ; Action plan for implementation of the initiative Open Government Partnership for period 2018 - 2020 ("Official Gazette of the RoS", 105/18), is available in Serbian and English languages at https://www.opengovpartnership.org/documents/serbia-action-plan-2018-2020/ ; Action plan for implementation of the initiative Open Government Partnership in the Republic of Serbia 2020 - 2022, is available in Serbian language at http://mduls.gov.rs/uprava-po-meri-svih-nas/strateska-dokumenta/ .

website, accessible via: **http://mduls.gov.rs/wp-content/uploads/Izvestaj-o-upravljanju-sukobom-interesa.pdf?script=lat;**

Minister of Public Administration and Local Self-Government, by its ruling, appointed a person in charge of conflict-of-interest management, who started in 2020 to prepare internal procedures governing in more detail procedure for conflict-of-interest management in the ministry. Drafting of a by-law on conflict-of-interest management is in progress, as well as work on preparation of advices and guidelines related to prevention of conflict-of interest.

On the basis of considered rules applicable in the ministry in this field it was noticed that rules on conflict of interest are efficiently applied in the majority of business processes performed by the ministry, but it is still necessary to improve knowledge of employees through attendance of trainings and by giving guidelines and expert instructions by the person in charge of conflict-of-interest management and direct superiors.

c) The Agency has been introducing and implementing education programs concerning corruption and co-operates with research and civil society organizations in implementing corruption prevention activities.

As per the Article 33 of the Law on Anti-Corruption, in performing tasks within its purview the Agency shall cooperate with public authorities and other legal persons. The Agency shall cooperate with scientific institutions and associations. The cooperation shall consist of joint actions in the implementation of strategic documents in the field of fight against corruption, implementation of training programmes, research into the state of corruption and other activities important for the prevention of corruption.

Cooperation with media

Cooperation with the media provides the public with the opportunity to better understand the Agency's competencies. Preparation and distribution of timely, clear and accurate information on the work of the Agency is the basis of a correct and partnership relationship with the media. The organization of round tables and conferences, guest appearances in the media, daily activity on social networks with current information in the field of anti-corruption strengthens public confidence in the work of the Agency.

The subject of journalistic interest are most often issues related to cases of conflict of interest, prevention of corruption, dialogue on election conditions, recommendations for dismissal, assets of officials, integrity plans, local anti-corruption plans, financing of political entities.

The main external communication channel of the Agency is the website www.acas.rs. The Agency is also present on social networks Facebook, Twitter and LinkedIn.

Within the Twinning Project “Prevention and Fight against Corruption” (http://www.acas.rs/twinning/en/) the Twinning (together with OSCE Mission to Serbia)

experts drafted The Manual on Media Cooperation (http://www.acas.rs/twinning/wp-content/uploads/2018/11/Manual_ENG.pdf) which offers guidance on the provision of information to news media, defined as information in any form provided to news and information media, and especially of information that has the potential to generate media attention, public interest, or inquiry. The examples include, but are not limited to, interviews, press releases, media advisories, editorial boards, letters to the editor, opinion-editorial columns, audio or video news releases, B-roll (video footage provided free of charge to news broadcasting organizations), as well as blogs and other Internet or social media postings used to convey news or items of public interest.

Within the Twinning IPA 2013 Project "Prevention and Fight against Corruption", the Agency organized workshops for civil society organizations and media representatives with the aim of ensuring more accurate reporting on Agency's activities, as well as better understanding of the role of the Agency.

In 2013, with the EU support (Support to the establishment of the Agency -IPA 2008) for the first time the integrated public raising awareness campaign (TV spots, radio spots, micro web site, social media, newspaper, forums, conferences/PR events, posters, brochures, internet banners, manuals, info phone lines, daily newspaper inserts, etc.) was implemented aimed at improving public understanding of corruption problem and prevention mechanisms.

A public campaign "For public functions without corruption" to highlight the importance of fighting for public interest protection *has* been launched at the beginning of November 2021.

The Agency in 2020 and 2021, held the informative session for media and civil society organizations aimed at informing them on the novelties deriving from the new Law on Corruption Prevention as well as discussing the possibilities for improvement of the mutual cooperation.

Cooperation with civil society

The Agency has an extensive cooperation with civil society organizations and has been recognized as a best practice example in this area, thus presenting its results at CoE and UNODC sessions as well as numerous international conferences.

As to conduct its cooperation with civil society organizations in a systematic manner, the Agency developed Guidelines for Cooperation with Civil Society Organizations (http://www.acas.rs/wp-content/uploads/2012/06/Smernice_-_OCD1.pdf), regulating principles, preconditions and types of the respective cooperation.

The modalities of cooperation include:

1) general support of the Agency to the programmes or projects of civil society organizations;

2) cooperation of the Agency with the civil society organizations in the programmes or projects;

3) partnership of the Agency with the civil society organizations in the programmes or projects.

Support for civil society organizations realized through project funding is important for preserving continued participation of the civil sector in the fight against corruption.

To date the Agency has organized 11 public competitions for allocating grants to the civil society initiatives in the area of corruption prevention. Information on the respective competitions is available here: http://www.acas.rs/podrska-projektima-ocd/.

The respective support to the civil society sector, i.e. grants have also been envisaged by the Revised Action Plan for Chapter 23.

The Agency also provided support for two innovations in the process of monitoring the implementation of the NACS and its AP for the period 2013-2018 within the Project "Support to the strengthening of mechanisms for prevention of corruption and institutional development of the Agency" implemented from 2014 to 2016, with the support of the Ministry of Foreign Affairs of the Kingdom of Norway.

The first innovation pertains to the testing of a program for alternative reporting on the implementation of the NACS by civil society organizations, selected at public competitions organized by the Agency in 2014 and 2015. The Agency paid significant attention to design precise selection criteria in order to ensure the quality of the monitoring process and reports, but also to ensure participation of a wide range of civil society organizations. Selection criteria were primarily focused on the reporting capacity of the respective organization, i. e. whether the organization had relevant experience in report writing in terms of situation analysis in specific areas, i. e. analysis of public policies implementation in the specific area. The most important criteria was the quality of the methodology that the civil society organizations proposed for the alternative reporting. Based on the indicated criteria, the Agency has selected three civil society organizations to draft the alternative reports on the implementation of NACS and AP for 2014 and three civil society organizations to draft the alternative reports on the implementation of NACS and AP for 2015. The conclusions and recommendations from civil society organizations' alternative reports were embedded in the Agency's annual reports on the implementation of the NACS and its AP for 2014 and 2015, thus significantly contributing to its quality and providing critical and expert review of the majority of measures whose fulfillment was evaluated in the reports.

In addition, the Agency organized alternative reporting cycle in 2017 for allocation of grants to civil society organizations as to draft alternative reports on the implementation of the AP for Chapter 23. General objective was to provide alternative information on implementation of the AP for Chapter 23, i. e. its sub-chapter Fight against Corruption, five activities from sub-chapter Judiciary and three from the one related to Fundamental Rights. Specific objectives were related, inter alia, to reinforcement of participation of civil society organizations in the process of monitoring of the implementation of the AP for Chapter 23, visibility of findings and conclusions of civil society organizations in terms of implementation of this document as well as to contribution to building capacities of civil society organizations in the area of combating corruption.

The other innovation relates to the introduction of application software for electronic reporting on the implementation of the NACS and its AP, in order to facilitate reporting and monitoring, prevent delays in submitting reports of implementing entities, at least partially overcome the challenges related to the uneven quality of their reports and, finally allow easier systematization and statistical and analytical data processing. This software has currently been updated as to be used for the purpose of monitoring the implementation of

the activities deriving from the AP for Chapter 23 (subchapter-Fight against Corruption).

The Agency considered the alternative reports prepared by civil society organizations as a very important means of verification of the information provided for in the reports by state bodies, touching upon the issues, being significant for implementation of strategic documents in fight against corruption area as well as contributing to the quality of findings and recommendations within the annual report of the Agency. On the other hand, the implementation of the alternative reporting mechanism certainly contributed to capacity development of civil society organizations in this area, thus improving the control of public sector work performed by the civil society sector.

In addition, the Agency has continuous cooperation with civil society organizations through consultative meetings, conferences, and focus groups. Each meeting promotes active participation of civil society organizations in fighting against corruption and cooperation with the Agency and elaborates specific topics such as: the role of civil society organizations in the public sector control, the use of information and communication technologies in anti-corruption projects, presentation of the results of alternative reports on the implementation of the strategic documents, participation of civil society organizations' in the creation of public policies, etc. Consultative meetings are aimed at informing civil society about the Agency's plans for future activities, as well as exchanging information, opinions, and experiences on possibilities of including the public into creating public policies. The last consultative meeting with civil society organizations and media was organized in September 2021.

Within the Twinning IPA 2013 Project "Prevention and Fight against Corruption", the Agency organized workshops for civil society organizations and media representatives with the aim of ensuring more accurate reporting on Agency's activities, as well as better understanding of the role of the Agency. The Twinning experts also drafted the analysis of cooperation between the Agency and civil society organizations so as to identify potential obstacles as well as provide recommendations for its improvement and the insight into best practices of EU Members States on this matter. Civil society organizations also actively participated in this analysis after which a joint workshop was organized as to discuss the findings of the Twinning experts.

Youth involvement

The Agency pays due attention to the youth involvement through various modalities, such as lectures, projects, competitions, joint activities, etc. Some of the examples have been provided below.

In the period 2010-2015 the Agency organized competitions for primary, high school and university students in Serbia, inviting them to present their literary or journalist text, artwork, audio-visual work, and slogans on the given topic. The best works were given awards. These activities were focused on raising awareness of citizens, primarily pupils and their teachers, on the necessity for active involvement in fighting corruption. Schools, which had motivated and encouraged their pupils to participate in the competition several years in a row were awarded special prizes.

Within the project "Support to the ACA in Fight against Corruption" (implemented through technical assistance of the Norwegian Ministry of Foreign Affairs) the network of 42 interns was established in 2011 and 2012, consisting of young professionals, students of final study year or graduated

students, selected from several faculties of social sciences. Six cycles of 4-month internship program (each encompassing 7 interns) were organized, with the aim of contributing to general and professional awareness raising on fight against corruption through the education. They attended various lectures organized by the Agency on a regular basis, pertaining to issues such as corruption prevention, political party funding, complaints and whistle-blower protection, control and prevention of conflict of interest, asset declaration control, registers, international anti-corruption legal framework, public relations, state administration, etc. They also participated in everyday Agency's activities and gained their first professional experience. This project component was focused on bringing closer the significance of fight against corruption to young people and encouraging them to take into account their possible future professional engagement in the respective area. Internship candidates not having passed the selection process were also offered a three-day seminar program on corruption prevention mechanisms and an additional seminar was organized for other students who had expressed an interest in undertaking this kind of education in the meantime. Several former interns have been working full time in the Agency ever since.

As a follow up activity of this project, group of interns and internship candidates from 2011 and 2012 was offered a three-day training program, in the form of training for instructors, based on which a group of peer educators on fight against corruption would be formed. After the training, a team was formed consisting of 22 educators, whose primary activity was promoting a competition launched by the Agency on the occasion of the International Anti-Corruption Day. The educators promoted the competition in primary schools and high schools in Belgrade. Some team members, who were also members of non-government youth organizations, took on the project idea, and applied for donations in partnership with the Agency.

With the technical assistance of the USAID Justice Reform and Government Accountability Project, in 2013 the Agency developed partnership with the civil society and some universities of social sciences and humanities aiming to increase the knowledge and awareness over anti-cooperation issues among students. Project paid special attention to prevention of corruption through organization of specialized training courses to students and recent graduates in the field of anti-corruption, and by establishing network of interns. Topics of the training modules pertained to corruption as a cultural, economic, and political phenomenon, captured state theory, Serbia's anti-corruption legal framework, money laundering, public procurement, audit of public finances, free access to information, etc. The program, called “Anti-corruption skills” lasted for two months and after the series of lectures and workshops students took an exam, assessing their knowledge. Based on the results of the exam, seven students were selected to join sponsored internship at the Agency. The internship program has lasted for three months.

Another example of youth involvement was the Project “Youth Sleuth: Engaging Serbia’s Youth to Fight Corruption through Investigative Journalism and Social Media” (implemented through technical assistance of the UNDP) in 2012-2013, aimed at reducing corruption by raising public awareness and fueling intolerance. In partnership with civil society organizations and the Agency, young journalists conducted independent, non-offensive and professional research based on which they wrote and disseminated stories, case studies and investigative articles on corruption through web sites, blogs, Facebook, Twitter, etc. A group of nine students and at the same time highly motivated young journalists was competitively selected to intern in three highly renowned civil society organizations which deal with corruption issues. These students were to research corruption in Serbia in parallel with acquiring investigative journalism skills. Their publication through social

media was to both uncover facts and mobilize outcry against corruption. The respective civil society organizations were capacitated to coach and counsel young journalists, to provide them with information and baseline for investigative stories and help them publishing stories through Internet and social networks. As a result of the research work of these students, 34 investigative stories and 12 research blogs have been published, produced by nine young journalists who have been trained about the fight against corruption and investigative journalism; relevant authorities have acted upon recommendations from investigative stories; comprehensive study about the university curricula on investigative journalisms has been developed. There was also a Facebook page within this project, notably "Mi-To ne damo" ("We don't give bribe"), having been administered by young journalists themselves.

Within the IPA 2013 Service Contract "Prevention and Fight against Corruption" (still ongoing) as of 2017 the Agency participated in so called anti-corruption classes focused on raising awareness about recognizing the corruption, learning how to address it as well as the importance of prevention and fight against corruption. Up to date four anti-corruption classes for high-school students titled "Break the Chain! Say NO to Corruption!" were organized throughout Serbia. More than **850** high-school students attended the pertinent classes.

In 2019 the Agency hosted one intern through the Project supported by the OSCE Mission to Serbia and U.S. Mission to the OSCE for a period of three months during which the respective intern was able to work closely with the relevant sectors of the Agency and get acquainted with all the competences of the Agency. The Agency also provided ethics and integrity training for all interns (including the ones who were hosted by other relevant institutions).

Based on the successful results, the Agency has been involved in the second and third cycles of the same internship programme. As a result of the success stemming from the first cycle, the internship period has been extended from three to six months. The third cycle has recently commenced (in November 2021). The same ethics and integrity training will also be provided by the Agency for all the interns attending this programme.

Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.

The Law on Anti-Corruption: http://www.acas.rs/wp-content/uploads/2020/09/Zakon_o_spre%C4%8Davanju_korupcije_ENG.pdf

Annual reports of the Agency: http://www.acas.rs/izvestaji/godisnji-izvestaj/

Relevant information and statistics for 2019: http://www.acas.rs/wp-content/uploads/2020/10/AR19.pdf

Relevant information and statistics for 2020: https://www.acas.rs/wp-content/uploads/2021/04/Annual_Report_2020_APC_F_Ivan.pdf

The Manual on Media Cooperation: http://www.acas.rs/twinning/wp-content/uploads/2018/11/Manual_ENG.pdf

Guidelines for Cooperation with Civil Society Organizations (http://www.acas.rs/wp-content/uploads/2012/06/Smernice_-_OCD1.pdf

Information on grants allocated to the civil society organizations: http://www.acas.rs/podrska-projektima-ocd/

Serbian contribution to the Fourth Session of the Open-Ended Intergovernmental Working Group on Prevention:
https://www.unodc.org/documents/treaties/UNCAC/WorkingGroups/workinggroup4/2013-August-26-28/Responses_NV/Serbia_EN.pdf

(b) Observations on the implementation of the article

[*Observations of the governmental experts with regard to the implementation of the article. Depending on the scope of the review cycle, findings with respect to the way in which national law has been brought into line with the article, as well as to the implementation of the article in practice.]*

[*Observations on the status of implementation of the article, including successes, good practices and challenges in implementation*.]

(c) Successes and good practices

[*Identification of successes and good practices in implementing the article, where applicable.*]

Paragraph 2 of article 13

2. Each State Party shall take appropriate measures to ensure that the relevant anti-corruption bodies referred to in this Convention are known to the public and shall provide access to such bodies, where appropriate, for the reporting, including anonymously, of any incidents that may be considered to constitute an offence established in accordance with this Convention.

(a) Summary of information relevant to reviewing the implementation of the article

Is your country in compliance with this provision?

Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full

compliance with this provision of the Convention.

As per the Law on Anti-Corruption (http://www.acas.rs/wp-content/uploads/2020/09/Zakon_o_spre%C4%8Davanju_korupcije_ENG.pdf), one of the main competences of the Agency is to act upon complaints submitted by natural and legal persons. Acting upon complaints is governed by Chapter IX, i.e. Articles 87-92 of the Law on Anti-Corruption. Notably, complaint is a written communication by a natural or legal person addressed to the Agency presenting the facts that raise suspicion of corruption.

Furthermore, a complaint is any written submission to the Agency in which a natural person or a legal entity indicates the facts rising suspicion on corruption, stemming from using official or social position or influence of a public official, acting of a public authority body or related to using the public resources.

Given that the Agency neither has inspection nor investigative powers, the aim of acting upon complaints is disclosing corruption related irregularities and indicating practice which enables occurrence of corruption.

Complaints are submitted to the Agency directly, by post and email. Complainants may also obtain information from the Agency on submission of complaints as well as status of the ones, which have already been submitted.

Assessment of the complaint has been conducted in line with the following criteria: urgency, typicality, significance, and complexity. Each of the criteria is valued by the points (1-3) and on the basis of total points the importance of a complaint has been assessed in relation to the competences of the Agency as follows: very low (4-5), low (6-7), middle (8-9), high (10-11) and very high (12).

The Agency has very much benefited from the Twinning Project “Prevention and Fight against Corruption” (IPA 2013) through trainings on management of complaints as well as comprehensive analysis of the procedures on acting upon complaints, which it extensively used for drafting the new Rulebook on Acting upon Complaints, recently adopted in order to adjust it to the new Law on Corruption Prevention.

Information on campaign conducted in 2013 has been provided in the response related to the Article 5, paragraph 2.

Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.

The Law on Anti-Corruption: http://www.acas.rs/wp-content/uploads/2020/09/Zakon_o_spre%C4%8Davanju_korupcije_ENG.pdf

Annual reports of the Agency: http://www.acas.rs/izvestaji/godisnji-izvestaj/

Relevant information and statistics for 2019: http://www.acas.rs/wp-content/uploads/2020/10/AR19.pdf

Relevant information and statistics for 2020: https://www.acas.rs/wp-content/uploads/2021/04/Annual_Report_2020_APC_F_Ivan.pdf

(b) Observations on the implementation of the article

[*Observations of the governmental experts with regard to the implementation of the article. Depending on the scope of the review cycle, findings with respect to the way in which national law has been brought into line with the article, as well as to the implementation of the article in practice.]*

[*Observations on the status of implementation of the article, including successes, good practices and challenges in implementation*.]

(c) Successes and good practices

[*Identification of successes and good practices in implementing the article, where applicable.*]

(d) Challenges, where applicable

Please outline actions required to ensure or improve the implementation of the article under review and describe any specific challenges you might be facing in this respect.

(e) Technical assistance needs

No assistance would be required

Legislative assistance: please describe the type of assistance

Institution-building: please describe the type of assistance

Policymaking: please describe the type of assistance

Capacity-building: please describe the type of assistance

Research/data-gathering and analysis: please describe the type of assistance

Facilitation of international cooperation with other countries: please describe the type of assistance

Others: please specify

Is any technical assistance already being provided to you? If so, please provide a general description of the nature of the assistance, including donor information.

Already mentioned Twinning Project as well as USAID Justice Reform and Government Accountability Project.

Article 14. Measures to prevent money-laundering

Subparagraph 1 (a) of article 14

1. Each State Party shall:

(a) Institute a comprehensive domestic regulatory and supervisory regime for banks and non-bank financial institutions, including natural or legal persons that provide formal or informal services for the transmission of money or value and, where appropriate, other bodies particularly susceptible to money-laundering, within its competence, in order to deter and detect all forms of money-laundering, which regime shall emphasize requirements for customer and, where appropriate, beneficial owner identification, record-keeping and the reporting of suspicious transactions;

(a) Summary of information relevant to reviewing the implementation of the article

Is your country in compliance with this provision?

The Republic of Serbia is in compliance with this provision

Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Requirements related to the possibility of cooperation and exchange of information at the national and international level are regulated by the provisions of the AML/CFT Law (Articles 70-85).

The competencies of the APML is laid down in Article 72 para 2 of the Law on the Prevention of Money Laundering and Terrorism Financing (Official Gazette of the Republic of Serbia No 113/17, 91/10 and 153/20 - hereinafter referred to as: AML/CFT Law), as follows: The APML shall perform financial-intelligence activities: it shall collect, process, analyse and disseminate to the competent authorities information, data and documentation obtained in line with this Law, and perform other activities related to the prevention and detection of money laundering and terrorism financing in accordance with law.

With the aim of detecting money laundering or terrorism financing (ML/TF) the APML has the following powers:

- it can request information from the obliged entities listed in the AML/CFT Law, competent authorities and public authority holders (Articles 73 and 74 of the AML/CFT Law);

- it can issue an order to the obliged entity for temporary suspension of transaction if it finds grounds for suspicion on ML or TF concerning a transaction or person conducting the transaction, of which it will inform the competent authorities so that they may take action under their remit of responsibility (Article 75 of the AML/CFT Law);

- it can issue an order to the obliged entity for monitoring financial operations of a customer (Article 76 of the AML/CFT Law);

- it can initiate a procedure to collect data, information and documentation as provided for in this Law, and take other actions and measures within its competence, at a written and justified initiative of a court, public prosecutor, police, Security Information Agency, Military Security Agency, Military Intelligence Agency, Tax Administration, Customs Administration, National Bank of Serbia, Securities Commission, competent inspectorates and state authorities competent for state audit and fight against corruption (Article 77 of the AML/CFT Law).

Therefore, the above-mentioned authorities can file an initiative for opening an APML procedure under the condition that ML/TF suspicion is reasoned in the initiative. If not, the APML must refuse starting a procedure.

Also, if there are reasons for suspicion on money laundering, terrorism financing or a predicate criminal offence in respect of certain transactions the above-mentioned authorities may request from the APML data and information necessary for proving the criminal offences.

If the APML finds, based on the obtained data, information and documentation, that there are reasons to suspect money laundering or terrorism financing in relation to a transaction or person, it will inform the competent state authorities thereof in writing, so that they may undertake measures within their competence.

The AML/CFT system in Serbia has taken the *all crimes* approach. Under this approach, any criminal offence generating proceeds is regarded as predicate offence to the criminal offence of money laundering. Therefore, the crimes of corruption are also regarded as predicate offences to the offence of money laundering. Indeed, the most recent National ML and TF Risk Assessment of 2018 identified the crimes of corruption as being either high-threat or medium-threat predicate crimes, which has resulted in an appropriate (re-)allocation of resources with the aim of mitigating the related risks.

Also, with the aim of detecting money laundering or terrorism financing (ML/TF) the APML has the following powers:

-it can request data, information and documentation necessary for the prevention and detection of money laundering or terrorism financing from the competent authorities of foreign countries (Article 80 of the AML/CFT Law);

-it can disseminate data, information and documentation related to transactions or persons for whom there are reasons to suspect money laundering or terrorism financing to the state authorities of foreign countries competent for the prevention and detection of money laundering and terrorism financing at their written and justified request, or at its own initiative (Article 81 of the AML/CFT Law);

-it can under the conditions set out in the AML/CFT Law and under the condition of reciprocity, issue a written order to temporarily suspend the execution of a transaction, also on the basis of a written and justified request of a state authority of a foreign country competent for the prevention and detection of money laundering and terrorism financing (Article 82 of the AML/CFT Law);

-it can request from the authority of a foreign country that is competent for the prevention and detection of money laundering and terrorism financing to suspend temporarily a transaction if there is grounded suspicion on money laundering or terrorism financing in relation to a transaction or person (Article 83 of the AML/CFT Law).

It should be noted here that the APML is a member of the Egmont Group of financial intelligence units and that it uses the Egmont Secure Website to exchange financial intelligence and technical AML/CFT knowledge with other FIUs, in a secure and efficient manner. As for exchange of information with foreign FIUs, it is done on a reciprocity basis. Serbian AML/CFT Law does not set a MOU as a pre-requisite for information exchange. However, there are 45 MOUs in place currently, with FIUs from North Macedonia, Romania, Belgium, Slovenia, Montenegro, Albania, Georgia, Ukraine, Bulgaria, Croatia, Bosnia-Herzegovina, Poland, USA, UAE, Russian Federation, San Marino, Greece, Lithuania, Canada, Mexico, Aruba, the Netherlands, Bermuda, Moldova, Israel, Cyprus, UK, Armenia, France, Hungary, Estonia, Colombia, Australia, Belarus, Finland, South Africa, Argentina, Andorra, Denmark, Panama, Portugal, Monaco, Liechtenstein, Kazakhstan, the Holy See.

As part of the above-described APML competences, the APML works with anti-corruption authorities, including the ACAS and competent prosecutors' offices.

In conclusion, cooperation between the APML and ACAS was covered in the APML Annual Report for 2019. More specifically, the ACAS sent 9 requests to the APML which involved suspected discrepancy between the legitimate income of officials and related persons and their assets. Also in 2019, the APML sent to the ACAS an information report over a suspicion that certain assets have not been declared to the ACAS.

Cooperation of the NBS with other domestic and foreign supervisory bodies in the field of prevention of money laundering and terrorist financing is regulated by the AML/CFT Law and MoU between relevant institutions (https://nbs.rs/en/ciljevi-i-funkcije/nadzor-nad-finansijskim-

institucijama/sporazumi/index.html).The NBS successfully cooperates with other supervisory bodies in the RS by participating in the drafting of regulations, in exchanging of information regarding identified irregularities in the control process in accordance with the AML/CFT Law, also the NBS informs other supervisory authorities about irregularities in their competence and conduct other activities.

Regarding the competencies of the NBS, which is the central bank in the Republic of Serbia, and the supervisory authority of the largest part of the financial system in RS, its general empowerment for the cooperation with foreign central banks and regulatory authorities, anong others, is defined by the Law on the National Bank of Serbia Serbia („Official Gazette of the RS, No 72/03, 55/04, 85/05 – other law, 44/10, 76/12, 106/12, 14/15, 40/15 – Constitutional Court decision and 44/18)and sectoral laws (such as the Law on Banks).

Despite the possibility of exchanging information without concluded MOUs, the NBS has numerous bilateral and multilateral agreements with supervisory authorities from foreign countries(https://nbs.rs/en/ciljevi-i-funkcije/nadzor-nad-finansijskim-institucijama/sporazumi/index.html).

The NBS most frequently exchanges information with its counterparts about the main findings on performed controls, as well as the information needed in the licensing process.

Aiming to improve coordination and effectiveness of cooperation of all stakeholders in the AML/CFT system, the Government of the RS established a Coordination body for prevention of money laundering and the financing of terrorism on 12 July 2018 (RS PEP Gazette, No 54/2018) authorized, besides to monitor the implementation of the National AML/CFT Strategy and its Action Plan, for coordination of all AML/CFT activities in preventing ML/TF on a permanent basis.

Law on organization and jurisdiction of government authorities in suppression of organized crime, terrorism and corruption ("Official Gazette of RS", No. 94/16 and 87/18) envisages two models of inter-institutional cooperation. First model refers to appointing at least one liaison officer in Tax Administration - Tax Police, Customs Administration, National Bank of Serbia, Anti-Money Laundering Administration, Business Registers Agency, Central Depository and Securities Clearing Registry, State Audit Institution, Republic Geodetic Authority, Anti-Corruption Agency, Republic Fund for Anti-Corruption Pension and Disability Insurance, the Republic Health Insurance Fund, the Republic Property Directorate of the Republic of Serbia and the Public Procurement Administration, in order to achieve cooperation and more efficient submission of data of these bodies and organizations to the Prosecutor's Office for Organized Crime and Special Departments for the suppression of corruption for the purpose of criminal prosecution for criminal offenses prescribed by this law.

At the request of the competent public prosecutor, liaison officers must be appointed in other bodies and organizations.

If necessary, liaison officers who have the status of a civil servant may be temporarily transferred to the Prosecutor's Office for Organized Crime and a Special department for suppression of corruption.

The transfer is made at the request of the competent public prosecutor and lasts for a maximum of three years.

Second model of cooperation is the formation of task forces. Task forces may be formed in the Prosecutor's Office for Organized Crime and special departments of higher public prosecutor's offices for the suppression of corruption, with the aim of working on detecting and prosecuting criminal acts that are the subject of the work of the task force.

The task force is formed by the decision of the Prosecutor, i.e by the decision of the competent Higher public prosecutor, with the obtained consent of the Republic Public Prosecutor.

The decision on establishment of task force regulates the composition of the task force, the manner of work, the task, the period for which it is formed and other issues of importance for the work of the task force.

In addition to inter-institutional cooperation, the Law on International Legal Assistance in Criminal Matters designates public prosecutor's offices together with courts as competent bodies for providing international legal assistance in criminal matters, while the Ministry of Justice is designated as the central body for international judicial cooperation.

The request for international legal assistance is submitted in the form of a letter rogatory. The letter rogatory and other documents of the domestic judicial body shall be submitted to the foreign body through the ministry in charge of justice. At the request of the requested State, letters rogatory and other documents shall be served through diplomatic channels.

The letter rogatory and other documents in case of reciprocity may be:

1) submitted directly to a foreign judicial body;

2) submitted in urgent cases through the International Criminal Police Organization (INTERPOL).

International legal assistance includes:

1) extradition of the accused or convicted person;

2) taking over and transferring criminal prosecution;

3) execution of a criminal court decision;

4) other forms of international legal assistance.

Other forms of international legal assistance are:

1) execution of procedural actions, such as summoning and delivery of various letters and documents, interrogation of the defendant, examination of witnesses and experts, investigation, search of premises and persons, temporary seizure of items;

2) application of measures, such as surveillance and recording of telephone and other conversations or communications and optical recordings of persons, controlled delivery, providing simulated business services, conclusion of simulated legal transactions, hiring of undercover investigators, computer search and data processing;

3) exchange of information and delivery of documents and objects related to criminal proceedings in the requesting state, submission of data without a letter rogatory; use of audio and video conferencing, formation of joint investigation teams;

4) temporary hand over of a person deprived of liberty for the purpose of examination before the competent authority of the requesting state.

The Republic Public Prosecution's Office has concluded 28 agreements on cooperation with the prosecutor's offices of foreign countries, which, among other things, foreseen the establishment of direct communication and coordination of actions in criminal proceedings with international elements.

− Which other bodies or agencies are responsible for combating money laundering;

In the domain of repression, the competent state bodies are courts and public prosecutor's offices. Pursuant to the Law on Organization and Competences of State Bodies in the Suppression of Organized Crime, Terrorism and Corruption ("Official Gazette of RS", No. 94/16 and 87/18), four Special prosecutorial departments for the suppression of corruption have been established within the Higher Public Prosecutor's Office in Belgrade, Novi Sad, Kraljevo and Nis, as well as four special judicial departments for the suppression of corruption in courts and special organizational units of the Ministry of Internal Affairs for the suppression of corruption.

When it comes to the public prosecutor's organization, in addition to the special departments that are responsible for prosecuting money laundering cases starting from March 1, 2018, we emphasize that the Prosecutor's Office for Organized Crime is also responsible for prosecuting perpetrators of this crime.

The Law on Organization and Competences of State Bodies in the Suppression of Organized Crime, Terrorism and Corruption define in Article 3, paragraph 5 that the Prosecutor's Office for Organized Crime is competent to prosecute money laundering “if the property subject to money laundering originates from criminal offenses from items 1) to 4) of this Article ", i.e if the property that is the subject of money laundering originates from a predicate criminal offense within the competence of the Prosecutor's Office for Organized Crime.

Pursuant to the provisions of the same law, the Special departments are competent to prosecute the criminal offense of money laundering if the property subject to money laundering originates from criminal activity or any predicate criminal offense which is not under the jurisdiction of the Prosecutor's Office for Organized Crime.

Please describe the functioning of the system mainly in terms of domestic cooperation and exchange of information.

The obligatory instruction of the Republic Public Prosecutor A No. 668/17 instructs the competent public prosecutors that regarding the information on suspicious transactions received from the Administration for the Prevention of Money Laundering or when they otherwise obtain information on the existence of grounds for suspicion that money laundering is being prepared or money laundering or terrorist financing is committed, in case of need to collect additional information or take other measures related to money laundering and predicate offenses, act proactively and first collect such additional information and missing data from publicly available sources, databases of state bodies, organizations, institutions and public enterprises to which they have access.

If the data collected in this way are not sufficient for the public prosecutor to make a decision, further collection of data and information should be requested from the police, other state bodies and organizations, agencies, legal entities and citizens regarding the predicate offense, and exceptionally from the Administration for the Prevention of Money Laundering for the criminal act of money laundering.

Simultaneously with the mentioned activities, public prosecutors have the obligation to issue an order to initiate a financial investigation and to collect, through the Financial Investigation Unit, evidence of property owned or used by natural or legal persons, participants in transactions marked as suspected of money laundering or with them related legal and natural persons.

The system of notification, exchange of information, monitoring the effectiveness and efficiency of prevention and repression of money laundering was further improved in May 2019 with the adoption of the Conclusion of the Government of the Republic of Serbia and the adoption of Guidelines for establishing a unified methodology for reporting and uniform monitoring of money laundering and terrorist financing cases.

The guidelines direct and harmonize the work on reporting and monitoring of money laundering and terrorist financing cases, as well as recording and exchanging data in order to act uniformly and more reliably assess the efficiency and effectiveness of the system for the prevention of money laundering and terrorist financing.

Data relevant for monitoring money laundering cases are recorded by the Administration for the Prevention of Money Laundering, the Ministry of Interior, the Customs Administration, the Tax Administration, the Ministry of Justice, the Directorate for Management of Confiscated Property, competent public prosecutor's offices and competent courts. Each of the mentioned bodies enters the data that it collects and processes in a part of the report and then submits the completed report to the Republic Public Prosecutor's Office as the central body. In this way, a reliable database will be formed on all proceedings initiated for money laundering, the activities of all bodies responsible for proceedings as well as the results of their work. All this enables the assessment of the efficiency of the system for the prevention of money laundering and terrorist financing.

Final activities are underway on the development of software for electronic data exchange between the Administration for the Prevention of Money Laundering, the Ministry of Interior, the Customs Administration, the Tax Administration, the Ministry of Justice, the Directorate for Management of Confiscated Property, competent public prosecutor's offices and competent courts necessary for reporting and monitoring of money laundering and terrorist financing case, listed in the mentioned Guidelines, as well as development of a Web application that will enable it.

It is necessary to inform that the competent public prosecutors held meetings and joint trainings with the appointed liaison officers were. Liaison officers are contact persons in relevant bodies for sharing information with prosecutions which are necessary for criminal proceedings.

With regard to task forces, in the period from March 1, 2018 six task forces were established with the participation of representatives of prosecution, the Ministry of Interior, the Administration for the Prevention of Money Laundering, the Tax Administration, the Ministry of Agriculture, etc. it should be noted that out of a total of six established task forces, four completed their activities leading to the initiation of criminal proceedings by issuing an order to conduct investigation against a total of 96 natural and 3 legal entities for different criminal acts.

Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.

The APML, as the financial intelligence unit of the Republic of Serbia, has been a member of the Egmont Group since 2003, and it participates in its activities regularly.

- **Information on protocols for the exchange of information;**

In order to strengthen inter-institutional cooperation, the Republic Public Prosecutor's Office has signed cooperation agreements with the Administration for the Prevention of Money Laundering, the Customs Administration, the Ministry of Interior, the Anti-Corruption Agency, the Privatization Agency and other relevant bodies and institutions. Activities are underway to prepare a memorandum on cooperation between the Republic Public Prosecutor's Office and all institutions that have the obligation to appoint a liaison officer.

If applicable and available, please provide information on recent corruption-related money laundering cases prompted by your Financial Intelligence Unit, including data on investigations, prosecutions, convictions, as well as related freezing, seizure and confiscation orders.

Public prosecution doesn`t have special money laundering cases registry based on the predicate criminal act. The aggregated information on all money laundering cases in public prosecution offices are the following:

In the period from January 1 to December 31, 2018, then from January 1 to June 30, 2019 and from July 1, 2019 to June 30, 2020, there is an increase in the number of persons against whom criminal complaints were filed, number of orders to conduct investigations, indictments and final verdicts.

In 2018 criminal complaints for money laundering were filed against 164 persons, in the first six months of 2019 against 114 and in the period between July 2019 and June 2020 against 196 persons.

When it comes to orders to conduct investigation issued by public prosecutors against persons for whom there were grounds for suspicion that they committed the criminal act of money laundering, in 2018 these orders were issued against 160 suspects, in the first half of 2019 against 106 suspects and in the period bteween July 2019 and June 2020 against 162 suspects.

The largest increase is recorded in terms of the number of defendants against whom an indictment has been filed. During 2018 against 49 defendants indictments were filed, in the first half of 2019 against 43 defendants, and in the period between July 2019 and June 2020, against a total of 122 defendants.

A significant increase is also recorded in terms of persons convicted of money laundering. In 2018 11 defendants were convicted, in the first half of 2019 23 defendants and in the period from July 1, 2019 to June 30, 2020 total of 57 defendants were convicted.

(b) Observations on the implementation of the article

[*Observations of the governmental experts with regard to the implementation of the article. Depending on the scope of the review cycle, findings with respect to the way in which national law has been brought into line with the article, as well as to the implementation of the article in practice.]*

[*Observations on the status of implementation of the article, including successes, good practices and challenges in implementation*.]

(c) Successes and good practices

[*Identification of successes and good practices in implementing the article, where applicable.*]

Subparagraph 1 (b) of article 14

1. Each State Party shall: ...

(b) Without prejudice to article 46 of this Convention, ensure that administrative, regulatory, law enforcement and other authorities dedicated to combating money-laundering (including, where appropriate under domestic law, judicial authorities) have the ability to cooperate and exchange information at the national and international levels within the conditions prescribed by its domestic law and, to that end, shall consider the establishment of a financial intelligence unit to serve as a

national centre for the collection, analysis and dissemination of information regarding potential money-laundering.

(a) Summary of information relevant to reviewing the implementation of the article

Is your country in compliance with this provision?

Please see response to article 14(1)(a)

Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Please see response to article 14(1)(a)

Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.

((b) Observations on the implementation of the article

[*Observations of the governmental experts with regard to the implementation of the article. Depending on the scope of the review cycle, findings with respect to the way in which national law has been brought into line with the article, as well as to the implementation of the article in practice.]*

[*Observations on the status of implementation of the article, including successes, good practices and challenges in implementation*.]

(c) Successes and good practices

[*Identification of successes and good practices in implementing the article, where applicable.*]

Paragraph 2 of article 14

2. States Parties shall consider implementing feasible measures to detect and monitor the movement of cash and appropriate negotiable instruments across their borders, subject to safeguards to ensure proper use of information and without impeding in any way the movement of legitimate capital. Such measures may include a requirement that individuals and businesses report the cross-border transfer of substantial quantities of cash and appropriate negotiable instruments.

(a) Summary of information relevant to reviewing the implementation of the article

Is your country in compliance with this provision?

The Republic of Serbia **is in compliance** with this provision.

Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Article 86 of the AML/CFT Law provides that any natural person crossing the state border carrying bearer negotiable instruments amounting to **EUR 10,000 or more** either in RSD or foreign currency, shall declare the competent customs authority.

The competent customs authority shall control if bearer negotiable instruments are located in a postal parcel or in goods consignment (cargo) (Article 87 of the AML/CFT Law).

If the competent customs authority establishes that a natural person carries across the state border bearer negotiable instruments in the amount below EUR 10,000 in RSD or in foreign currency, or such instruments are found in a postal parcel or in goods consignment (cargo) and there are reasons to suspect money laundering or terrorism financing, it is required to collect the following data:

1) name, surname, place of permanent residence, date and place of birth and citizenship of the person declaring or not declaring such instruments;

2) business name and registered office of the legal person, and/or name, surname, place of permanent residence and citizenship of the owner of such instruments, or of the person for which the cross-border transfer of such instruments is being conducted;

3) business name, address and registered office of the legal person, and/or name, surname, place of permanent or temporary residence, date and place of birth and citizenship of the recipient of such instruments;

4) type of the instruments;

5) amount and currency of the bearer negotiable instruments that are being transported;

6) origin of the bearer negotiable instruments that are being transported;

7) purpose for which the instruments will be used;

8) place, date and time of the state border crossing;

9) means of transport used to transport the instruments;

10) information on the existence of reasons for suspicion on money laundering or terrorism financing.

The competent customs authority shall temporarily detain bearer negotiable instruments if undeclared or if it finds that there is grounded suspicion that such funds, regardless of their amount, are related to money laundering or terrorism financing. The competent customs authority shall deposit the temporarily detained foreign currency instruments to the account or safe custody of the National Bank of Serbia, and RSD instruments to the account of the National Bank of Serbia within two working days of their detention. A receipt shall be issued for any bearer negotiable instruments detained (Article 88 of the AML/CFT Law).

APML concluded an Agreement on cooperation and data exchange with Customs Administration in 2018. The Agreement defines relationship between APML as an authority relevant for gathering, processing, analyzing and storing of information received from obliged entities; for notifying relevant state authorities; for record-keeping and taking other actions pursuant to AML/CFT Law, and the Customs Administration, as an institution relevant for clearing of goods, customs supervision and control of passengers, and cross-border trade in gods and services…, with the aim of establishing, maintaining and fostering a closer communication, understanding and cooperation in exchange of data and information, of relevance for detection and prevention of ML/TF and effective control of foreign trade.

Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.

(b) Observations on the implementation of the article

[*Observations of the governmental experts with regard to the implementation of the article. Depending on the scope of the review cycle, findings with respect to the way in which national law has been brought into line with the article, as well as to the implementation of the article in practice.]*

[*Observations on the status of implementation of the article, including successes, good practices and challenges in implementation*.]

(c) Successes and good practices

[*Identification of successes and good practices in implementing the article, where applicable.*]

Paragraph 3 of article 14

3. States Parties shall consider implementing appropriate and feasible measures to require financial institutions, including money remitters:

(a) To include on forms for the electronic transfer of funds and related messages accurate and meaningful information on the originator;

(b) To maintain such information throughout the payment chain; and

(c) To apply enhanced scrutiny to transfers of funds that do not contain complete information on the originator.

(a) Summary of information relevant to reviewing the implementation of the article

Is your country in compliance with this provision?

The Republic of Serbia **is in compliance** with this provision.

Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Provisions related to money transfers are regulated in Articles 11 to 16 of the AML/CFT Law, which are listed below:

Obligations of the payer's payment service provider

Article 11

The payer's payment service provider shall obtain the data on the payer and payee of the transfer and include them in the payment order form or in the electronic message accompanying the money transfer from the payer to the payee.*

The data on the payer shall include the following:

1) name and surname, or name of the payer;

2) payment account number, or unique transaction identifier, if the money transfer is carried out without opening a payment account;

3) address, or address of the registered office of the payer.

If the data concerning the address or address of the registered office of the payer has not been obtained, one of the following details shall be obtained:

1) national identification number (e.g. unique personal identification number or Company Registration Number in case of legal entities);

2) number of the personal ID document, date and place of birth, or unique identifier.*

Data on the payee shall include the following:

1) name and surname, or name of the payee;

2) payee's payment account number, or unique transaction identifier, if the money transfer is carried out without opening an account.

Notwithstanding paragraphs 2 and 3 of this Article, in case of batch file transfer by one payer, individual money transfers which are part of such transfer need not include data referred to under paragraphs 2 and 3 of this Article, under the condition that the data referred to in paragraphs 2 to 4 of this Article are included in the batch file transfer and that each individual money transfer includes at least the number of the payer's payment account, or unique transaction identifier if the money transfer is carried out without opening a payment account.

This exception shall not apply on batch file transfers by one payer where the registered office of the payer's payment service provider and payees' payment service providers is located in the Republic of Serbia.

Where the amount of the money transfer, including the amount of payment transactions related to that transfer, does not exceed EUR 1,000 or its RSD equivalent, the payer's payment service provider must ensure that the money transfer includes at least the following data on the payer:

1) name and surname, or name of the payer;

2) payment account number, or unique transaction identifier, if the money transfer is carried out without opening a payment account.

The payment service provider shall verify accuracy of the data on the payer obtained as laid down in Articles 17 to 23 of this Law, before executing a money transfer.

The payment service provider is also considered to have verified accuracy of the obtained data on the payer before the money transfer if it has previously established a business relationship with the payer and identified and verified the identity of that person as set out Articles 17 to 23 of this Law, and if it acts in accordance with Article 29 of this Law.

Notwithstanding paragraph 7 of this Article, the payment service provider is not required to verify accuracy of the obtained data on the payer under the following conditions:

1) there are no reasons for suspicion on money laundering or terrorism financing;

2) the amount of the money transfer, including the amount of payment transactions that are related to that transfer, does not exceed EUR 1,000 or its RSD equivalent;

3) the payment service provider did not receive the money that is to be transferred in cash or in anonymous e-money.

The payment service provider shall develop procedures for verifying completeness of data referred to in this Article.

In line with risk assessment, the payment service provider may verify accuracy of the obtained data regardless of the amount of the money transferred.

Obligations of the payee's payment service provider

Article 12

The payee’s payment service provider shall verify whether the data on the payer and payee of a money transfer are included as set out in Article 11 of this Law, in the payment order form or electronic message accompanying the money transfer.

The payment service provider shall develop procedures for verifying completeness of the data referred to in paragraph 1 of this Article.

If a money transfer exceeds EUR 1,000 or its RSD equivalent, the payment service provider shall, before approving the payee’s payment account or making the money available to this person, verify accuracy of the data obtained on this person as set out in Articles 17 to 23 of this Law, except if the payee has already been identified and his identity verified as laid down in Articles 17 to 23 of this Law and payment service provider acts in accordance with Article 29 of this Law, while there are no reasons for suspicion on money laundering or terrorism financing.

Where the amount of the money transfer, including the value of the payment transactions related to that transfer, does not exceed EUR 1,000 or its RSD equivalent, the payee’s payment service provider is not required to verify accuracy of the obtained data on the payee, except if:

1) money is made available to the payee in cash or in anonymous e-money.

2) there are reasons for suspicion on money laundering or terrorism financing.

In line with risk assessment, the payment service provider may check the identity of the payee regardless of the amount of the money transferred.

Missing information

Article 13

The payee's payment service provider shall develop, using a risk-based approach, procedures for money transfers that do not include complete data as referred to in Article 11 of this Law.

Where the money transfer does not include complete data as referred to in Article 11 of this Law, in line with risk assessment, the payee’s payment service provider shall identify in its internal acts situations when it will:

1) refuse executing a money transfer;

2) suspend execution of the money transfer until it has received any missing data, which it must request from the intermediary in that transfer, or from the payer’s payment service provider;

3) carry out a money transfer and request, at the same time or subsequently, any missing data from the intermediary in the transfer or payer’s payment service provider.

If the payment service provider frequently fails to provide accurate and complete data as set out in Article 11 of this Law, the payee's payment service provider shall warn them thereof, notifying the deadline by which they should comply with this Law. If the payment service provider fails to comply with this Law even after receiving such warning and after the deadline left has expired, the payee's payment service provider shall refuse any future money transfers received from this person, or restrict or terminate business cooperation with such person.

In the case referred to in paragraph 3 of this Article, the payee's payment service provider shall:

1) inform the National Bank of Serbia about the payment service provider that frequently fails to provide accurate and complete data as set out in Article 11 of this Law, and about any measures taken with respect to such person as provided for under paragraph 3 of this Article;

2) fails to consider if the lack of accurate and complete information referred to in Article 11 in tandem with any other circumstances constitutes reason for suspicion on money laundering or terrorism financing - of which it shall report to the APML if it finds reason for suspicion on money laundering or terrorism financing, whereas in the opposite case it shall make a note which it shall keep in accordance with the law.

Obligations of intermediaries in a money transfer

Article 14

The intermediary in a money transfer shall ensure that all data on the payer and payee are kept the form or in the message accompanying the money transfer.

The intermediary in a money transfer shall develop, using a risk-based approach, procedures to be applied in case the money transfer electronic message does not include data referred to in Article 11 of this Law.

Where the money transfer does not include complete data referred to in Article 11 of this Law, in line with risk assessment, the intermediary in a money transfer shall identify in its internal acts situations when it will:

1) refuse executing a money transfer;

2) suspend the money transfer until it has received any missing data, which it must request from the other intermediary in that transfer, or from the payer's payment service provider;

3) carry out further money transfer and request, at the same time or subsequently, any missing data from the other intermediary in that transfer, or from the payer's payment service provider.

If the payment service provider frequently fails to provide accurate and complete data in accordance with Article 11 of this Law, the intermediary in a money transfer shall warn them thereof, notifying the deadline by which they should comply with this Law. If the payment service provider fails to comply with this Law even after receiving such a warning and after the deadline left has expired, the

intermediary in a money transfer shall refuse any future money transfers received from this person, or restrict or terminate business cooperation with such person.

In the case referred to in paragraph 4 of this Article, the intermediary in a money transfer shall:

1) inform the National Bank of Serbia about the payment service provider that frequently fails to provide accurate and complete data in accordance with Article 11 of this Law, and about any measures taken with respect to such person in accordance with paragraph 4 of this Article;

2) fails to consider if the lack of accurate and complete information referred to in Article 11 in tandem with any other circumstances constitutes reason for suspicion on money laundering or terrorism financing - of which it shall report to the APML if it finds reason for suspicion on money laundering or terrorism financing, whereas in the opposite case it shall make a note which it shall keep in accordance with the law.

Exemptions from the obligation to obtain data on the payer and payee of a money transfer

Article 15

The provisions of Articles 11–14 of this Law shall not apply in the following situations:

1) when the money transfer is executed in order to pay taxes, fines or other public charges, and the payer's payment service provider and payee's payment service provider have registered offices in the Republic of Serbia;

2) when the money transfer is executed in order to pay the payee for telecommunication services, electricity, gas, steam or water distribution services, waste collection, treatment and disposal services, residential building maintenance services or other similar permanent services rendered, under the following conditions:

(1) the amount of the money transfer should not exceed RSD 60,000,

(2) collection for the services referred to in this item should be carried out by approval of the payee's payment account which is used for such collections only,

(3) the payee's payment service provider should be able through such person, based on the unique transaction identifier or other data accompanying the money transfer, to obtain data on the person which has a contract with the payee concerning the provision of services referred to in this item,

(4) the payer's payment service provider and payee's payment service provider should have registered offices in the Republic of Serbia;

3) where a money transfer is only carried out for the purpose of purchasing goods or services by using a payment card, e-money payment instrument, mobile phone or any other digital or IT device with similar characteristics, under the condition that the payer and payee are not natural persons not performing business activity, and that the number of such card, instrument or device, or unique identifier, accompanies such transfer in a manner that allows for data on the payer to be obtained through such number or identifier;

4) when the payer and payee are payment service providers acting for themselves and on their own behalf;

5) when the payer withdraws cash from his account;

6) when the conditions referred to in Article 16, paragraph 1 of this Law have been met.

Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.

(b) Observations on the implementation of the article

[*Observations of the governmental experts with regard to the implementation of the article. Depending on the scope of the review cycle, findings with respect to the way in which national law has been brought into line with the article, as well as to the implementation of the article in practice.]*

[*Observations on the status of implementation of the article, including successes, good practices and challenges in implementation*.]

(c) Successes and good practices

[*Identification of successes and good practices in implementing the article, where applicable.*]

Paragraph 4 of article 14

4. In establishing a domestic regulatory regime and supervisory regime under the terms of this article, and without prejudice to any other article of this Convention, States Parties are called upon to use as a guideline the relevant initiatives of regional, interregional and multilateral organizations against money-laundering.

(a) Summary of information relevant to reviewing the implementation of the article

Is your country in compliance with this provision?

The Republic of Serbia **is in compliance** with this provision

Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Serbia is currently in the process of anticipation of the 4th Enhanced Follow up Report, which is planned for adoption on a Moneyval Session. There are a few more Recommendations for which Serbia will require rerating in the report – 22, 23, 28 and 40. Previously, Serbia was put on the „grey list" by FATF in the period between February 2018 – June 2019. In the period between, Serbia implemented the FATF Action Plan, plus, 12 laws came into force, more than 60 regulations (by-laws), guidelines and other documents were introduced. Significant efforts were

made to make legislation effective in practice and enhance cooperation among all relevant stakeholders, and reforms at the institutional level were implemented too.

Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.

(b) Observations on the implementation of the article

[*Observations of the governmental experts with regard to the implementation of the article. Depending on the scope of the review cycle, findings with respect to the way in which national law has been brought into line with the article, as well as to the implementation of the article in practice.]*

[*Observations on the status of implementation of the article, including successes, good practices and challenges in implementation*.]

(c) Successes and good practices

[*Identification of successes and good practices in implementing the article, where applicable.*]

Paragraph 5 of article 14

5. States Parties shall endeavour to develop and promote global, regional, subregional and bilateral cooperation among judicial, law enforcement and financial regulatory authorities in order to combat money-laundering.

(a) Summary of information relevant to reviewing the implementation of the article

Is your country in compliance with this provision?

The Republic of Serbia **is in compliance** with this provision.

Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

The criminal offense of money laundering is criminalized in Article 245 of the Criminal Code. The definition of a criminal offense includes money laundering when it comes to property acquired by the perpetrator, as well as money laundering for "third parties". As assessed in the 2016 Mutual Evaluation Report of the Council of Europe Committee - Moneyval (https://rm.coe.int/anti-money-laundering-and-counter-terrorist-financing-measures-serbia-/1680715fdb), the incrimination from the Criminal Code was assessed as largely in compliance with FATF standards. The amendments to the

Criminal Code from November 2016 stipulate that the property that is the subject of the crime of money laundering originates from "criminal activity" instead of the previous provision that that property originates from a "crime" which facilitates proving money laundering and expands the possibility of criminal sanctions in accordance with FATF standards.

Regarding the possibility of competent bodies to cooperate and exchange information, it is important to take into account the Law on Organization and Competences of State Bodies in Combating Organized Crime, Terrorism and Corruption ("Official Gazette of RS", No. 94/16 and 87/18). This Law determines the criminal offenses the Law applies to and the responsible state bodies for the suppression of organized crime and terrorism (Articles 2 and 3). The criminal offense of money laundering is covered by these provisions.

Article 20 of the Law determines the obligation of competent bodies to cooperate with the Prosecutor's Office (Tax Administration, Customs Administration, Anti-Money Laundering Administration, Anti-Corruption Agency, etc.), as well as the obligation to appoint liaison officers to cooperate and more efficiently submit data of these bodies to the Prosecutor's Office for Organized Crime and to Special departments of prosecutors' offices for suppression of corruption.

The competent Prosecutor's Office may form the task groups, with the aim of working on the detection and prosecution of criminal offenses determined by this Law (Article 21). The task group includes members of employees in state and other bodies, depending on the subject of work determined by the decision on the establishment of the task group (Article 23). It is important that the Law introduced a financial forensic expert as a specially trained professional who would enable detection and prosecution of perpetrators of criminal offenses, and in particular perpetrators of the criminal offense of money laundering (Article 19 of the Law).

During 2018, the Coordination Body of the Government of the Republic of Serbia formed a Working Group for the preparation of the National Risk Assessment of Money Laundering and Terrorism Financing (September 2018). Judges of the Supreme Court of Cassation also participated in this Working Group. The final document presents an analysis for all predicate offenses that could be a threat to money laundering, while it was concluded that the greatest degree of threat were tax offenses, abuse of position of the responsible person, unauthorized production and distribution of narcotics and abuse of official position.

According to the available statistical data for 2018 regarding the criminal offense of money laundering under Article 231 of the Criminal Code ("Official Gazette of the RS", No. 85/05, 88/05 - corr., 107/05 - corr. 72/09, 111/09, 121/12, 104/13, 108/14, 94/16 and 35/19) there were 8 cases pending, 39 accused persons, and 5 cases were resolved. During 2019, regarding Article 245 of the Criminal Code (which provisions apply from 1 March 2018) and the previously valid Article 231, there were a total of 24 pending cases before the courts in the Republic of Serbia (93 accused persons), and 10 cases were resolved. According to the six-month report on the work of courts during the first 6 months of 2020, 4 more cases of money laundering were decided, and 16 cases were in total.

With regard to other criminal offenses related to corruption (and potentially money laundering), we point to the data from the following table (according to the Annual Report on the Work of Courts for 2019):

It should be noted that the Law on Prevention of Money Laundering and Financing of Terrorism ("Official Gazette of RS" No. 113/17, 91/19 and 153/20) prescribes actions and measures to be taken to prevent and detect money laundering and terrorist financing. The law regulates the competence of the Administration for the Prevention of Money Laundering and the competence of other bodies for the implementation of the provisions of this law. The law in Article 4 regulates the obligations of financial and other organizations (banks, insurance companies, etc.) and prescribes the manner of cooperation and coordination of activities of competent authorities in order to prevent money laundering and terrorist financing (Article 70).

Regarding the issues related to the need for support of international organizations / projects, we point out that the priorities related to the fight against corruption are defined by the Judicial Development Strategy for the period 2020-2025 and the revised Action Plan for Chapter 23, and in accordance with these priorities the possible future support should be envisaged.

Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.

(b) Observations on the implementation of the article

[*Observations of the governmental experts with regard to the implementation of the article. Depending on the scope of the review cycle, findings with respect to the way in which national law has been brought into line with the article, as well as to the implementation of the article in practice.]*

[*Observations on the status of implementation of the article, including successes, good practices and challenges in implementation*.]

(c) Successes and good practices

[*Identification of successes and good practices in implementing the article, where applicable.*]

(d) Challenges, where applicable

Please outline actions required to ensure or improve the implementation of the article under review and describe any specific challenges you might be facing in this respect.

(e) Technical assistance needs

No assistance would be required

Legislative assistance: please describe the type of assistance

Institution-building: please describe the type of assistance

Policymaking: please describe the type of assistance

Capacity-building: please describe the type of assistance

Research/data-gathering and analysis: please describe the type of assistance

Facilitation of international cooperation with other countries: please describe the type of assistance

Others: please specify

Is any technical assistance already being provided to you? If so, please provide a general description of the nature of the assistance, including donor information.

V. Asset recovery

Article 51. General provision

> *Article 51*
>
> *1. The return of assets pursuant to this chapter is a fundamental principle of this Convention, and States Parties shall afford one another the widest measure of cooperation and assistance in this regard.*

(a) Summary of information relevant to reviewing the implementation of the article

Is your country in compliance with this provision?

The Republic of Serbia **is in compliance** with this provision.

Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention, including identifying both any legal authorities/procedures for accepting requests for asset recovery and assessing that these requests are reasonably substantiated and supplemented as well as any time frame established under domestic laws and procedures for their execution, taking into account requests received from countries with similar or different legal systems and any challenges faced in this context.

The Law on Seizure and Confiscation of the Proceeds from Crime ("Official Gazette of the Republic of Serbia" No. 97/08) entered into force in 2009. It served as a basis for establishment of the Financial Investigation Unit and the Directorate for Management of Confiscated Assets, and defined the competencies of the prosecution and the court in the process of temporary and

permanent confiscation of property. The law, also, defines the process of international cooperation in the field of property restitution.

The Financial Investigation Unit maintains police cooperation in the field of confiscation of property through participation in the CARIN network, exchange of data through Interpol and liaison officers, as well as through the SIENA channel, which was established for cooperation with EU ARO offices. As a result of the police cooperation in certain cases ensued requests for international legal assistance through the competent prosecutor's office, whereby the multimillion value of property (real estates and money in accounts and cash) on the territory of the Republic of Serbia was blocked.

In line with the increasingly complex procedures of financial investigations, in the future will be necessary to continue with the assistance provided by the international community (education, technical -material assistance) in order to improve the work on financial investigations.

Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.

(b) Observations on the implementation of the article

[*Observations of the governmental experts with regard to the implementation of the article. Depending on the scope of the review cycle, findings with respect to the way in which national law has been brought into line with the article, as well as to the implementation of the article in practice.]*

[*Observations on the status of implementation of the article, including successes, good practices and challenges in implementation*.]

(c) Successes and good practices

[*Identification of successes and good practices in implementing the article, where applicable.*]

(d) Challenges, where applicable

Please outline actions required to ensure or improve the implementation of the article under review and describe any specific challenges you might be facing in this respect.

(e) Technical assistance needs

No assistance would be required

Legislative assistance: please describe the type of assistance

Institution-building: please describe the type of assistance

Policymaking: please describe the type of assistance

Capacity-building: please describe the type of assistance

Research/data-gathering and analysis: please describe the type of assistance

Facilitation of international cooperation with other countries: please describe the type of assistance

Others: please specify

Is any technical assistance already being provided to you? If so, please provide a general description of the nature of the assistance, including donor information.

Article 52. Prevention and detection of transfers of proceeds of crime

Paragraph 1 of article 52

1. Without prejudice to article 14 of this Convention, each State Party shall take such measures as may be necessary, in accordance with its domestic law, to require financial institutions within its jurisdiction to verify the identity of customers, to take reasonable steps to determine the identity of beneficial owners of funds deposited into high-value accounts and to conduct enhanced scrutiny of accounts sought or maintained by or on behalf of individuals who are, or have been, entrusted with prominent public functions and their family members and close associates. Such enhanced scrutiny shall be reasonably designed to detect suspicious transactions for the purpose of reporting to competent authorities and should not be so construed as to discourage or prohibit financial institutions from doing business with any legitimate customer.

(a) Summary of information relevant to reviewing the implementation of the article

Is your country in compliance with this provision?

The Republic of Serbia **is in compliance** with this provision.

Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

All financial institutions controlled by the NBS (banks, voluntary pension fund management companies, financial leasing providers, insurance companies that have a license to conduct life insurance, insurance brokerage companies when performing life insurance brokerage activities; insurance agency companies and insurance agents with a licence to perform life insurance business, except for insurance agency companies and insurance agents for whose work the insurance company is responsible according to the law, electronic money institutions, payment

institutions, a public postal operator with its head office in the Republic of Serbia, established in accordance with the law governing postal services – in the segment of provision of payment services, authorised bureaux de change and business entities performing currency exchange operations based on a special law governing their business activity, persons providing the services of purchasing, selling or transferring virtual currencies or exchanging of such currencies for money or other property through internet platform, devices in physical form or otherwise, or which intermediate in the provision of these services and custody wallet service providers) are obliged to apply CDD measures.

In accordance with Article 6. of the AML / CFT Law and the NBS Guidelines, obliged entities are required to perform a risk analysis and to apply simplified, general or enhanced CDD measures based on the assessed risk.

The obliged entity shall develop and regularly update a money laundering and terrorism financing risk analysis in accordance with AML/CFT Law, guidelines issued by the authority in charge of supervising compliance with this Law, and money laundering and terrorism financing risk assessment developed at the national level.

The risk analysis shall be commensurate to the nature and scope of business operations and the size of the obliged entity, shall consider basic types of the risk (customer, geographic, transaction and service) and other types of the risk the obliged entity has identified based on the specific character of its business.

The risk analysis shall comprise:

1) risk analysis to establish the obliged entity's overall risk;

2) risk analysis for each group or type of customer or business relationship, or service provided by the obliged entity within their business activity, or transaction.

Based on the risk analysis the obliged entity shall classify the customer in one of the following risk categories:

1) low money laundering and terrorism financing risk and shall apply at least simplified customer due diligence;

2) moderate money laundering and terrorism financing risk and shall apply at least general customer due diligence;

3) high money laundering and terrorism financing risk and shall apply enhanced customer due diligence.

In addition to these risk categories, an obliged entity may in its internal acts envisage additional risk categories and define adequate actions and measures from the AML/CFT Law for such risk categories.

Article 30

Regarding Art. 30. of the AML/CFT Law the obliged entity may, when establishing a business relationship, under the conditions laid down in the AML/CFT Law, rely on a third party to apply the actions and measures set out in Article 7, paragraph 1, items 1 to 5 of this Law.

The third party referred to in paragraph 1 of this Article means:

1) obliged entity referred to in Article 4, paragraph 1, items 1), 3), 4), 7), 9)–11), 13) and 16) of this Law (banks, investment fund management companies, voluntary pension fund management companies,broker-dealer companies,auditing companies and independent auditors,e-money institutions,payment institutions, factoring companies,public postal operator headquartered in the Republic of Serbia, established according to the law governing postal services, offering payment services under the law governing the provision of payment services), insurance companies licensed to perform life-insurance business and life-insurance agents;

2) the person referred to in item 1 of this paragraph from a foreign country if it is required by law to be licensed to perform business, apply customer due diligence, keep records in an equal or similar manner as specified in this Law, and is supervised in the performance of its tasks for the prevention and detection of money laundering and terrorism financing in an adequate manner;

3) the obliged entity referred to in Article 4, paragraph 1, item 2) of this Law, only if it performs the business of intermediary in the provision of payment services and in relation to that intermediation.

The obliged entity shall ensure beforehand that the third party referred to in paragraph 2 of this Article meets all the conditions laid down in this Law.

The obliged entity may not accept relying on a third party to perform certain customer due diligence actions and measures if such a person has identified and verified the identity of a customer without the customer’s presence.

By relying on a third party in applying certain customer due diligence actions and measures, the obligor shall not be exempt from responsibility for a proper application of customer due diligence actions and measures in accordance with this Law.

Regarding Art. 25 of the AML/CFT Law the obliged entity shall identify the beneficial owner of a customer that is a legal person or person under foreign law in line with Article 3 paragraph 1, items 11 and 12, of the AML/CFT Law, and obtain the data referred to in Article 99, paragraph 1, item 13 of this Law.

The obliged entity shall obtain the data referred to in paragraph 1 of this Article by inspecting the original or a certified photocopy of the documentation from a register maintained by the country where the customer has a registered office, which may not be older than six months from the date of

its issue, a photocopy of which the obliged entity keeps according to the law. The data may be also obtained by directly accessing the PEP public register in accordance with the provisions of Article 20, paragraphs 4 and 7 of this Law in which case the obliged entity shall obtain a copy of the extract from that register which it shall keep in accordance with the law. Digitalised document referred to in this paragraph shall also be considered a photocopy of the documentation referred to in this paragraph. The photocopy of the document kept in paper form shall contain the date, time, and the name of the person who inspected that document. The photocopy of the document in the electronic form shall contain a qualified electronic stamp or qualified electronic signature in line with the law governing electronic signature, with an attached time stamp. The obliged entity shall keep the photocopies referred to in this paragraph in paper or electronic form in accordance with law.

If it is not possible to obtain all the information from the PEP public register or the register maintained by the competent body of the country where the customer has a registered office, the obliged entity shall obtain the missing data from the original or a certified photocopy of the document or other business documentation submitted by the representative, procura holder or empowered representative of the customer.

If, for objective reasons, the data cannot be obtained as specified in this Article, the obliged entity shall obtain them by accessing commercial and other available databases and sources of information, or from a written statement given by the representative, procura holder or empowered representative and the beneficial owner of the customer. When identifying the beneficial owner, the obliged entity may obtain a photocopy of a personal document of the beneficial owner of the customer, or a print-out of that document.

If even after undertaking all the actions prescribed in this Article the obliged entity is still unable to identify the beneficial owner, it shall identify one or more natural persons who hold top management positions at the customer. The obliged entity shall document the actions and measures undertaken based on this Article.

The obliged entity shall undertake reasonable measures to verify the identity of the beneficial owner of a customer as to know at any time the ownership and management structure of the customer and its beneficial owners.

If it obtains beneficial ownership data from records established based on a special law governing the central records of beneficial owners, the obliged entity shall not be exempt from the obligation to take actions and measures for identifying the beneficial owner under this Law which it shall perform based on the customer risk assessment.

RS does not differentiate between domestic and foreign PEP, in relation to both it applies enhanced CDD.

In accordance with Article 38 of the AML / CFT Law an obliged entity shall establish a procedure for determining whether a customer or the beneficial owner of a customer is an PEP. Such procedure shall be laid down in an internal act of the obliged entity, in line with the guidelines adopted by the

body referred to in Article 104 of AML / CFT Law that is competent for the supervision of compliance with this Law by the obliged entity.

If a customer or the beneficial owner of a customer is an PEP, the obliged entity shall, apart from the actions and measures referred to in Article 7, paragraph 1 of this Law do the following:

1) obtain data on the origin of property which is or which will be the subject matter of a business relationship or transaction, using the identification documents and other documentation submitted by the customer. If it is not possible to obtain such data as described, the obliged entity shall obtain a written statement on the origin of the property directly from the customer;

2) obtain data on the total property owned by the PEP, using publically available and other sources, as well as directly from the customer;

3) ensure that the employee of the obliged entity who carries out the procedure for establishing a business relationship with an PEP shall, before establishing such a relationship, obtain written consent from the member of the top management referred to in Article 52 paragraph 3 of this Law;

4) monitor with special attention the transactions and other business activities of an PEP for the period of duration of the business relationship.

If the obliged entity establishes that a customer or a beneficial owner of the customer became an PEP during the business relationship, it shall apply the actions and measures referred to in paragraph 2, items 1, 2 and 4 of this Article, whereas for the continuation of the business relationship with such a person a written consent shall be obtained from the member of the top management referred to in Article 52 paragraph 3 of this Law.

The provisions of paragraphs 1 to 3 of this Article also apply with respect to a close family member and a close associate of the PEP.

Among others things, the NBS Guidelines regulates the manner in which an obligor supervised by the NBS regulates the procedure to determine whether the customer or the beneficial owner of the customer is an PEP.

The NBS Guidelines (Point 15) is regulated:

The obligor shall determine the procedure establishing whether the customer or beneficial owner of the customer is an PEP, a member of the close family of the PEP or his close associate. Customer due diligence actions and measures shall be the key source of information about whether the customer is an PEP (e.g.information on the basic occupation or employment of the customer). The obligor shall also use other sources of information that may be useful to identify the PEP. To obtain relevant information for identification of an PEP, the obligor shall undertake the following activities:

– obtaina written statement of the customer on whether it is an PEP, a member of the close family of the PEP or hisclose associate.

– use electronic commercial databases containing lists of PEPs (e.g.World-Check, Factiva, LexisNexis);

- search publicly available data and information (e.g.the register of PEPs in the Anti-Corruption Agency or the list of holders of prominent public functions adopted by the European Commission, which contains the list of PEPs in member states;

– create and use an internal database of PEPs (e.g.larger financial groups have their own lists of PEPs).

The number and the sequence of activities from paragraph 3 of this Section, which the obligor undertakes, should enable the obligor to determine in a valid manner whether the customer or the beneficial owner of the customer is an PEP, a member of the close family of the PEP or his close associate.

The written statement referred to in paragraph 3, first indent of this Sectionshall contain the following information:

− name and surname, date and place of birth, permanent or temporary residence and personal ID number of the PEP establishing a business relationship or performinga transaction, and/or for whom a business relationship is established or a transaction performed,as well as the type and number of his personal document, name of the issuer, date and place of issue;

− the statement on whether a customer is an PEP according to the criteria set out in the Law (it is necessary to specify in the statement all cases stipulated by the Law);

−data on whether the PEP is a natural person performing or has performed over the past four years a high-ranking public office in the state or other state or international organisation, whether he is a member of the family of the PEP or hisclose associate;

− data on the period of performing this function;

− dataon the type of public office that the PEP performs or has performed in the last four years;

− data on family relations, if the customer is a member of the close family of the PEP;

− dataon the type of business cooperation, if the customer is a close associate of thePEP.

When establishing a business relationship or performing a transaction (in the amount of EUR 15,000 or more in the dinar equivalent, regardless of whether it is one or several interrelated transactions, in the event that a business relationship is not established) with a customer that is an PEP, a member of the close family of the PEP or his close associate, or whose beneficial owner is one of these persons –the obligor shall apply enhanced customer due diligence actions and measures against this customer as well.

Such actions and measures shall be undertaken by the obligor even when the natural person stops discharging the public function (former PEP) over as much time as necessary to conclude that this person did not abuse his former position, at least four years after the day of termination of the

function.The procedure referred to in paragraph 1 hereof shall be undertaken also during a business relationship with the customer, within regular monitoring of its operations. The following factors may be particularly important:

– PEP's country of origin (risk related to dealing with the PEP is higher if the PEP comes from the country with a high degree of corruption and crime);

– PEP's title, responsibility and authorisations (a higher degree of title or responsibility indicates a higher risk given a greater possibility of use and allocation of publicfunds);

– scope and complexity of the business relationship (a higher degree and greater complexity of the established business relationship between the PEP and the financial institution are indicative of a higher degree of risk regarding this person);

– type of product or service offered to an PEP (some categories of services imply a higher risk, e.g.private banking);

– third parties doing business with the PEP (PEPs often rely on off-shore companies and banks, i.e. entities located in areas or countries not applying adequate measuresand standards regulating the prevention money laundering and terrorism financing).

The data and documentation obtained under the procedure from this Section shall be kept in the customer's file, within the deadline regulated by the Law (The obliged entity shall keep the data and documentation in relation to a customer, business relationship established with a customer, a conducted risk analysis and a conducted transaction, obtained in line with this Law, for at least 10 years from the date of termination of the business relationship, execution of a transaction, and/or from the most recent access to a safe-deposit box or entry in a casino.).

Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.

The NBS, in on site control of the supervised entities within its competence, checks the application of these provisions on a sample of selected clients and their transactions, on which a report on the performed control is compiled and in case of violation of regulations corrective measures are imposed.

(b) Observations on the implementation of the article

[*Observations of the governmental experts with regard to the implementation of the article. Depending on the scope of the review cycle, findings with respect to the way in which national law has been brought into line with the article, as well as to the implementation of the article in practice.]*

[*Observations on the status of implementation of the article, including successes, good practices and challenges in implementation*.]

(c) Successes and good practices

[*Identification of successes and good practices in implementing the article, where applicable.*]

Subparagraph 2 (a) of article 52

2. In order to facilitate implementation of the measures provided for in paragraph 1 of this article, each State Party, in accordance with its domestic law and inspired by relevant initiatives of regional, interregional and multilateral organizations against money-laundering, shall:

(a) Issue advisories regarding the types of natural or legal person to whose accounts financial institutions within its jurisdiction will be expected to apply enhanced scrutiny, the types of accounts and transactions to which to pay particular attention and appropriate account-opening, maintenance and record-keeping measures to take concerning such accounts; and

(a) Summary of information relevant to reviewing the implementation of the article

Is your country in compliance with this provision?

The Republic of Serbia **is in compliance** with this provision.

Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

The NBS Guidelines indicate increased risk of customers, transactions, products, geographical risk and risk related to the manner in which a business relationship is establishedand carried out (Point 7-10).

Following the national risk assessment of money laundering and terrorist financing (hereinafter: NRA), the NBS representatives, together with other participants in the development of this assessment, organized numerous trainings for participants in the anti-money laundering system.

In order to keep obliged entities informed in more detail on NRA findings and to raise awareness and understanding of the matter, NRA findings have been presented directly by the NRA coordinator and the core group that prepared the materials, during info sessions. This was followed by NRA workshops for each group of obliged entities. The topic of the workshops was awareness raising and enhanced understanding of the matter, and the implementation of assessed risks into internal systems of obliged entities.

The aim of the workshops was to present the findings of NRA at the country level, and further at the level of each sector so that the obliged entities could properly understand the methodology and criteria for sectoral risks, as well as the approach of Recommendation 1.

In this way each obliged entity is made aware of specific results of NRA; each sector is well-informed of the matter, and possible dilemmas with regard to the risk assessment approach and findings are eliminated. The aim is to raise awareness on all perceived threats and vulnerabilities and to draw conclusions on risks in obliged entities during info sessions; obliged entities should understand the purpose of risk assessment, perceived risks and the importance of the document, as well as why it is necessary to make internal risk assessments.

Together with national risk assessment and the presentation of sectoral risks, threats and vulnerabilities, the integral part of the training sesssions was the analysis of quality of STRs, vulnerabilities, perceived threats and ways to analyse them. Risks in other sectors were pointed out, basic concepts, etc.

Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.

(b) Observations on the implementation of the article

[*Observations of the governmental experts with regard to the implementation of the article. Depending on the scope of the review cycle, findings with respect to the way in which national law has been brought into line with the article, as well as to the implementation of the article in practice.]*

[*Observations on the status of implementation of the article, including successes, good practices and challenges in implementation*.]

(c) Successes and good practices

[*Identification of successes and good practices in implementing the article, where applicable.*]

Subparagraph 2 (b) of article 52

2. In order to facilitate implementation of the measures provided for in paragraph 1 of this article, each State Party, in accordance with its domestic law and inspired by relevant initiatives of regional, interregional and multilateral organizations against money-laundering, shall:

...

(b) Where appropriate, notify financial institutions within its jurisdiction, at the request of another State Party or on its own initiative, of the identity of particular natural or legal persons to whose accounts such institutions will be expected to apply enhanced scrutiny, in addition to those whom the financial institutions may otherwise identify.

(a) Summary of information relevant to reviewing the implementation of the article

Is your country in compliance with this provision?

The Republic of Serbia **is in compliance** with this provision.

Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

The NBS Guidelines indicate increased risk of customers, transactions, products, geographical risk and risk related to the manner in which a business relationship is establishedand carried out (Point 7-10).

Following the national risk assessment of money laundering and terrorist financing (hereinafter: NRA), the NBS representatives, together with other participants in the development of this assessment, organized numerous trainings for participants in the anti-money laundering system.

In order to keep obliged entities informed in more detail on NRA findings and to raise awareness and understanding of the matter, NRA findings have been presented directly by the NRA coordinator and the core group that prepared the materials, during info sessions. This was followed by NRA workshops for each group of obliged entities. The topic of the workshops was awareness raising and enhanced understanding of the matter, and the implementation of assessed risks into internal systems of obliged entities.

The aim of the workshops was to present the findings of NRA at the country level, and further at the level of each sector so that the obliged entities could properly understand the methodology and criteria for sectoral risks, as well as the approach of Recommendation 1.

In this way each obliged entity is made aware of specific results of NRA; each sector is well-informed of the matter, and possible dilemmas with regard to the risk assessment approach and findings are eliminated. The aim is to raise awareness on all perceived threats and vulnerabilities and to draw conclusions on risks in obliged entities during info sessions; obliged entities should understand the purpose of risk assessment, perceived risks and the importance of the document, as well as why it is necessary to make internal risk assessments.

Together with national risk assessment and the presentation of sectoral risks, threats and vulnerabilities, the integral part of the training sesssions was the analysis of quality of STRs, vulnerabilities, perceived threats and ways to analyse them. Risks in other sectors were pointed out, basic concepts, etc.

Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.

(b) Observations on the implementation of the article

[*Observations of the governmental experts with regard to the implementation of the article. Depending on the scope of the review cycle, findings with respect to the way in which national law has been brought into line with the article, as well as to the implementation of the article in practice.]*

[*Observations on the status of implementation of the article, including successes, good practices and challenges in implementation*.]

(c) Successes and good practices

[*Identification of successes and good practices in implementing the article, where applicable.*]

Paragraph 3 of article 52

3. In the context of paragraph 2 (a) of this article, each State Party shall implement measures to ensure that its financial institutions maintain adequate records, over an appropriate period of time, of accounts and transactions involving the persons mentioned in paragraph 1 of this article, which should, as a minimum, contain information relating to the identity of the customer as well as, as far as possible, of the beneficial owner.

(a) Summary of information relevant to reviewing the implementation of the article

Is your country in compliance with this provision?

The Republic of Serbia **is in compliance** with this provision.

Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

In accordance with Article 98 of the AML/CFT Law the obliged entity shall keep the following records:

1) details of customers, business relationships and transactions referred to in Article 8 of this Law;

2) data sent to the APML pursuant to Article 47 of this Law.

In accordance with Article 47 of the AML/CFT Law the obliged entity shall furnish the APML with the data in case of any cash transaction amounting to the RSD equivalent of EUR 15,000 or more, and whenever there are reasons for suspicion on money laundering or terrorist financing with respect to the transaction or customer, before the transaction is executed.

Also an auditing company and independent auditor, entrepreneur and legal person providing accounting services and tax advisor shall inform the APML whenever a customer seeks advice concerning money laundering or terrorism financing.

Records of data on customers, business relationships and transactions kept by the obliged entity shall contain:

1) business name and legal form, address, registered office, registration number and tax identification number (hereinafter referred to as: TIN) of a legal person or entrepreneur establishing a business relationship or conducting a transaction, and/or the one for which a business relationship is established or a transaction is conducted;

2) name and surname, date and place of birth, permanent or temporary residence, unique personal number of a representative, empowered representative or procure holder, who in the name of or on behalf of a customer - a legal person, a person under foreign law, a company service provider, an entrepreneur, or a person under civil law, establishes a business relationship or conducts a transaction, as well as the type and number of their identity document, its date and place of issue;

3) name and surname, date and place of birth, permanent or temporary residence and unique personal number of the natural person, their legal representative and empowered representative, as well as of the entrepreneur establishing a business relationship or conducting a transaction, and/or the one for whom a business relationship is established or a transaction conducted, as well as the type and number of their personal document, name of the issuer, date and place of issue;

4) name and surname, date and place of birth and permanent or temporary residence of a natural person entering a casino or accessing a safe-deposit box;

5) purpose and intended nature of a business relationship, as well as information on the type of a customer's line of business and business activities;

6) date of establishing of a business relationship, and/or date and time of entrance into a casino or access to a safe-deposit box;

7) date and time of transaction;

8) amount and currency of the transaction;

9) the intended purpose of the transaction, name and surname and permanent residence, and/or the business name and registered office of the beneficiary of the transaction;

10) manner in which a transaction is conducted;

11) data and information on the origin of assets that are or that will be the subject of a business relationship or transaction;

12) information on the existence of reasons for suspicion on money laundering or terrorism financing.

13) name and surname, date and place of birth and permanent or temporary residence of the customer's beneficial owner;

14) name of the persons under civil law.

The records of data provided to the APML in accordance with Article 47 of this Law shall contain the above data.

The records of data shall also contain an audio-video recording produced in the video-identification procedure in accordance with the regulation.

In accordance with Article 95 of the AML / CFT Law, the following is prescribed:

The obliged entity shall keep the data and documentation in relation to a customer, business relationship established with a customer, a conducted risk analysis and a conducted transaction, obtained in line with this Law, for at least 10 years from the date of termination of the business relationship, execution of a transaction, and/or from the most recent access to a safe-deposit box or entry in a casino.

The obliged entity shall within the timeframe set in paragraph 1 of this Article also keep the audio-video recording of the identification and verification of identity produced in the video-identification procedure in accordance with the regulation referred to in Article 18, paragraph 8, Article 19, paragraph 7, and Article 21, paragraph 7 of this Law.

The obliged entity is required to keep the data and documentation on the compliance officer, deputy compliance officer, training provided for the relevant staff and conducted internal controls, for five years after the compliance officer ceases to be in the position, from the training received or from the internal control conducted.

Upon expiry of the timeframe referred to in paragraphs 1 and 3 of this Article, the obliged entity shall treat the data referred to in paragraphs 1 to 3 of this Article in accordance with the law governing protection of personal data under the condition that these data are not data used by competent state authorities for special purposes.

Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.

(b) Observations on the implementation of the article

[*Observations of the governmental experts with regard to the implementation of the article. Depending on the scope of the review cycle, findings with respect to the way in which national law has been brought into line with the article, as well as to the implementation of the article in practice.]*

[*Observations on the status of implementation of the article, including successes, good practices and challenges in implementation*.]

(c) Successes and good practices

[*Identification of successes and good practices in implementing the article, where applicable.*]

Paragraph 4 of article 52

4. With the aim of preventing and detecting transfers of proceeds of offences established in accordance with this Convention, each State Party shall implement appropriate and effective measures to prevent, with the help of its regulatory and oversight bodies, the establishment of banks that have no physical presence and that are not affiliated with a regulated financial group. Moreover, States Parties may consider requiring their financial institutions to refuse to enter into or continue a correspondent banking relationship with such institutions and to guard against establishing relations with foreign financial institutions that permit their accounts to be used by banks that have no physical presence and that are not affiliated with a regulated financial group.

(a) Summary of information relevant to reviewing the implementation of the article

Is your country in compliance with this provision?

The Republic of Serbia **is in compliance** with this provision.

Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Legal system of the Republic of Serbia (hereinafter: RS) is in compliance with this provision. The RS, as a State Party of this Convention, has implemented effective measures to prevent establishment of shell banks, supported by its regulatory body – the National Bank of Serbia (hereinafter: NBS). The establishment of a bank in RS is stipulated by regulations – Law on banks ("Official Gazette of the RS, No. 107/05, 91/10 and 14/15 – hereinafter: Law), regulations of the NBS adopted by virtue of the Law – Decision on Implementing the Provisions of the Law Relating to Granting of Preliminary Bank Founding Permit, Bank Operating Licence and Consents and Approvals by the NBS ("Official Gazette of the RS", No., 82/15 and 29/18) and by NBS intern acts and procedures. Additionally, a document Licensing Manual was published and it has been available on NBS PEP website (https://nbs.rs/en/finansijske-institucije/banke/osnivanje-i-saglasnosti/prirucnik-licenciranje/). This document consists of guidelineses and instructions related to application for: preliminary bank founding permit; bank operating licence; consent to acts of the founding assembly; prior consent to the acquisition of ownership in a bank – "purchase" of a bank licensed by the NBS; prior consent to the appointment of members of the managing and/or executive board, etc.

Having been adopted, these guidelineses improved the practice, developed a better understanding of regulations and made the procedure more efficient for all stakeholders preventing at the same time the possibility of establishing shell banks.

One of the main objective of the above-mentioned comprehensive regulations is to provide clear and transparent conditions for market entrance in banking sector. Prescribed provisions are very detailed and explicited.

The stages of establishing the bank are the following:

1) granting of the preliminary bank founding permit (decision on the application is made within 90 days from the day of receipt of a duly completed application);

2) granting of the bank operating licence – application for bank operating licence is submitted within no more than 60 days from the day of receiving the preliminary bank founding permit (decision on the application is made within 30 days from the day of receipt of a duly completed application);

3) granting of consent to acts and/or decisions adopted at the bank's founding assembly meeting (articles of association, appointment of president and members of the bank's managing and executive boards, programme of activities for the three-year period, bank's business policy and decision on the first issue of shares) **–** the founding assembly meeting must be held no later than 30 days from the day of receipt of the decision granting the bank operating license. Acts are submitted for consent to the NBS within 5 days from their adoption (decision on application for consent to the above acts is made within 60 days from the day of their receipt);

4) registration – founders submit an application to the Business Registers Agency for entry of the bank in the register of business entities within 30 days from the day of obtaining the consent to acts of the founding assembly. The bank acquires legal personality and is considered established as of the moment of its entry into the register of business entities.

Banks are established as joint-stock companies and may be founded by one or more domestic or foreign, legal or natural persons that provide funds for the bank's initial capital.

1) Granting of the preliminary bank founding permit

This procedure is very demanding and complex. The NBS assesses the fulfilment of prescribed conditions and criteria, which pertaining to:

- **the fund for the initial capital**: which may be in pecuniary (shall be no less than EUR 10,000,000 in the dinar equivalent, calculated at the PEP middle exchange) or non-pecuniary form (things and rights for the purpose of bank's operation);

- **bank founders**, as follows:
  - whether bank founders have good business reputation;
  - whether bank founders have appropriate financial and/or asset position;
  - whether business activities of the founder could trigger a material risk to safe and sound and lawful management of the bank, and/or have a negative impact on the bank's ability to ensure that its operation is in compliance with the Law, regulations and acts of the NBS;
  - whether there are indications that the bank is founded and/or the participation is acquired for the purpose of money laundering or terrorism financing;
  - whether acquisition of ownership in financial sector persons and management of those persons is the founder's strategic goal evident in its business policy documents and/or business practice;
  - whether the proposed ownership and management structures of the bank enable effective prudential supervision of the bank's operations, whether the structure of the banking group whose member the bank is to become is transparent and whether it allows unimpeded

supervision of the group on a consolidated basis, as well as whether these structures enable appropriate external and/or internal audit;

- **the bank's founding act and the proposed articles of association**: whether the act complies with the regulations and whether it contains elements and/or data prescribed by the Law;

- **the nominated members of the bank's managing and executive boards**: whether they meet the prescribed conditions referred to qualifications, experience and business reputation;

- **the proposed business policy and strategy of the bank**: whether, based on the activities the bank is to engage in, the expected sources of financing, target group of clients, planned potential capital increases of the bank and sources of funding for such increases, plan for the expansion of operations and organizational network of the bank as well as other elements envisaged by the proposal, it may reasonably be expected that the bank will develop its operations over the next three years in such a way that its risk profile complies at all times with its established risk propensity;

- **the bank's programme of activities for the first business year**: whether the elements of the plan (in particular those pertaining to terms under which the bank will collect and extend funds, especially deposits and loans, terms under which it will approve loans to related persons and persons related to the bank, measures to be taken in the event of any liquidity problems and projections of balance sheet and income statement) are based on prudent assumptions and realistic estimates;

- **the proposed risk management strategy and policies and proposed capital management strategy**: whether the proposals contain the elements prescribed by the decision governing risk management by a bank and whether, based on the proposals, it may reasonably be expected that the bank will establish an adequate risk management system;

- **a confirmation** of the competent regulatory authority approving the participation of this foreign person in the establishment of a bank in the RS, and/or confirmation by the competent regulatory authority or other competent institution or authority of the home country that no such approval is necessary, if the bank founder is a foreign bank or other foreign financial sector person;

- **a confirmation** of the competent regulatory authority that it performs supervision on a consolidated basis, if the bank founder is a foreign bank or other foreign financial sector person.

2) Granting of the bank operating license

In this stage of procedure, the NBS assesses the fulfilment of prescribed conditions that are more formal than previous conditions in the first stage, as follows:

- whether the founders paid pecuniary portion of initial capital and/or certificated transfer of non-pecuniary assets into the bank's initial capital and statement by each founder as to the origin of those assets;

- whether the founders provided appropriate surface area which meets legal requirements relating to technical equipment, work safety, environmental protection and enhancement and list of equipment obtained (particularly equipment relating to the bank's information system) to enable smooth conduct of operations of the bank pursuant to its proposed business policy and strategy and access to all data and information relevant for the exercise of the supervisory function by the NBS;

- whether the founders engaged an external auditor from the list of external auditors compiled and published by the NBS;

- appropriate organizational structure and human resource capacity of the future bank.

Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.

One of the fundamental objective of the above-mentioned comprehensive regulations is to exclude any possibility of existence of banks without physical presence and that are not affiliated with a regulated financial group, e.g. shell banks. It is relevant to point out that according to the Constitution of the RS ("Official Gazette of the RS, No 98/06 and 115/21), ratified international treaties are an integral part of the legal system in the RS and apply directly; they must be in accordance with the Constitution. That means that Convention, which our country was ratified, applies directly in our legal system.

Additionally, it is important to highlight the significance of the penalty provisions prescribed by the Law, that regulate criminal offences, and together with other mentioned provisions in this matter, are the most effective way to prevent the establishment of banks that have no physical presence and that are not affiliated with a regulated financial group. Good indicator for successful preventive role of these provisions is fact that in RS, until now, were not any cases where the applicator for bank operating licence was entity that pretended to be a bank without physical presence and that is not affiliated with a regulated financial group.

Penalty provisions have clear role to hinder any kind of uninstitutional banking form that is not in accordance with legal system of the RS and that, consequently, may disturb the stability of financial system of the RS. At the same time, penalty provisions help in prevention of money laundering.

The Law prescribed that if a person who engages in granting of loans and issuing of payment cards without an operating licence issued by the NBS and is not authorised to do so by law or engages in accepting deposits without an operating licence issued by the NBS, it shall be punished for a criminal offence by a prison sentence of three months to five years. Having in mind the above-mentioned, everyone who discoveres such acting is obligated to submit crime report to authorities.

(b) Observations on the implementation of the article

[*Observations of the governmental experts with regard to the implementation of the article. Depending on the scope of the review cycle, findings with respect to the way in which national law has been brought into line with the article, as well as to the implementation of the article in practice.]*

[*Observations on the status of implementation of the article, including successes, good practices and challenges in implementation*.]

(c) Successes and good practices

[*Identification of successes and good practices in implementing the article, where applicable.*]

Paragraph 5 of article 52

5. Each State Party shall consider establishing, in accordance with its domestic law, effective financial disclosure systems for appropriate public officials and shall provide for appropriate sanctions for non-compliance. Each State Party shall also consider taking such measures as may be necessary to permit its competent authorities to share that information with the competent authorities in other States Parties when necessary to investigate, claim and recover proceeds of offences established in accordance with this Convention.

(a) Summary of information relevant to reviewing the implementation of the article

Is your country in compliance with this provision?

Please see responses related to the Article 8, par. 5

Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Please see responses related to the Article 8, par. 5.

Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.

(b) Observations on the implementation of the article

[*Observations of the governmental experts with regard to the implementation of the article. Depending on the scope of the review cycle, findings with respect to the way in which national law has been brought into line with the article, as well as to the implementation of the article in practice.]*

[*Observations on the status of implementation of the article, including successes, good practices and challenges in implementation*.]

(c) Successes and good practices

[*Identification of successes and good practices in implementing the article, where applicable*.]

Paragraph 6 of article 52

6. Each State Party shall consider taking such measures as may be necessary, in accordance with its domestic law, to require appropriate public officials having an interest in or signature or other authority over a financial account in a foreign country to report that relationship to appropriate authorities and to maintain appropriate records related to such accounts. Such measures shall also provide for appropriate sanctions for non-compliance.

(a) Summary of information relevant to reviewing the implementation of the article

Is your country in compliance with this provision?

Please see responses related to the Article 8, par. 5.

Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Please see responses related to the Article 8, par. 5.

Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.

(b) Observations on the implementation of the article

[*Observations of the governmental experts with regard to the implementation of the article. Depending on the scope of the review cycle, findings with respect to the way in which national law has been brought into line with the article, as well as to the implementation of the article in practice.]*

[*Observations on the status of implementation of the article, including successes, good practices and challenges in implementation*.]

(c) Successes and good practices

[*Identification of successes and good practices in implementing the article, where applicable.*]

(d) Challenges, where applicable

Please outline actions required to ensure or improve the implementation of the article under review and describe any specific challenges you might be facing in this respect.

(e) Technical assistance needs

No assistance would be required

Legislative assistance: please describe the type of assistance

Institution-building: please describe the type of assistance

Policymaking: please describe the type of assistance

Capacity-building: please describe the type of assistance

Research/data-gathering and analysis: please describe the type of assistance

Facilitation of international cooperation with other countries: please describe the type of assistance

Others: please specify

Is any technical assistance already being provided to you? If so, please provide a general description of the nature of the assistance, including donor information.

Article 53. Measures for direct recovery of property

Subparagraph (a) of article 53

Each State Party shall, in accordance with its domestic law:

(a) Take such measures as may be necessary to permit another State Party to initiate civil action in its courts to establish title to or ownership of property acquired through the commission of an offence established in accordance with this Convention;

(a) Summary of information relevant to reviewing the implementation of the article

Is your country in compliance with this provision?

The Republic of Serbia **is in compliance** with this provision.

Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

The system of confiscation of property without a conviction has not been established in the Republic of Serbia. The Law on Confiscation of property Derived from Criminal Activity („Official Gazette of the RS“ No. 32/13, 94/16 and 35/19) implies the existence of criminal offenses, which are listed in the catalogue of criminal offenses in the Law. However, the Republic of Serbia has recently adopted the Law on the Origin of Property and Special Tax („Official Gazette of the RS“ No. 18/20), according to which it is possible to tax property, that has not been reported, with high taxes.

Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.

(b) Observations on the implementation of the article

[*Observations of the governmental experts with regard to the implementation of the article. Depending on the scope of the review cycle, findings with respect to the way in which national law has been brought into line with the article, as well as to the implementation of the article in practice.]*

[*Observations on the status of implementation of the article, including successes, good practices and challenges in implementation*.]

(c) Successes and good practices

[*Identification of successes and good practices in implementing the article, where applicable.*]

Subparagraph (b) of article 53

Each State Party shall, in accordance with its domestic law: ...

(b) Take such measures as may be necessary to permit its courts to order those who have committed offences established in accordance with this Convention to pay compensation or damages to another State Party that has been harmed by such offences; and

(a) Summary of information relevant to reviewing the implementation of the article

Is your country in compliance with this provision?

The Republic of Serbia **is in compliance** with this provision.

Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Criminal Code ("Official Gazette of the Republic of Serbia" No. 85/05, 88/05 - corr., 107/05 - corr., 72/09, 111/09, 121/12, 104/13, 108/14, 94/16 and 35/19) and Criminal procedure code ("Official Gazette of the Republic of Serbia" no. 72/11, 101/11, 121/12, 32/13, 45/13, 55/14, 35/19, 27/21 and 62/21) regulate confiscation of material gain

It is prescribed by articles 91 and 92 of the Criminal Code that no one may retain material gain obtained by criminal offence, that the gain shall be seized on conditions provided herein and by decision of the court determining commission of a criminal offence, that money, items of value

and all other material gains obtained by a criminal offence shall be seized from the offender, and if such seizure should not be possible, the offender shall be obligated to hand over other assets corresponding to the value of assets obtained through commission of criminal offence or deriving there from or to pay a pecuniary amount commensurate with obtained material gain. Material gain obtained by a criminal offence shall also be seized from the legal entity or natural person it has been transferred to without compensation or with compensation that is obviously inadequate to its actual value and if material gain is obtained by an offence for another person, such gain shall be seized as well.

The Article 93 of the Criminal Code regulates the Protection of the Injured Party, and it prescribes that (1) If in criminal proceedings a property claim of the injured party is accepted, the court shall order seizure of material gain only if it exceeds the adjudicated amount of the property claim. (2) The injured party who in criminal proceedings has been directed to institute civil action in respect of his/her property claim, may request compensation from the seized material gain if he/she institutes a civil action within six months from the day the decision referring him/her to litigation becomes final. (3) The injured party who does not file a property claim during criminal proceedings may request compensation from the seized material gain if he has instituted civil action to determine his claim within three months from the day of learning of the judgement ordering seizure of material gain, and not later than three years from the day the order on seizure of material gain became final. (4) In cases referred in paragraphs 2and 3 of this Article, the injured party must, within three months from the day the decision accepting his property claim became final, request to be compensated from the seized material gain.

The Criminal procedure code in articles 538-543 prescribes the procedure for the confiscation of proceeds from crime.

Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.

(b) Observations on the implementation of the article

[*Observations of the governmental experts with regard to the implementation of the article. Depending on the scope of the review cycle, findings with respect to the way in which national law has been brought into line with the article, as well as to the implementation of the article in practice.]*

[*Observations on the status of implementation of the article, including successes, good practices and challenges in implementation*.]

(c) Successes and good practices

[*Identification of successes and good practices in implementing the article, where applicable.*]

Subparagraph (c) of article 53

Each State Party shall, in accordance with its domestic law: ...

(c) Take such measures as may be necessary to permit its courts or competent authorities, when having to decide on confiscation, to recognize another State Party's claim as a legitimate owner of property acquired through the commission of an offence established in accordance with this Convention.

(a) Summary of information relevant to reviewing the implementation of the article

Is your country in compliance with this provision?

The Republic of Serbia **is in compliance** with this provision.

Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Article 64 of the Law on confiscation of property derived from criminal activity („Official Gazette of the RS" No. 32/13, 94/16 and 35/19) prescribes that International cooperation with the aim of confiscation of the property derived from a criminal activity shall be realized on the basis of an international agreement and in case there is no international agreement, or where certain issues have not been regulated by an international agreement, the international cooperation shall additionally be realized on the basis of the principle of reciprocity and the provisions of that Law. Also the provisions of the laws regulating the international legal assistance in criminal matters shall apply mutatis mutandis on the issues of international cooperation that are not regulated by this Law.

Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.

(b) Observations on the implementation of the article

[*Observations of the governmental experts with regard to the implementation of the article. Depending on the scope of the review cycle, findings with respect to the way in which national law has been brought into line with the article, as well as to the implementation of the article in practice.]*

[*Observations on the status of implementation of the article, including successes, good practices and challenges in implementation*.]

(c) Successes and good practices

[*Identification of successes and good practices in implementing the article, where applicable*.]

(d) Challenges, where applicable

Please outline actions required to ensure or improve the implementation of the article under review and describe any specific challenges you might be facing in this respect.

(e) Technical assistance needs

No assistance would be required

Legislative assistance: please describe the type of assistance

Institution-building: please describe the type of assistance

Policymaking: please describe the type of assistance

Capacity-building: please describe the type of assistance

Research/data-gathering and analysis: please describe the type of assistance

Facilitation of international cooperation with other countries: please describe the type of assistance

Others: please specify

Is any technical assistance already being provided to you? If so, please provide a general description of the nature of the assistance, including donor information.

Article 54. Mechanisms for recovery of property through international cooperation in confiscation

> *Subparagraph 1 (a) of article 54*
>
> *1. Each State Party, in order to provide mutual legal assistance pursuant to article 55 of this Convention with respect to property acquired through or involved in the commission of an offence established in accordance with this Convention, shall, in accordance with its domestic law:*
>
> *(a) Take such measures as may be necessary to permit its competent authorities to give effect to an order of confiscation issued by a court of another State Party;*

(a) Summary of information relevant to reviewing the implementation of the article

Is your country in compliance with this provision?

The Republic of Serbia **is in compliance** with this provision.

Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Please see response related to the Article 53 subparagraph (c).

Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.

(b) Observations on the implementation of the article

[*Observations of the governmental experts with regard to the implementation of the article. Depending on the scope of the review cycle, findings with respect to the way in which national law has been brought into line with the article, as well as to the implementation of the article in practice.]*

[*Observations on the status of implementation of the article, including successes, good practices and challenges in implementation*.]

(c) Successes and good practices

[*Identification of successes and good practices in implementing the article, where applicable.*]

Subparagraph 1 (b) of article 54

1. Each State Party, in order to provide mutual legal assistance pursuant to article 55 of this Convention with respect to property acquired through or involved in the commission of an offence established in accordance with this Convention, shall, in accordance with its domestic law:

...

(b) Take such measures as may be necessary to permit its competent authorities, where they have jurisdiction, to order the confiscation of such property of foreign origin by adjudication of an offence of money-laundering or such other offence as may be within its jurisdiction or by other procedures authorized under its domestic law; and

(a) Summary of information relevant to reviewing the implementation of the article

Is your country in compliance with this provision?

The Republic of Serbia **is in compliance** with this provision.

Please describe (cite and summarize) the measures/steps your country has taken, if any, (or

is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Please see response related to the Article 53 subparagraph (c).

Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.

(b) Observations on the implementation of the article

[*Observations of the governmental experts with regard to the implementation of the article. Depending on the scope of the review cycle, findings with respect to the way in which national law has been brought into line with the article, as well as to the implementation of the article in practice.]*

[*Observations on the status of implementation of the article, including successes, good practices and challenges in implementation*.]

(c) Successes and good practices

[*Identification of successes and good practices in implementing the article, where applicable.*]

Subparagraph 1 (c) of article 54

1. Each State Party, in order to provide mutual legal assistance pursuant to article 55 of this Convention with respect to property acquired through or involved in the commission of an offence established in accordance with this Convention, shall, in accordance with its domestic law:

...

(c) Consider taking such measures as may be necessary to allow confiscation of such property without a criminal conviction in cases in which the offender cannot be prosecuted by reason of death, flight or absence or in other appropriate cases.

(a) Summary of information relevant to reviewing the implementation of the article

Is your country in compliance with this provision?

The Republic of Serbia **is in compliance** with this provision

Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Article 3 of the Law on confiscation of property derived from criminal activity („Official Gazette of the RS“ No. 32/13, 94/16 and 35/19), which contains the definitions of the terms used in the Law prescribes that the property derived from a criminal activity is confictated from its owner, while the accused, his associate, a testator, a legal successor or a third person are considered owners of the property. The testator is defined as the person against whom criminal proceedings are not instituted or alternatively are suspended due to his/her death, and where it has been determined in the criminal proceedings against other persons that he/she committed a criminal act referred to in Article 2 of this Law jointly with such persons, while the third party is defined as a natural or legal person to whom the property derived from a criminal activity has been transferred and the legal successor is defined as an inheritor of the convicted person, witness collaborator, testator, a third party or of their inheritors.

Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.

(b) Observations on the implementation of the article

[*Observations of the governmental experts with regard to the implementation of the article. Depending on the scope of the review cycle, findings with respect to the way in which national law has been brought into line with the article, as well as to the implementation of the article in practice.]*

[*Observations on the status of implementation of the article, including successes, good practices and challenges in implementation*.]

(c) Successes and good practices

[*Identification of successes and good practices in implementing the article, where applicable.*]

Subparagraph 2 (a) of article 54

2. Each State Party, in order to provide mutual legal assistance upon a request made pursuant to paragraph 2 of article 55 of this Convention, shall, in accordance with its domestic law:

(a) Take such measures as may be necessary to permit its competent authorities to freeze or seize property upon a freezing or seizure order issued by a court or competent authority of a requesting State Party that provides a reasonable basis for the requested State Party to believe that there are sufficient grounds for taking such actions and that the property would eventually be subject to an order of confiscation for purposes of paragraph 1 (a) of this article;

(a) Summary of information relevant to reviewing the implementation of the article

Is your country in compliance with this provision?

The Republic of Serbia **is in compliance** with this provision.

Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Please see response related to the Article 53 subparagraph (c)

Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.

(b) Observations on the implementation of the article

[*Observations of the governmental experts with regard to the implementation of the article. Depending on the scope of the review cycle, findings with respect to the way in which national law has been brought into line with the article, as well as to the implementation of the article in practice.]*

[*Observations on the status of implementation of the article, including successes, good practices and challenges in implementation*.]

(c) Successes and good practices

[*Identification of successes and good practices in implementing the article, where applicable.*]

Subparagraph 2 (b) of article 54

2. Each State Party, in order to provide mutual legal assistance upon a request made pursuant to paragraph 2 of article 55 of this Convention, shall, in accordance with its domestic law:

...

(b) Take such measures as may be necessary to permit its competent authorities to freeze or seize property upon a request that provides a reasonable basis for the requested State Party to believe that there are sufficient grounds for taking such actions and that the property would eventually be subject to an order of confiscation for purposes of paragraph 1 (a) of this article; and

(a) Summary of information relevant to reviewing the implementation of the article

Is your country in compliance with this provision?

The Republic of Serbia **is in compliance** with this provision

Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Please see response related to the Article 53 subparagraph (c)

Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.

(b) Observations on the implementation of the article

[*Observations of the governmental experts with regard to the implementation of the article. Depending on the scope of the review cycle, findings with respect to the way in which national law has been brought into line with the article, as well as to the implementation of the article in practice.]*

[*Observations on the status of implementation of the article, including successes, good practices and challenges in implementation*.]

(c) Successes and good practices

[*Identification of successes and good practices in implementing the article, where applicable.*]

Subparagraph 2 (c) of article 54

2. Each State Party, in order to provide mutual legal assistance upon a request made pursuant to paragraph 2 of article 55 of this Convention, shall, in accordance with its domestic law:

...

(c) Consider taking additional measures to permit its competent authorities to preserve property for confiscation, such as on the basis of a foreign arrest or criminal charge related to the acquisition of such property.

(a) Summary of information relevant to reviewing the implementation of the article

Is your country in compliance with this provision?

The Republic of Serbia **is in compliance** with this provision.

Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full

compliance with this provision of the Convention.

Please see response related to the Article 53 subparagraph (c).

Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.

(b) Observations on the implementation of the article

[*Observations of the governmental experts with regard to the implementation of the article. Depending on the scope of the review cycle, findings with respect to the way in which national law has been brought into line with the article, as well as to the implementation of the article in practice.]*

[*Observations on the status of implementation of the article, including successes, good practices and challenges in implementation*.]

(c) Successes and good practices

[*Identification of successes and good practices in implementing the article, where applicable.*]

(d) Challenges, where applicable

Please outline actions required to ensure or improve the implementation of the article under review and describe any specific challenges you might be facing in this respect.

(e) Technical assistance needs

No assistance would be required

Legislative assistance: please describe the type of assistance

Institution-building: please describe the type of assistance

Policymaking: please describe the type of assistance

Capacity-building: please describe the type of assistance

Research/data-gathering and analysis: please describe the type of assistance

Facilitation of international cooperation with other countries: please describe the type of assistance

Others: please specify

Is any technical assistance already being provided to you? If so, please provide a general description of the nature of the assistance, including donor information.

Article 55. International cooperation for purposes of confiscation

Paragraph 1 of article 55

1. A State Party that has received a request from another State Party having jurisdiction over an offence established in accordance with this Convention for confiscation of proceeds of crime, property, equipment or other instrumentalities referred to in article 31, paragraph 1, of this Convention situated in its territory shall, to the greatest extent possible within its domestic legal system:

(a) Submit the request to its competent authorities for the purpose of obtaining an order of confiscation and, if such an order is granted, give effect to it; or

(b) Submit to its competent authorities, with a view to giving effect to it to the extent requested, an order of confiscation issued by a court in the territory of the requesting State Party in accordance with articles 31, paragraph 1, and 54, paragraph 1 (a), of this Convention insofar as it relates to proceeds of crime, property, equipment or other instrumentalities referred to in article 31, paragraph 1, situated in the territory of the requested State Party.

(a) Summary of information relevant to reviewing the implementation of the article

Is your country in compliance with this provision?

The Republic of Serbia **is in compliance** with this provision.

Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Please see response related to the Article 53 subparagraph c.

Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.

(b) Observations on the implementation of the article

[*Observations of the governmental experts with regard to the implementation of the article. Depending on the scope of the review cycle, findings with respect to the way in which national*

law has been brought into line with the article, as well as to the implementation of the article in practice.]

[*Observations on the status of implementation of the article, including successes, good practices and challenges in implementation*.]

(c) Successes and good practices

[*Identification of successes and good practices in implementing the article, where applicable.*]

Paragraph 2 of article 55

2. Following a request made by another State Party having jurisdiction over an offence established in accordance with this Convention, the requested State Party shall take measures to identify, trace and freeze or seize proceeds of crime, property, equipment or other instrumentalities referred to in article 31, paragraph 1, of this Convention for the purpose of eventual confiscation to be ordered either by the requesting State Party or, pursuant to a request under paragraph 1 of this article, by the requested State Party.

(a) Summary of information relevant to reviewing the implementation of the article

Is your country in compliance with this provision?

The Republic of Serbia **is in compliance** with this provision.

Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

The task of the Unit is to conduct financial investigations. In this sense, international cooperation in the field of property restitution is very important. The unit maintains international cooperation through participation in the CARIN network, by exchanging data through Interpol, liaison officers and through the SIENA channel, which was established for cooperation with the offices of the EU ARO. As a result of this police cooperation in certain cases ensued requests for international legal assistance through the competent prosecutor's office, whereby the multimillion value of property (real estate and money in accounts and cash) on the territory of the Republic of Serbia was blocked. In coordination with the prosecution, especially with the Prosecutor's Office for Organized Crime, a number of parallel financial investigations and criminal investigations was conducted at the international level. These investigations were conducted in one day (search of facilities, deprivation of liberty, blockade of money and property) as a result of several months of work on criminal and financial investigations conducted in the Republic of Serbia, as well as in countries that initiated international cooperation.

Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.

((b) Observations on the implementation of the article

[*Observations of the governmental experts with regard to the implementation of the article. Depending on the scope of the review cycle, findings with respect to the way in which national law has been brought into line with the article, as well as to the implementation of the article in practice.]*

[*Observations on the status of implementation of the article, including successes, good practices and challenges in implementation*.]

(c) Successes and good practices

[*Identification of successes and good practices in implementing the article, where applicable.*]

Paragraph 3 of article 55

3. The provisions of article 46 of this Convention are applicable, mutatis mutandis, to this article. In addition to the information specified in article 46, paragraph 15, requests made pursuant to this article shall contain:

(a) In the case of a request pertaining to paragraph 1 (a) of this article, a description of the property to be confiscated, including, to the extent possible, the location and, where relevant, the estimated value of the property and a statement of the facts relied upon by the requesting State Party sufficient to enable the requested State Party to seek the order under its domestic law;

(b) In the case of a request pertaining to paragraph 1 (b) of this article, a legally admissible copy of an order of confiscation upon which the request is based issued by the requesting State Party, a statement of the facts and information as to the extent to which execution of the order is requested, a statement specifying the measures taken by the requesting State Party to provide adequate notification to bona fide third parties and to ensure due process and a statement that the confiscation order is final;

(c) In the case of a request pertaining to paragraph 2 of this article, a statement of the facts relied upon by the requesting State Party and a description of the actions requested and, where available, a legally admissible copy of an order on which the request is based.

(a)Summary of information relevant to reviewing the implementation of the article

Is your country in compliance with this provision?

The Republic of Serbia **is in compliance** with this provision.

Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full

compliance with this provision of the Convention.

During the conduct of the financial investigation founded on an international request, the Unit collects data on assets based on access to databases and checks with the competent state authorities and institutions, as well as the private sector (banks, financial institutions, notaries, etc.). In these cases, we collect data on the location of the property as well as, when necessary, the value of the property. All other data, which are necessary for the prosecutor to initiate a procedure of temporary and permanent confiscation of property, as well as the procedure conducted according to the international request, are also collected.

Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.

(b) Observations on the implementation of the article

[*Observations of the governmental experts with regard to the implementation of the article. Depending on the scope of the review cycle, findings with respect to the way in which national law has been brought into line with the article, as well as to the implementation of the article in practice.]*

[*Observations on the status of implementation of the article, including successes, good practices and challenges in implementation*.]

(c) Successes and good practices

[*Identification of successes and good practices in implementing the article, where applicable.*]

Paragraph 4 of article 55

4. The decisions or actions provided for in paragraphs 1 and 2 of this article shall be taken by the requested State Party in accordance with and subject to the provisions of its domestic law and its procedural rules or any bilateral or multilateral agreement or arrangement to which it may be bound in relation to the requesting State Party.

(a) Summary of information relevant to reviewing the implementation of the article

Is your country in compliance with this provision?

The Republic of Serbia **is in compliance** with this provision.

Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full

compliance with this provision of the Convention.

Please see response related to the Article 53 subparagraph (c)

Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.

(b) Observations on the implementation of the article

[*Observations of the governmental experts with regard to the implementation of the article. Depending on the scope of the review cycle, findings with respect to the way in which national law has been brought into line with the article, as well as to the implementation of the article in practice.]*

[*Observations on the status of implementation of the article, including successes, good practices and challenges in implementation*.]

(c) Successes and good practices

[*Identification of successes and good practices in implementing the article, where applicable.*]

Paragraph 5 of article 55

5. Each State Party shall furnish copies of its laws and regulations that give effect to this article and of any subsequent changes to such laws and regulations or a description thereof to the Secretary-General of the United Nations.

(a) Summary of information relevant to reviewing the implementation of the article

Is your country in compliance with this provision?

The Republic of Serbia **is in compliance** with this provision.

Please provide a reference to the date these documents were transmitted, as well as a description of any documents not yet transmitted.

Please, find attached the relevant Law on confiscation of property derived from criminal activity ("Official Gazette of the RS", No. 32/13, 94/16 and 35/19) and Criminal Procedure Code ("Official Gazette of the RS", No. 72/11, 101/11, 121/12, 32/13, 45/13, 55/14 and 35/19).

(b) Observations on the implementation of the article

[*Observations of the governmental experts with regard to the implementation of the article. Depending on the scope of the review cycle, findings with respect to the way in which national law has been brought into line with the article, as well as to the implementation of the article in practice.]*

[*Observations on the status of implementation of the article, including successes, good practices and challenges in implementation*.]

(c) Successes and good practices

[*Identification of successes and good practices in implementing the article, where applicable.*]

Paragraph 6 of article 55

6. If a State Party elects to make the taking of the measures referred to in paragraphs 1 and 2 of this article conditional on the existence of a relevant treaty, that State Party shall consider this Convention the necessary and sufficient treaty basis.

(a) Summary of information relevant to reviewing the implementation of the article

Is your country in compliance with this provision?

The Republic of Serbia **is in compliance** with this provision.

Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Whether your country makes cooperation for purposes of confiscation conditional on the existence of a treaty;

No, it does not.

A list of bilateral and multilateral treaties based on which your country can provide mutual legal assistance for the purpose of identifying, tracing, freezing, seizing and confiscating the proceeds of crime or instrumentalities;

Agreement between the Republic of Serbia and the Republic of Italy on Facilitating the Application of the European Convention on Mutual Assistance in Criminal Matters of 20 April 1959 („Official Gazette of the Republic of Serbia - International Treaties", No 12/18)

Agreement between the Republic of Serbia and the Republic of Kazakhstan on providing legal assistance in criminal matters („Official Gazette of the Republic of Serbia - International Treaties", No 12/18)

The United Nations Convention against Transnational Organized Crime of 15 November 2000, („Official Journal of FRY – International Treaties", No. 6/01)

The United Nations Convention against Corruption („Official Journal of SCG -International Treaties", No. 12 /05)

United Nations Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances, („Official Journal of the SFRJ – International Treaties", Nor. 14/90)

International Convention for the Suppression of the Financing of Terrorism („Official Journal of FRY – International Treaties", No. 7/02)

Convention on Laundering, Search, Seizure and Confiscation of the Proceeds from Crime („Official Journal of FRY – International Treaties", No. 7/02).

Council of Europe Convention on Laundering, Search, Seizure, and Confiscation of the Proceeds from Crime and on the Financing of Terrorism of 2005 („Official Gazette of the Republic of Serbia - International Treaties", No 19/09).

Whether your country can use the Convention as legal basis for cooperation.

Yes.

Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.

Currently there is no active case.

https://www.mpravde.gov.rs/tekst/25262/bilateralni-sporazumi-u-krivicnim-stvarima-.php

https://www.mpravde.gov.rs/tekst/25264/multilateralni-sporazumi-u-krivicnim-stvarima-.php

(b) Observations on the implementation of the article

[*Observations of the governmental experts with regard to the implementation of the article. Depending on the scope of the review cycle, findings with respect to the way in which national law has been brought into line with the article, as well as to the implementation of the article in practice.]*

[*Observations on the status of implementation of the article, including successes, good practices and challenges in implementation*.]

(c) Successes and good practices

[*Identification of successes and good practices in implementing the article, where applicable.*]

Paragraph 7 of article 55

7. Cooperation under this article may also be refused or provisional measures lifted if the requested State Party does not receive sufficient and timely evidence or if the property is of a de minimis value.

(a) Summary of information relevant to reviewing the implementation of the article

Is your country in compliance with this provision?

The Republic of Serbia **is in compliance** with this provision.

Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Please see response related to the Article 53 subparagraph (c)

Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.

(b) Observations on the implementation of the article

[*Observations of the governmental experts with regard to the implementation of the article. Depending on the scope of the review cycle, findings with respect to the way in which national law has been brought into line with the article, as well as to the implementation of the article in practice.]*

[*Observations on the status of implementation of the article, including successes, good practices and challenges in implementation*.]

(c) Successes and good practices

[*Identification of successes and good practices in implementing the article, where applicable.*]

Paragraph 8 of article 55

8. Before lifting any provisional measure taken pursuant to this article, the requested State Party shall, wherever possible, give the requesting State Party an opportunity to present its reasons in favour of continuing the measure.

(a) Summary of information relevant to reviewing the implementation of the article

Is your country in compliance with this provision?

The Republic of Serbia **is in compliance** with this provision

Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Please see response related to the Article 53 subparagraph c.

Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.

(b) Observations on the implementation of the article

[*Observations of the governmental experts with regard to the implementation of the article. Depending on the scope of the review cycle, findings with respect to the way in which national law has been brought into line with the article, as well as to the implementation of the article in practice.]*

[*Observations on the status of implementation of the article, including successes, good practices and challenges in implementation*.]

(c) Successes and good practices

[*Identification of successes and good practices in implementing the article, where applicable.*]

Paragraph 9 of article 55

9. The provisions of this article shall not be construed as prejudicing the rights of bona fide third parties.

(a) Summary of information relevant to reviewing the implementation of the article

Is your country in compliance with this provision?

The Republic of Serbia **is in compliance** with this provision

Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.

(b) Observations on the implementation of the article

[*Observations of the governmental experts with regard to the implementation of the article. Depending on the scope of the review cycle, findings with respect to the way in which national law has been brought into line with the article, as well as to the implementation of the article in practice.]*

[*Observations on the status of implementation of the article, including successes, good practices and challenges in implementation*.]

(c) Successes and good practices

[*Identification of successes and good practices in implementing the article, where applicable.*]

(d) Challenges, where applicable

Please outline actions required to ensure or improve the implementation of the article under review and describe any specific challenges you might be facing in this respect.

(e) Technical assistance needs

No assistance would be required

Legislative assistance: please describe the type of assistance

Institution-building: please describe the type of assistance

Policymaking: please describe the type of assistance

Capacity-building: please describe the type of assistance

Research/data-gathering and analysis: please describe the type of assistance

Facilitation of international cooperation with other countries: please describe the type of assistance

Others: please specify

Is any technical assistance already being provided to you? If so, please provide a general description of the nature of the assistance, including donor information.

Article 56. Special cooperation

> *Article 56*
>
> *Without prejudice to its domestic law, each State Party shall endeavour to take measures to permit it to forward, without prejudice to its own investigations, prosecutions or judicial proceedings, information on proceeds of offences established in accordance with this Convention to another State Party without prior request, when it considers that the disclosure of such information might assist the receiving State Party in initiating or carrying out investigations, prosecutions or judicial proceedings or might lead to a request by that State Party under this chapter of the Convention.*

(a) Summary of information relevant to reviewing the implementation of the article

Is your country in compliance with this provision?

The Republic of Serbia **is in compliance** with this provision

Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

The international cooperation, within the meaning of the provisions of this Law, shall include the provision of assistance in tracing the property derived from a criminal activity, prohibition to dispose of and temporary or permanent confiscation of the property derived from a criminal activity. The competence of the domestic public prosecutor's office, i.e. court in the procedure of international cooperation referred to in paragraph 1 of this Article shall be determined by mutatis mutandis application of the relevant legal provisions on international legal assistance and realization of international agreements. (article 65 of the Law on confiscation of property derived from criminal activity prescribes that)

Article 67 of the Law on confiscation of property derived from criminal activity („Official Gazette of the RS" No. 32/13, 94/16 and 35/19) prescribes that the request for cooperation of a foreign authority, within the meaning of the provisions of this Law, shall be delivered to the domestic competent authority through the Ministry in charge for judiciary, and that request, i.e. a decision of the domestic authorities shall be delivered in the same manner to a foreign authority,

while in urgent cases, under condition of reciprocity, an application for tracing, prohibition of disposal, i.e. temporary confiscation of property may be delivered through the Unit.

Since the enactment of the Law on confiscation of property derived from criminal activity, the Ministry of Justice has received 15 requests for assistance, and has successfully provided assistance in the vast majority of cases.

Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.

(b) Observations on the implementation of the article

[*Observations of the governmental experts with regard to the implementation of the article. Depending on the scope of the review cycle, findings with respect to the way in which national law has been brought into line with the article, as well as to the implementation of the article in practice.]*

[*Observations on the status of implementation of the article, including successes, good practices and challenges in implementation*.]

(c) Successes and good practices

[*Identification of successes and good practices in implementing the article, where applicable.*]

(d) Challenges, where applicable

Please outline actions required to ensure or improve the implementation of the article under review and describe any specific challenges you might be facing in this respect.

(e) Technical assistance needs

No assistance would be required

Legislative assistance: please describe the type of assistance

Institution-building: please describe the type of assistance

Policymaking: please describe the type of assistance

Capacity-building: please describe the type of assistance

Research/data-gathering and analysis: please describe the type of assistance

Facilitation of international cooperation with other countries: please describe the type of assistance

Others: please specify

Is any technical assistance already being provided to you? If so, please provide a general description of the nature of the assistance, including donor information.

Article 57. Return and disposal of assets

Paragraph 1 of article 57

1. Property confiscated by a State Party pursuant to article 31 or 55 of this Convention shall be disposed of, including by return to its prior legitimate owners, pursuant to paragraph 3 of this article, by that State Party in accordance with the provisions of this Convention and its domestic law.

(a) Summary of information relevant to reviewing the implementation of the article

Is your country in compliance with this provision?

The Republic of Serbia **is in compliance** with these provisions.

Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

The permanently confiscated property derived from a criminal activity shall be disposed of in compliance with the provisions of this Law, unless where laid down otherwise by an international agreement. Upon deduction of the costs of management of the confiscated property and settlement of the property-related claim of the injured person, the monetary means obtained through the sales of the permanently confiscated property shall be paid in the budget of the Republic of Serbia. The means referred to in paragraph 1 of this Article in the amount of 30% shall be used for financing of the social and health needs in compliance with the decision of the Government.

Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.

(b) Observations on the implementation of the article

[*Observations of the governmental experts with regard to the implementation of the article. Depending on the scope of the review cycle, findings with respect to the way in which national law has been brought into line with the article, as well as to the implementation of the article in*

practice.]

[*Observations on the status of implementation of the article, including successes, good practices and challenges in implementation*.]

(c) Successes and good practices

[*Identification of successes and good practices in implementing the article, where applicable.*]

Paragraph 2 of article 57

2. Each State Party shall adopt such legislative and other measures, in accordance with the fundamental principles of its domestic law, as may be necessary to enable its competent authorities to return confiscated property, when acting on the request made by another State Party, in accordance with this Convention, taking into account the rights of bona fide third parties.

(a) Summary of information relevant to reviewing the implementation of the article

Is your country in compliance with this provision?

Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Please see article 57(1)

Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.

(b) Observations on the implementation of the article

[*Observations of the governmental experts with regard to the implementation of the article. Depending on the scope of the review cycle, findings with respect to the way in which national law has been brought into line with the article, as well as to the implementation of the article in practice.]*

[*Observations on the status of implementation of the article, including successes, good practices and challenges in implementation*.]

(c) Successes and good practices

[*Identification of successes and good practices in implementing the article, where applicable.*]

Subparagraph 3 (a) of article 57

3. In accordance with articles 46 and 55 of this Convention and paragraphs 1 and 2 of this article, the requested State Party shall:

(a) In the case of embezzlement of public funds or of laundering of embezzled public funds as referred to in articles 17 and 23 of this Convention, when confiscation was executed in accordance with article 55 and on the basis of a final judgement in the requesting State Party, a requirement that can be waived by the requested State Party, return the confiscated property to the requesting State Party;

(a) Summary of information relevant to reviewing the implementation of the article

Is your country in compliance with this provision?

Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Please see article 57(1)

Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.

(b) Observations on the implementation of the article

[*Observations of the governmental experts with regard to the implementation of the article. Depending on the scope of the review cycle, findings with respect to the way in which national law has been brought into line with the article, as well as to the implementation of the article in practice.]*

[*Observations on the status of implementation of the article, including successes, good practices and challenges in implementation*.]

(c) Successes and good practices

[*Identification of successes and good practices in implementing the article, where applicable.*]

Subparagraph 3 (b) of article 57

3. In accordance with articles 46 and 55 of this Convention and paragraphs 1 and 2 of this article, the requested State Party shall:

...

(b) In the case of proceeds of any other offence covered by this Convention, when the confiscation was executed in accordance with article 55 of this Convention and on the basis of a final judgement in the requesting State Party, a requirement that can be waived by the requested State Party, return the confiscated property to the requesting State Party, when the requesting State Party reasonably establishes its prior ownership of such confiscated property to the requested State Party or when the requested State Party recognizes damage to the requesting State Party as a basis for returning the confiscated property;

(a) Summary of information relevant to reviewing the implementation of the article

Is your country in compliance with this provision?

Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Please see article 57(1)

Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.

(b) Observations on the implementation of the article

[*Observations of the governmental experts with regard to the implementation of the article. Depending on the scope of the review cycle, findings with respect to the way in which national law has been brought into line with the article, as well as to the implementation of the article in practice.]*

[*Observations on the status of implementation of the article, including successes, good practices and challenges in implementation*.]

(c) Successes and good practices

[*Identification of successes and good practices in implementing the article, where applicable*.]

Subparagraph 3 (c) of article 57

3. In accordance with articles 46 and 55 of this Convention and paragraphs 1 and 2 of this article, the requested State Party shall:

...

(c) In all other cases, give priority consideration to returning confiscated property to the requesting State Party, returning such property to its prior legitimate owners or compensating the victims of the crime.

(a) Summary of information relevant to reviewing the implementation of the article

Is your country in compliance with this provision?

Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Please see article 57(1)

Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.

(b) Observations on the implementation of the article

[*Observations of the governmental experts with regard to the implementation of the article. Depending on the scope of the review cycle, findings with respect to the way in which national law has been brought into line with the article, as well as to the implementation of the article in practice.]*

[*Observations on the status of implementation of the article, including successes, good practices and challenges in implementation*.]

(c) Successes and good practices

[*Identification of successes and good practices in implementing the article, where applicable.*]

Paragraph 4 of article 57

4. Where appropriate, unless States Parties decide otherwise, the requested State Party may deduct reasonable expenses incurred in investigations, prosecutions or judicial proceedings leading to the return or disposition of confiscated property pursuant to this article.

(a) Summary of information relevant to reviewing the implementation of the article

Is your country in compliance with this provision?

Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Please see article 57(1)

Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.

(b) Observations on the implementation of the article

[*Observations of the governmental experts with regard to the implementation of the article. Depending on the scope of the review cycle, findings with respect to the way in which national law has been brought into line with the article, as well as to the implementation of the article in practice.]*

[*Observations on the status of implementation of the article, including successes, good practices and challenges in implementation*.]

(c) Successes and good practices

[*Identification of successes and good practices in implementing the article, where applicable.*]

Paragraph 5 of article 57

5. Where appropriate, States Parties may also give special consideration to concluding agreements or arrangements, on a case-by-case basis, for the final disposal of confiscated property.

(a) Summary of information relevant to reviewing the implementation of the article

Is your country in compliance with this provision?

The Republic of Serbia **is in compliance** with this provision.

Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Currently the Republic of Serbia has no signed and ratified agreement, but it is possible to act upon reciprocity, in case by case basis which enable the Law on mutual legal assistance in criminal matters („Official Gazette of the RS“ No. 20/09) and Law on confiscation of property derived from criminal activity („Official Gazette of the RS“ No. 32/13, 94/16 and 35/19).

The Republic of Serbia is currently in negotiations with several countries on special asset sharing agreement (bilateral and multilateral), also within MLA agreement in criminal matters provisions related to asset sharing.

Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.

Currently there is no active case.

(b) Observations on the implementation of the article

[*Observations of the governmental experts with regard to the implementation of the article. Depending on the scope of the review cycle, findings with respect to the way in which national law has been brought into line with the article, as well as to the implementation of the article in practice.]*

[*Observations on the status of implementation of the article, including successes, good practices and challenges in implementation*.]

(c) Successes and good practices

[*Identification of successes and good practices in implementing the article, where applicable.*]

(d) Challenges, where applicable

Please outline actions required to ensure or improve the implementation of the article under review and describe any specific challenges you might be facing in this respect.

(e) Technical assistance needs

No assistance would be required

Legislative assistance: please describe the type of assistance

Institution-building: please describe the type of assistance

Policymaking: please describe the type of assistance

Capacity-building: please describe the type of assistance

Research/data-gathering and analysis: please describe the type of assistance

Facilitation of international cooperation with other countries: please describe the type of assistance

Others: please specify

Is any technical assistance already being provided to you? If so, please provide a general description of the nature of the assistance, including donor information.

No assistance is currently required.

Article 58. Financial intelligence unit

Article 58

States Parties shall cooperate with one another for the purpose of preventing and combating the transfer of proceeds of offences established in accordance with this Convention and of promoting ways and means of recovering such proceeds and, to that end, shall consider establishing a financial intelligence unit to be responsible for receiving, analysing and disseminating to the competent authorities reports of suspicious financial transactions.

(a) Summary of information relevant to reviewing the implementation of the article

Is your country in compliance with this provision?

The Republic of Serbia **is in compliance** with this provision.

Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

See what is written for Article 14 paragraph 1 of the Convention in the present self-assessment report.

Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.

(b) Observations on the implementation of the article

[*Observations of the governmental experts with regard to the implementation of the article. Depending on the scope of the review cycle, findings with respect to the way in which national law has been brought into line with the article, as well as to the implementation of the article in practice.]*

[*Observations on the status of implementation of the article, including successes, good practices and challenges in implementation*.]

(c) Successes and good practices

[*Identification of successes and good practices in implementing the article, where applicable.*]

(d) Challenges, where applicable

Please outline actions required to ensure or improve the implementation of the article under review and describe any specific challenges you might be facing in this respect.

(e) Technical assistance needs

No assistance would be required

Legislative assistance: please describe the type of assistance

Institution-building: please describe the type of assistance

Policymaking: please describe the type of assistance

Capacity-building: please describe the type of assistance

Research/data-gathering and analysis: please describe the type of assistance

Facilitation of international cooperation with other countries: please describe the type of assistance

Others: please specify

Is any technical assistance already being provided to you? If so, please provide a general description of the nature of the assistance, including donor information.

Article 59. Bilateral and multilateral agreements and arrangements

Article 59

States Parties shall consider concluding bilateral or multilateral agreements or arrangements to enhance the effectiveness of international cooperation undertaken pursuant to this chapter of the Convention.

(a) Summary of information relevant to reviewing the implementation of the article

Is your country in compliance with this provision?

The Republic of Serbia **is in compliance** with this provision.

Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

The Republic of Serbia has already ratified the Convention.

The property restitution procedure is regulated by the Law on Confiscation of Proceeds from Crime („Official Gazette of the RS“ No. 32/13, 94/16 and 35/19) and bilateral agreements. In that sense, the Financial Investigation Unit provides all the necessary assistance to the competent authorities, and in this case to the Directorate for Management of Confiscated Property.

Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.

(b) Observations on the implementation of the article

[*Observations of the governmental experts with regard to the implementation of the article. Depending on the scope of the review cycle, findings with respect to the way in which national law has been brought into line with the article, as well as to the implementation of the article in practice.]*

[*Observations on the status of implementation of the article, including successes, good practices and challenges in implementation*.]

(c) Successes and good practices

[*Identification of successes and good practices in implementing the article, where applicable.*]

(d) Challenges, where applicable

Please outline actions required to ensure or improve the implementation of the article under review and describe any specific challenges you might be facing in this respect.

(e) Technical assistance needs

No assistance would be required

Legislative assistance: please describe the type of assistance

Institution-building: please describe the type of assistance

Policymaking: please describe the type of assistance

Capacity-building: please describe the type of assistance

Research/data-gathering and analysis: please describe the type of assistance

Facilitation of international cooperation with other countries: please describe the type of assistance

Others: please specify

Is any technical assistance already being provided to you? If so, please provide a general description of the nature of the assistance, including donor information.

No assistance is currently required.

B. Other information

Article B. Other information

Other information

Please provide any other information you believe is important for the Conference of the States Parties to the United Nations Convention against Corruption to consider at this stage regarding aspects of, or difficulties in, implementing the Convention other than those mentioned above.

(a) Summary of information relevant to reviewing the implementation of the article

Please provide any other information you believe is important for the Conference of the States Parties to the United Nations Convention against Corruption to consider at this stage regarding aspects of or difficulties in implementing the Convention other than those mentioned above

((b) Observations on the implementation of the article

[*Observations of the governmental experts with regard to the implementation of the article. Depending on the scope of the review cycle, findings with respect to the way in which national law has been brought into line with the article, as well as to the implementation of the article in practice.]*

[*Observations on the status of implementation of the article, including successes, good practices and challenges in implementation*.]

(c) Successes and good practices

[*Identification of successes and good practices in implementing the article, where applicable.*]