Press Release

**Fight Against Corruption in First Year of Government’s Work**

In first year of Government’s work (made of Ministers from SNS, SPS, URS, NS, PUPS, SDPS and SDA), fight against corruption **holds important place**, in proclaimed priorities, and through specific activities. That work contributed to initiate resolving of certain problems and considerably **increased public expectations**. In certain areas **even steps in a wrong direction** were made. There are still a **lot of uncertainties** – in which way will the fight against corruption develop.

In the first 11 months of work there was no specific program for curbing corruption. On the first of July, **Anticorruption Strategy** for five years period was adopted, and slightly earlier draft Action Plan for its implementation was presented.

Strategy contains many undoubtedly important measures, like obligatory public debates before adopting of laws in all authority levels, considering of corruption risks in newly adopted regulations, adopting of laws on lobbying and whistleblowers, strengthening of internal control in police and creating mechanisms for stronger parliamentary supervision on the basis of independent state organs’ reports. However, many, equally important issues, were left out of this act, from curbing arbitrary awarding of state aid and undertaking of obligations, through preventing of inspection organs’ selectivity to lack of specific measures for reporting and discovering larger number of corruption cases. Potential amendments to Action Plan could resolve only part of these loopholes.

Paradox is that Strategy doesn’t refer at all to everyday themes of corruption – to **role of „political will“** where it doesn’t belong – in work of investigative state organs and adopting of announced Law on Investigating Property Origin, as well as satisfying of proposers ambitions (according to draft action plan) in implementation of „non selective fight against corruption“ and „zero tolerance“ by increasing the number of enforceable verdicts in the cases of corruption in the next five years for just 30% comparing to results from 2012!

Regardless of what is stated in strategic acts, supremacy of politics over law is still convincingly demonstrated in **current debates on Government’s reconstruction** – representatives of ruling parties openly state that they will dismiss deputy ministers and public enterprise directors, without consulting Law on State Servants and Law on Public Enterprises that envisage public announcements for filling in these places. Government in previous year violated the Law even more often than the previous coalition did, regarding appointing of servants to posts.

Main dilemma in estimating successfulness of Government’s first year of work in fight against corruption is question of **what should Government deal with at all** – investigations or reforms, and creating surroundings where corruption will be in most level disabled and investigative organs will do their work without interference. Namely, it is obvious that what international and domestic public sees as **main contribution** of current Government in fight against corruption undergoes in activities that are under Constitution and laws of Serbia **independent of politicians**, like initiating of investigations and indictments in certain cases from the set of so called „24 privatizations“.

The expose of Prime-minister states on **insisting on implementation of independent bodies’ recommendations**. However, many of the problems to which independent bodies indicated in their reports in spring 2012 were repeated one year later. Government hasn’t proposed not even those regulations that would improve conditions for work of independent organs that were in parliamentary procedure one year ago (changes of the Law on Ombudsman and Law on Free Access to Information of Public Importance).

New **Law on Public Enterprises** that brought positive changes was adopted**,** but it hasn’t fulfilled promises regarding removing of politics from the process of choosing management. Implementation of almost all provisions of this Law is in delay, public enterprises still do not publish necessary documents, there is no efficient control over their work and announcements for directors were called merely before expiration of deadline or after the deadline, due to obvious intention to postpone the reforms.

Legal framework for **public debates** is improved with changes of Government’s Rules on Procedure from April. Debates were in practice more often organized than before. However, there were none in changes of important tax regulations that preceded budget rebalance.

New **Public Procurement Law** was adopted with important improvements compared to previous one, but it is too early to judge on its effects. Changed **Budget System Law** brought positive changes in regards to comprehensiveness of the budget and control of budget users, but not in regards to transparency of planning expenditures and undertaking of obligations.

Changes of **Criminal Code** brought new criminal act in the area of public procurements that was not properly defined and separating „abuse of official post“ in private sector into special criminal act. According to Strategy, act of „**illegal enrichment**“, that was envisaged with UNCAC, will be added. For now, however, there are no announcements to include **measures that would contribute to increased reporting of corruption** into criminal legislation, like releasing of responsibility person who reports such case.

After decisions of Constitutional Court that abolished previous decision on non electing of judges and prosecutors, **judiciary** came across new challenges and necessary reorganization is still not being implemented. Accountability mechanisms of judiciary officials, including members of SJC and SPC, still aren’t in satisfactory level. After initial announcements, changes of the Law on Criminal Procedure, are withdrawn.

In regards to transparency of work, larger steps were not being made. Coalition agreement from July hasn’t precise any measure – **Government should have come out with far more specific program of measures and clearly present which information will be made public that weren’t so far** referring primarily to information on work of executive authority itself that currently does not exist , unpublished or even treated as „official secret“ – transcripts from Government’s sittings, elaborations of personnel engagement, conclusions that refer to deciding on use of budget assets or other important matters, contracts with foreign investors...

In regards to **„rationalization of state administration“,** announced in a campaign and coalition agreement there were no greater improvement. Even after closing of certain public agencies, number of employees hasn’t decreased, but they were only regrouped.

Dangerous idea from Coalition Agreement to introduce rule according to which **„administrative silence would mean approval** “luckily wasn’t realized. **„Office for quick answers** in all levels“ was not clearly formulated as an idea in Coalition Agreement and its establishment is related only to certain areas. There also was no widespread usage of **„public-private partnership“**, that carries great risk of corruption, which was proved through first by-law acts for implementation of that law, that unreasonably limited transparency of data.

**Media reform** is far from standards set up in Strategy from 2011 and coalition agreement of ruling parties. Not only that the laws were not adopted yet, but so far published drafts significantly deviate from proclaimed goals – transparency of ownership and other significant data for estimating influence to media.

A year after establishment of the Government there is no **clearly determined truth on respecting the Law in election campaign period**. Anticorruption Agency initiated large number of procedures but only in cases when reports were not submitted at all and effective court decisions were not brought yet. On the other hand, there is suspicion to many other cases of violation, which is still matter of investigation. Obviously, without completely clear accounts on political financing there is no chance to release parties from citizens’ suspicions that they act in the interest of hidden financers or to abuse public resources for their own benefit or that thorough control or sanctioning of violators is the only way to restore trust in institutions. Besides numerous accusations for abuse of public resources in a campaign and buying of votes, that came from Government party representatives only two criminal procedures are currently lead related to that.

Current Government enjoyed so far in fight against corruption great civil support that brought additional popularity to its promoters. That support, according to opinion of TS opens possibility for support to necessary reforms in this area, if they are about to be accomplished. Reforms will have support from EU monitoring with expected negotiations in chapters 23 and 24. However, in order for Serbia to make a huge step forward, it is necessary to create and implement measures that will remove systemic causes of corruption and leave permanent institutions and regulations to oppose that illegal phenomenon. Chance to do so in the past year was used for that purpose far less than it was possible.

Transparency Serbia

Belgrade, 31 July 2013