

GLOSSARY OF CORRUPTION



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INTRODUCTION

The purpose of this glossary is to familiarize you with corruption, a phenomenon that is devastating for communities, society, groups and professions, as well as for individuals. Corruption, as a societal evil, is elaborated on in a glossary of terms detailing their descriptions, definitions, meanings and consequences. Concepts relevant for fighting corruption, especially systemic corruption, are also analyzed.

The primary role of this glossary is educational and preventive, with the aim of uncovering and combating corruption. In choosing the relevant terms, examples of corruptive acts and corruptive risks were presented and successful practices of fighting such acts were detailed. The purpose of the glossary, especially in the part describing the consequences of corruptive acts, is to raise the awareness of the citizens about the dangers of engaging in corruption or being indifferent and remaining silent about it, as well as to encourage them to take an active stance in fighting corruption.

Another intended recipient of the glossary is the media. The goal is to help them to best describe to the citizens the havoc corruption is wreaking in their daily lives. The described terms include the legal authority of public and political institutions, resorting to which is supposed to minimize corruption. Suggestions are given as to how to best regulate (in terms of prevention, criminal law and misdemeanour law) areas and institutions related to successfully fighting corruption. In other words, how to secure statutory protection of various areas and institutions of social and political life from corruptive attempts. Good laws and regulations, if enforced by responsible institutions, may minimize corruptive acts or uproot them altogether.

Special attention was given to the significance and the role of independent supervisory state bodies. The terms contained in the glossary have been



substantiated, to the extent possible, by general or concrete examples, both bad and good, as well as by solutions that yielded positive results. The glossary analyzes the most important concepts related to corruption, corruptive acts and combating corruption, but not all of them. Therefore, it should serve as an impetus for further research and fight against this plague.

Belgrade, April 2014

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ABUSE OF DISCRETIONARY POWERS

>> **The situation where a public official abuses the authority to pass a decision at his/her discretion.** <<

Discretionary powers are powers vested in public officials to pass decisions that are not regulated by law, regulations, rulebooks or statutes. Discretionary powers are vested in public officials to pass a decision or secure a privilege in certain situations. There are situations that may not be foreseen by Law and therefore public officials are sometimes empowered to make a decision at their discretion. Naturally, by making/passing the decision in such a way, the official often may misuse his/her discretionary powers, by declaring something that is regulated by law to be an undefined situation. Such abuse may help the official acquire a pecuniary interest or enable another to occupy a privileged position. For example, in the case of employment, a job competition, enabling another to import goods contrary to regulations, avoiding customs clearance.

Discretionary powers should be scrapped by Law or have provided for by Law the obligation of public officials to submit reports about the exercise of discretionary powers every six months to supervisory bodies. The duty of supervisory bodies would be to review the report and where appropriate propose sanctions.

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The Prime Minister and the ministers should also submit the said reports to the competent parliamentary committee every six months. The Parliamentary Committee would thereby be vested in a supervisory and controlling function concerning the exercise of discretionary powers of the Prime Minister and the Ministers.

These are ways to control the exercise of discretionary powers, but also to avert potential abuse. Abuse of discretionary powers should be adequately sanctioned – dismissal of office, damages, as well as criminal proceedings and prison sentences.

Watch the **TV episode** and listen to the **radio show** from ANEM's series "Illustrated Glossary of Corruption" on the topic of – Abuse of discretionary powers.



ACCOUNTABILITY OF PUBLIC OFFICIALS AND INSTITUTIONS

>> **Willingness of public officials and civil servants to be held accountable for their actions or omissions and to remedy any damage arising from or indemnify for losses caused by their actions or omissions.** <<

Accountability in the work of public officials and institutions involves professional performance of tasks and entails truthfulness, accuracy, honesty, impartiality, fairness, discipline, rationality, efficiency, civility, adhering to laws and regulations and eliminating any form of discrimination. Every form of accountability, including professional accountability, rests on individual responsibility. A responsible individual behaves in a responsible manner towards him/herself and others, the environment, social groups and community and the state as a whole.

In addition to personal accountability, every official bears the responsibility stemming from his position. He/she bears double responsibility: as an individual and as a person holding public office. Responsible institutions may exist only with responsible individuals. In other words, the responsibility/accountability of an institution rests on the responsible behaviour of its employees.

In addition to personal accountability, every official bears the responsibility stemming from his position.



A morally responsible individual distinguishes between subjective and objective responsibility. Subjective responsibility concerns his/her personal actions and behaviour. He/she embraces objective responsibility as the product of the position he holds in a group, profession, society and politics. For each of these positions, he/she assumes responsibility, if he/she holds a leading or managerial position. Objective responsibility includes commanding responsibility, under which an individual is responsible for the orders and decision he/she takes, which entail certain consequences, although that individual does not implement these decisions. That kind of individual moral responsibility belongs to the responsible individual's accountability.

Accountability in work also involves legal accountability, which may be subject to disciplinary, misdemeanour and criminal sanctions. In moral terms, individual accountability means that, if the individual has made a mistake while holding his/her office, which mistake did not cause concrete consequences, he/she will resign. Resignation is always irrevocable. If there were no concrete consequences, but the mistake was nonetheless harmful, the institution may dismiss the individual in question.

Watch the **TV episode** and listen to the **radio show** from ANEM's series "Illustrated Glossary of Corruption" on the topic of – **Accountability of public officials and institutions.**



ANTI-CORRUPTION AGENCY

>> Independent state body in charge of suppressing corruption by actions in the areas of prevention and education and competences in the segment of control.<<

The Law on the Anti-Corruption Agency, adopted by the Parliament in October 2008, established the Anti-Corruption Agency. It has competences in the areas of prevention and education, while the repressive competences are vested in the police and the prosecutor.

The Agency started working on the 1st of January 2010, simultaneously with the enforcement of the Law and took over the tasks and the expert departments of the Republic Committee for Addressing Conflict of Interest. Among other things, the Law put in its competence the area of dealing with conflict of interest, control of political party and election campaign financing, supervision of the National Anti-Corruption Strategy and the Action Plan.

The Agency may launch initiatives for amending regulations in the area of combating corruption; it keeps a register of public officials, property and public officials income, as well as other registers; it acts upon the complaints of citizens, introduces and implements educational programs related to corruption, issues guidelines for the drawing up of integrity plans in the public and private sectors.

The Anti-Corruption Agency has competences in the areas of prevention and education, while the repressive competences are vested in the police and the prosecutor.



The Director, appointed by the Committee on an open competition, manages the Agency. The first director was appointed in July 2009 and he was dismissed by the decision of the Committee in November 2012, due to omissions in the segment of political party financing and undermining the reputation of the Agency. The members of the Agency's Commission are elected by the Parliament (the first composition was elected in April 2009), at the proposal of and by mutual agreement of nine proposers – the Administrative Committee of the Serbian Parliament, the President of the Republic, the Government of Serbia, the Supreme Court of Cassation, the State's Auditor's Institution, the Ombudsman and the Commissioner for Information of Public Interest, the Socio-Economic Council, the Bar Association and journalists associations. The Agency has four sectors – the Sector for Prevention, the Sector for Operative Affairs, the Sector for Complaints, the Sector for General Affairs, as well as conflict of interest departments, political party financing departments, international cooperation departments and public affairs departments.

The Agency has no authority to carry out investigations, but there are several activities involving investigative elements: reviewing public officials' property reports and reviewing political party financing reports. If it establishes that a public official has not reported accurate data about his property and income, with the intention to conceal information, the Agency may file criminal charges. By the end of 2013, a dozen criminal charges were filed in such situations, but not a single trial was completed by March 2014.



The Agency may also file misdemeanour charges against political parties for non-compliance in the segment of electoral campaign financing. The bulk of the rules concern the failure to submit reports, mainly for local elections. After the elections held in 2012 several hundred charges were filed.

The Agency conducts proceedings for non-compliance with regulations about accumulation of functions, conflict of interest, reporting gifts, assigning managing rights against public officials and may issue warnings, recommendations for dismissal or, in the case of directly elected officials (MP's, councillors, the President) – the measure of public release of the decision on a violation of law.



ACCUMULATION OF FUNCTIONS

>> Discharging multiple public office functions, thereby undermining the public trust in responsible governance. <<

When it comes to conflict of interest due to accumulation of functions, it is not the basic meaning of conflict of interest – the conflict of public and personal, private interest. Political parties often strive to put their loyal “players” in several posts in order to secure the fulfillment of their interests in decision-making. Public interest is neglected in the process – how can someone hold multiple demanding offices at the same time? Will one of these public duties be neglected, i.e. will the public interest in the respective area be ignored?

Is it possible to hold responsibly and consciously two demanding offices simultaneously – the office of Member of Parliament and that of president of the municipality or mayor? The president of the municipality performing his job with dedication and commitment will probably attend parliamentary sessions for the sake of voting or discussing matters of interest for his voters and his municipality. He will not know which laws he has supported and why, what kind of amendments were proposed; he will not be genuinely active on committee sessions and his participation in the parliament’s supervisory role will be questionable. Is it realistic to envisage a municipality president, who is also a member of parliament, to care genuinely about the implementation of the recommendations of an independent body, although

Is it possible to hold responsibly and consciously two demanding offices simultaneously – the office of Member of Parliament and that of president of the municipality or mayor?



the parliamentary committee he is (formally) a member of has adopted a conclusion about these recommendations? These are often forgotten issues when politicians try to explain that they are not in a conflict of interest if they hold the two above-described offices.

The second kind of conflict of interest occurs if functions are “accumulated” is the collision of supervisory (controlling) function with the one that is supposed to be controlled. Political parties dispatch their “loyal soldiers” after the post-electoral “division of loot” to municipal councils or director posts in public companies the business of which the councillors control.

Attempts to crack down on accumulation of functions have been going on since the establishment of the Republic Committee for Addressing Conflict of Interest, when holding not more than two offices at the same time was permitted under the Law. The Law on the Anti-Corruption Agency prescribes holding one office as a rule, but allows for exceptions. Many exceptions have become the rule, but some rules have nonetheless been set.

In previous years, it happened that the government, at the recommendation of the Agency, dismissed state secretaries entangled in conflicts of interest, even before the completion of the second-instance procedure. However, there were officials that fought vigorously to keep multiple public offices, claiming they were not in a conflict of interest. The biggest problem occurred at the very beginning of the Agency’s mandate, when it became clear that municipality presidents and mayors may not simultaneously hold the office of member of the Serbian parliament (and that of Vojvodina), since it was a conflict of interest, with them representing both the executive and the legislative branch). The big parties of the ruling coalition replaced their MPs that were also municipality presidents. The problem arose with a few officials belonging to smaller coalition parties, which insisted on keeping both offices. On the other hand, part of the MPs in the Vojvodina parliament were elected on direct elections and couldn’t be replaced, since their resignation would



mean calling new elections. The dispute was settled with the adoption of amendments to the Law, which enabled these officials to retain both offices, while the Constitutional Court, at the proposal of the Agency, passed a decision declaring the said amendments unconstitutional after only 13 months.

In early 2013, the Agency initiated amendments to the Law, under which holding only one office would be allowed, while the exceptions (which in the meantime became the rule) were to be reduced solely to situations where the Law prescribed that an official must hold two offices (e.g. the Minister of Finance must be a member of the Managing Board of the Development Fund). The Ministry of Justice did not consider the amendment by the time the Parliament of Serbia was dissolved prior to the elections in 2014 and the Agency did not get any response to its initiative.

In late 2013, the Minister of Finance questioned the practice of ministers receiving multiple salaries, since after becoming ministers they automatically occupied other positions. The Minister then decided to repay the remunerations received in the budget, claiming that dozens of regulations would have to be amended if such remunerations were to be revoked. The fact is that it would not be sufficient to merely change the provision of the Law on the Anti-Corruption Agency, which allows for these other positions “by force of law” and prescribe that they do not entail remuneration. The Minister and the Government did not react to that explanation provided by Transparency Serbia and the Minister probably continued to “repay in the budget” his remuneration, while all the other officials continued to enjoy them regularly.



Public officials and their political parties attach a great importance to holding multiple offices, as confirmed by cases of individuals retaining their positions of power by taking advantage of gaps in the Law. A MP, who at the same time was a city councillor and the Director of the Development Directorate, became the Executive Director of the Directorate. This is not a public office, but he was the one to “star” in the ceremonial openings of the buildings in public. The citizens did not know who the “real” Director of the Directorate was. In another notable case, the mayor who tried for years (in vain) to simultaneously be an MP, found a compromise after the elections in 2012: he remained an MP and became the President of the City Council and he still appears in public as the top official of the City, although formally there is a mayor.

Watch the [TV episode](#) and listen to the [radio show](#) from ANEM’s serial “Illustrated Glossary of Corruption”, on the topic of – Accumulation of functions.



BRIBERY

>> Illicitly offering/giving money, services and other valuables to gain benefits in return. <<

In the Serbian language, bribery is a term used to describe the act of giving money or valuables in order to gain benefits or privileges in return, which the bribing party may not acquire in a lawful manner. Bribe is given to those persons such benefit or privilege depends upon. This term is related to certain occupations (doctors, professors) or positions in the government, state authorities or the administration. Giving bribes to persons someone's gain or privilege depend upon is called bribery.

From the formation of the very first organized societies and states, bribery is one of the ways to satisfy a need or interest in contravention of the law and moral and traditional norm.

Giving bribes to persons someone's gain or privilege depend upon is called bribery.

In its long history, bribery has been described in picturesque ways (and justified by those resorting to it). For example – “greasing the wheels”, “everybody does it, why shouldn't you”, “there is no other way, you can't beat them so join them”. These are long-term “recommendations” that often affect the formation of a cultural pattern people resort to when they want to take a shortcut to obtain something, avoid paying a fine, etc.



In the bribing process, there are two sides – the one that gives and the one that takes a bribe. Naturally, the greater responsibility is on the later, which occupies a position or function and has the authority to satisfy a need or interest in contravention of laws, decrees or regulations. The bribing party shows its willingness to use all means necessary to satisfy his/her need or interest. In contemporary circumstances, bribes are most often given in relation to the public administration (obtaining a license or certificate), police (permits, documents, bribing a traffic policeman to avoid paying a speeding ticket), customs officers (to avoid having to clear goods, to pay lower customs clearance fees, to have goods cleared on an amount lower than their actual value, etc.), inspectors (to turn a blind eye to misdemeanours they have found or to reduce the amount of the fine for the misdemeanour), doctors (bribing them directly or through an intermediary in order to gain a privileged position and medical treatment, avoid waiting queues and lists, etc.). Bribery is related to high-level corruption if related to public procurement (equipment, goods reserves, purchasing technology and appliances, medical drugs, etc.), formulating favourable conditions for tenders, as well as employment in state and public services. Two forms of bribery exist in the contemporary setting: financial and in kind (giving a bribe may be performed directly - “cash in hand” payment or through an intermediary - in order to cover the traces or avert the bribing party being caught).

Two forms of bribery exist in the contemporary setting: financial and in kind.

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COMPLAINT

>> Written document submitted by a legal or natural person, containing substantiated claims about acts of corruption or pointing to suspected acts of corruption. <<

The Anti-Corruption Agency may require additional information from the applicant of the complaint, as well as explanations and documentation. Complaints are reviewed in the Agency and they serve as a basis for demanding additional information, explanations and documentation concerning individuals in state authorities that are suspected/accused of corruption. Based on information and the documentation acquired, the Agency is required to respond to the applicant of the complaint about the outcome of the complaint proceedings. Based on a complaint the proof of which has been ascertained, the Agency may propose to the Prosecutor to initiate criminal proceedings.

In order to boost the relevance of complaints, namely to encourage potential applicants thereof, complaints must be checked as soon as possible and supported by material facts, in order to ultimately be processed in a reasonable time period. Employees in state authorities and institutions, as well as the citizens, are likely to lose trust in complaints as a mechanism for uncovering corruption, if they are not reviewed quickly and efficiently. This form of tackling corruption should be given a significant role. If used to garner public trust, such anti-corruption tool would act preventively. Experience in the last decade has shown that the competent

In order for a complaint to have an impact, it is necessary to adopt the Law on Whistleblowers, modelled after the practice in the most developed countries.



authorities often failed to react on time/at all, compromising the confidence in complaints altogether. The latter were often buried in the drawers of the intended recipients, which sometimes even warned the wrongdoers; the latter would often retaliate hard against the applicants.

One of the most drastic examples is the toll scandal in the early 2000's, when the "toll mafia" was discovered (organized crime). Goran Milosevic, who reported the embezzlement and provided solid evidence about it, lost his job and was submitted to harsh treatment. In spite of the insistence of the Commissioner for Information of Public Interest and Personal Data Protection, Milosevic was reinstated to his job only after three years and was further harassed by his colleagues in the state road company "Putevi Srbije". In an interview for the daily newspaper "24 sata" on the 8th of April 2013, he said that he would never had blown the whistle had he known what he and his family were going to be subject to - financial uncertainty and the fear and anguish they have experienced.

On one hand, complaints are one of the most significant tools in combating corruption. On the other hand, if complaints as such were compromised, this would discourage all potential whistleblowers in state authorities and institutions, as well as the citizens. In order for a complaint to have an impact, it is necessary to adopt the Law on Whistleblowers, modelled after the practice in the most developed countries. Such a Law would protect the applicants of complaints from possible reprisals and all other consequences them and their families could suffer.



Watch the **TV episode** and listen to the **radio show** from ANEM's series "Illustrated Glossary of Corruption" on the topic of – Complaint.



CONFLICT OF INTEREST

>> **The situation where a public official has a private interest that may influence his/her conduct in performing public duties, in a manner that undermines public interest.** <<

Conflict of interest in itself is neither corruption in the narrowest sense of the term, nor a criminal offense, but it does open the door for the embezzlement of public resources, abuse of office and bribery. Therefore, averting conflict of interest is an important mechanism for preventing corruption.

It is not indispensable for private interest to affect the actions of a public official in order to have a conflict of interests and for the citizens' trust in responsible governance to be undermined. It is enough to have a situation where private interest "could affect" or only "appear to affect" it.

Conflict of interest is tightly connected to occurrences such as gift to public officials, simultaneously holding multiple offices, ownership and management rights in companies, use of private resources, illicit influence and pantouflage.

Conflict of interest is also a constitutional category: the Serbian constitution from 2006 prescribes that "it is disallowed to hold a state or public office that is in conflict with one's other positions, jobs or private interests".

The term "conflict of interest" was almost unknown to the general public in Serbia before the first decade of the 21st century. Before that, in the 90's,

It has never happened that a public official has implemented the provision of the Law obligating him/her to immediately report to the Agency an unlawful situation he/she is exposed to.



we had a prime minister who as at the same time the manager of a company purchasing wheat from the state at a price (below the market price) set by the government, only to re-export it at a higher price. On the other hand, the government purchased company cars from the company headed by the PM.

After the democratic changes in 2000, several scandals broke out involving conflict of interest, including instances where companies owned or connected to government ministers allegedly did business with the state or received favourable loans from the Development Fund. Finally, the Law on Preventing Conflict of Interest by Public Officials was adopted in 2004 and the Republic Committee for Addressing Conflict of Interest was established a year later.

The Committee, which did not have the authority to pronounce sufficiently stringent penalties and the Law, which did not prescribe the transparency of information about the property of public officials, caused the modest progress in regulating conflict of interest. So modest that the Republic Committee proposed to the Government in 2009 to dismiss state secretaries Slobodan Homen and Nebojsa Ciric, after they wrote to the Supreme Court requesting it to interrupt all trials and freeze the enforcement of final court verdicts pertaining to employment relations. Although the Committee concluded that Homen's and Ciric's proposal was in violation of the provision barring officials from "using public office to affect decisions of the legislative, executive or judiciary authorities for personal gain or to secure profit to another or for securing a right or benefit, to conclude a transaction or gain any other interest for him/herself or another", instead of enforcing the decision of the Committee, the Government assumed the authority thereof, reviewed the case and concluded that the Law hadn't been breached.



Upon the adoption of the Law on the Anti-Corruption Agency and when that Agency started working (assuming the authority of the Republic Committee), a new breakthrough happened. At the recommendation of the Agency and even before the completion of the second-instance proceedings, the Government dismissed from office the state secretaries that were in conflict of interest. The problems occurred in a different domain: certain officials fought vigorously to retain multiple public positions, claiming they were not in a conflict of interest. There were even interpretations saying that being Mayor was not holding public office, because “the local government is not part of the national system of government, but of the civil sector”. Meanwhile, the citizens were unhappy, since the companies where public officials (as the real owners) assigned their ownership rights to other persons, continued to do business with the state, reaping enormous profits.

Some regulations related to conflict of interest were unsuccessful in practice, such as the provision saying that a public official may not use public resources, gatherings and meetings where he/she participates as a public official, to promote political parties and that he/she is required to unequivocally tell his collocutors and the public if he/she is presenting the official position of his/her public body or the view of a political party.

It has never happened that a public official has implemented the provision of the Law obligating him/her to immediately report to the Agency an unlawful situation he/she is exposed to. Or is Serbia perhaps that advanced a society that nobody has ever attempted to affect any of the twenty thousand public officials to do something that would undermine the public interest.

Watch the [TV episode](#) and listen to the [radio show](#) from ANEM’s serial “Illustrated Glossary of Corruption”, on the topic of – Conflict of interest.



CORRUPTION

>> Illegitimate acquisition of wealth by a position of authority.<<

There is no unique, universal and comprehensive definition of corruption. It manifests itself in various ways, it has been there for millennia, evolving with society, changed in tune with social changes; the definitions of corruption also changed, in accordance with the legal, cultural and social framework.

The root of the term corruption is the Greek word “corruption” – to corrupt.

In the Serbian legal system, the Law on the Anti-Corruption Agency defines corruption as “a relationship based on abuse of office or social position or influence, in the public or private sector, with the goal of acquiring wealth for oneself or another.”

In the comparative practice in the world, corruption is most often construed as abuse of authority for personal gain.

Rules must be committed to the general interests of the political community.

A favourable environment for corruption in society, the state or an institution is the combination of a monopoly in decision-making and unlimited discretionary powers without individual (legal and moral) accountability. It leads us to the famous Klitgard’s formula $C=M+D-A$ – corruption happens whenever there is a monopoly of power (M) and discretion D, and no accountability - A.

The UNDP has modified the formula by adding two new dimensions – transparency (T) and integrity (I): $C= (M+D)-(A+T+I)$.



Transparency International (TI) has a definition: corruption involves the conduct of officials in the public sector – politicians or civil servants – acquiring illicit wealth for themselves or persons close to them, by abusing the public authority vested in them. Some organizations use the short version of the said definition, with the added reference to the private sector: Corruption is abuse of office in the public or private sector for personal gain.

Some definitions are focused on narrower segments and hence the World Bank operates with a definition concerning embezzlement in factories, while in Criminal Law there is a series of felonies connected to corruption. Most often corruption involves receiving and giving bribes.

The UN Convention Against Corruption refers to “Bribing domestic public officials” and requires countries that have accepted the Convention to adopt such legislative and other measures as may be necessary to establish as a criminal offence, when committed intentionally, the promise, offering or giving to a foreign public official or an official of a public international organization, directly or indirectly, of an undue advantage, for the official himself or herself or another person or entity, in order that the official act or refrain from acting in the exercise of his or her official duties.

From the philosophic, theological or moral standpoint, corruption is spiritual or moral impurity and divergence from ideals.

Corruption exists in political terms if two important principles are not respected – that the rules must be committed to the general interests of the political community, and not particular interests of those in power and those that support them; that each political will, including the will of the majority when it’s in power, must comply with certain previously adopted rules (in the form of laws and the Constitution) about whose legitimacy there is a relatively wide consensus in society, and that arbitrary political will of those in power, even if it is the plebiscitary majority, must not dominate.

Corruption is harmful for the state, the development of democracy



and economic development; it causes financial damage by affecting the level of investments; undermines the normal functioning of the internal market and reduces the level of public income. It harms the entire society by involving organized criminal groups using corruption to commit other serious criminal acts, such as the drug trade or human trafficking. If it is not dealt with, corruption may undermine the trust in democratic institutions and weaken the accountability of the political leadership.

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THE FIGHT AGAINST CORRUPTION

>> A process where strategies and ways of combating corruption are determined in order to prevent it from spreading further and reducing it to the level where it is not a threat for the security and stability of society and the state. <<

The fight against corruption must be waged in an intelligent, organized and systemic way. The priority should be to stop corruption in government, state authorities and institutions. Since government corruption spreads in an organized and systemic manner, it should be dealt with systemically. Experience has shown that the time needed to fight corruption is equal to the period during which the corrupt government resorted to corruption. In other words, if the government has been spreading corruption for ten years in an organized manner, no less than ten years will be needed to suppress it and minimize it. Just like many other historical social phenomena, corruption can never be rooted out completely. After the fight against corruption in a society ends, it needs to be constantly watched and controlled. Three strategies need to be formulated in societies where corruption has become a way of life: a long-term strategy (equalling the period during which corruption has spread in an organized way), mid-term (stopping corruption and minimizing it in the government, government authorities and institutions) and short-term (at least two years, yielding the first results and showing that fighting corruption works, encouraging the citizens to fight corruption). The goal of the long-term strategy is to reduce corruption to the level found in the most

The fight against corruption must be waged in an intelligent, organized and systemic way.



advanced democracies (3-5%). That strategy should enable the corruptive pattern to be uprooted from the minds of people. The mid-term strategy reduces corruption to 10%, which means that it has been “cleansed” from the government. The short-term strategy is the most important one, since it is aimed at stopping the spread of corruption and showing effective results. An effective short-term strategy is a prerequisite for the success of the mid-term and long-term strategy.

An anti-corruption strategy entails the following measures: 1) passing systemic anti-corruption laws and bylaws covering all segments of government and public activity; 2) the recovery of political and government institutions that will lead the fight against corruption (the police, prosecutor’s offices and the courts); 3) establishing a network of controlling mechanisms that will oversee the work of political institutions and state authorities combating corruption (e.g. the Anti-Corruption Agency, the State Auditing Institution and others); 4) Raising the awareness of the citizens about the fight against corruption; 5) Media coverage of corruption cases; and 6) prosecuting corruption cases backed up by firm evidence.

Political will, decisiveness and perseverance are key to fighting corruption. They are the way to show to the citizens that all injustice will be punished and that the government cherishes justice, as one of the fundamental values of politics and political life.



>> Everything a public official receives free of charge in respect to holding his/her office. <<

Extending a gift may be a mere courtesy or a deeply rooted cultural model, but it may also constitute a prelude to corruption. It is therefore vital to regulate gift received by officials – what they are allowed to received, what they may keep, how records shall be kept and to who gifts shall be reported. Most importantly, public access to records about gifts received and reported by officials should be regulated.

Since in politics, just like in finances, there is no free lunch, it is considered that gifts include free tickets for a game, free promotional trips, scholarships, tuitions. These are very often disallowed gifts.

Under the Law on the Anti-Corruption Agency, gifts are “money, possessions, a right obtained or service received without remuneration, as well as any other benefit provided to the public official or a related person, in relation to the public official’s public office.”

The Act defines two separate categories – “protocolary gifts” are gifts the public official receives from the state, a state authority or organization, international organization or foreign legal person, which gift has been received in the course of an official visit or similar circumstance, and “convenient gifts”, which in practice is the same thing, the only difference being that the donor is not a foreign country or foreign authority.

The public official is not allowed to accept a gift related to the performance of his public function, excluding protocolary or convenient gifts. In the case of the latter, however, he/she shall not accept such gifts in money or securities.

Gifts include free tickets for a game, free promotional trips, scholarships, tuitions.



Furthermore, the public official is required to hand over the convenient gift received to the authority in charge of managing public property, with the exception of gifts the value of which does not exceed 5% of the average monthly salary in the Republic of Serbia without taxes and benefits, which amounts to around 18 euros. The same applies to convenient gifts – a public official is not allowed to keep a convenient gift the value of which exceeds 5% of the average monthly salary, namely convenient gifts received in the course of the calendar year, the value of which exceeds one average monthly salary (about 360 euros).

An important question arises out of the above-mentioned definitions – how to determine if the gift has been received “in relation to the performance of the public function?” In order to do that, one may weigh factors such as who is the donor, if the gift was received in the work place, while the official was discharging his/her duties and finally – which is perhaps the simplest and most efficient criteria – would he/she had received such gift if he/she didn’t occupy his/her position.

To some extent, the public has developed the awareness about permitted and disallowed gifts, but not enough attention is paid to gifts that are the most common indicators of corruption – travels, tuitions, etc. There are still no cases of citizens or opposition politicians reporting to the Agency, based on public records and what they have learned, a public official in their community who has failed to report a gift.

The awareness about gifts of officials today is much greater than just a decade ago. In 2004, the then Minister Velimir Ilic travelled to the Olympic Games in Athens at the expense of “sponsors”. Ilic obviously didn’t understand the concept of conflict of interest at all, since he publicly stated he didn’t know who paid for the trip, since he had several offers on his desk and he just took one. Today, many public officials report even a bottle of wine they receive as a gift.



The fact remains, however, that one may find in the register quite a few officials that have not reported a single gift, which is, in their respective cases, unusual to say the least. Dragan Markovic Palma, who receives foreign partners on regular basis and who has publicly boasted about refusing a Rolex watch from a potential investor, did not receive (or report) anything, not even a protocolary or convenient gift. Markovic is not alone. Many presidents of municipalities and mayors are nowhere to be found in the Agency's register. For example, the Mayor of Novi Sad Milos Vucevic, or the Mayor of Subotica Modest Dulic, did not receive (or report) any gifts in 2012.

At issue here is not if someone has reported or forgotten to report a calendar, tie or bottle of wine. What is at stake is the awareness of the public (the citizens, media, political opponents) about the significance of this domain; the key question here is if they will publicly report a case of an official receiving (or is believed to have received) a disallowed gift. On the other hand, under the Law, officials are obligated to inform their respective authority where they perform their public duties about any gift received "in relation to the performance of public office", which authority will keep records about it. A copy of the records for the previous year shall be presented to the Agency by March 1st; the Agency has a deadline by June 1 to release (or update) these records on its website. It is precisely the transparency of this information that is the best mechanism for establishing if an official has failed to report receiving a gift. The Agency is unlikely to learn on its own about an official in Serbia receiving a gift during a public happening or has he/she been taken for lunch or a travel by a company doing business with that official's institution, if such a case is not reported by those that may have information about it – the public, media or any other actor of public and political life in the place such misconduct occurred.

The ban on receiving gifts also applies to next of kin. An example for that would be the situation where a child/spouse of a public official receiving a



scholarship/free travel from a person doing business with the public authority where the official works.

Watch the **TV episode** and listen to the **radio show** from ANEM's serial "Illustrated Glossary of Corruption", on the topic of – Gift.



ILLICIT ENRICHMENT

>> Unlawful accumulation of wealth by bypassing or breaking laws and regulations. <<

Illicit wealth may be acquired by theft, extortion, usurpation, war profiteering, financial embezzlement, monopolies, tax evasion, human trafficking, the production, sale of and trade in illegal substances such as narcotics or equipment restricted to personal use, such as firearms. In order to tackle this phenomenon, the Law on the Origin of Property ought to be passed, under which it will be possible to forfeit illegally acquired assets. This is also the best way to crack down on corruption, since illegally acquired assets most often stem from corruption and they help sustain and even this devastating social phenomenon.

Passing and effectively implementing the Law on the Origin of Property would unquestionably suppress corruption. The Law on the Origin of Property is the primary and foundational law in the set of systemic anti-corruption laws. The remaining systemic anti-corruption laws may not be effectively enforced without it. Its adoption would enable the investigation and forfeiture of all illicitly acquired assets in the last two decades and would allow justice to be served, as one of the most fundamental values in organized society. At the same time, this Law would not be used retroactively – it should merely be formulated to make possible the total forfeiture of all proceeds of crime, if the owner is unable to present evidence about the way these proceeds were acquired. The latter would not be held

The Law on the Origin of Property ought to be passed, under which it will be possible to forfeit illegally acquired assets.



criminally accountable, nor would he/she be subject to misdemeanour proceedings. The formula would be “something has fallen into his backyard, it is not his, but he has forgotten to report it to the proper authorities. All future cases would entail penalties proportionate to the severity of the felony and depending upon the manner in which the property has been illicitly acquired.

The Law on the Origin of Property is the primary and foundational law in the set of systemic anti-corruption laws.

The Law should be enforced in an elaborate way, since our country is still in circumstances where illicitly acquiring assets is all-pervading. First, the assets of state bodies that would enforce the law would have to be reviewed (by special anti-corruption units in the police and special departments in prosecutors' offices and courts. This first phase would last six months. In the second 6-month stage, the assets of the 600 wealthiest people in Serbia (who have acquired their property in the 90s during the war period, when all kind of embezzlement happened) would be checked. Based on relevant information, this list could probably be expanded. The third phase, which would take a year, would involve the investigation of the property of their business-related helpers. It is believed that in the first two years, about 30 thousand perpetrators of all kinds of unlawful dealings would be investigated. The Law would ultimately apply to all citizens whose property has increased dramatically and they would be subject to regular checks.



For the above-mentioned Law to function, it is necessary to have an efficient tax administration. The Law would act as a deterrent for embezzlement and abuse of office; it would help Serbia reduce corruption to a level where it would not threaten the security and stability of society and the state. International practice has shown that security and stability remain unaffected if corruption is at the level of 3-5%.

Watch the **TV episode** and listen to the **radio show** from ANEM's series "Illustrated Glossary of Corruption" on the topic of – Illicit enrichment.



INSTITUTIONAL INTEGRITY

>> Institutional resilience to corruption. <<

The term integrity is used to refer to consistency, dependability, and reliability. In the psychological and ethical sense of the word, integrity is the comprehensiveness and strong connection and balance between someone's character traits, interests, habits and personal motivations.

In the moral sense of the word, integrity entails honesty, consistency, predictability and responsibility. Integrity in professional conduct means that in institutions, authorities and organizations there are detailed rules regulating the application of the proper standards. This is best secured by enacting integrity plans detailing the obligations, rights and responsibilities of the employees. Integrity is regulated and strengthened by codes of ethics.

The most important consequence concerning individual integrity is that it helps a state authority or institution to build integrity and reputation. Individuals with integrity, employed in state authorities and institutions, exhibit a high level of responsibility, which protects them from taking part in embezzlement and corruption of any sort. Honesty means they will not cheat or deceive anybody. Consistency means observing laws and regulations to the letter and leaving no room for misinterpretation, as well as insisting on disciplined behaviour and adherence to professional standards. Integrity in professional behaviour means that institutions, authorities and organizations have the proper rules detailing professional standards. This is

Integrity in professional conduct means that in institutions, authorities and organizations there are detailed rules regulating the application of the proper standards.



best secured by adopting a code of ethics. Bodies also need to be established to oversee adherences to such codes. This helps sustaining and strengthening the integrity of the profession and the position of professionals in the respective institution and organization.

The profession is also supported by adopting the proper standards and with the awareness of their importance. Strict adherence to these standards sustains the dignity of the profession and the life of the professionals. Wherever there is an absence of clear rules about what professionals should do in their job, it is difficult to cement their integrity. In most cases, a lack of precision and clarity may transform professionals in mere pawns, which may be ordered to do even the things that undermine their integrity.

Where integrity is not established, individuals are often misused or led to become puppets of their superiors. Such phenomena lead to corruption and corruptive behaviour.

Watch the **TV episode** and listen to the **radio show** from ANEM's series "Illustrated Glossary of Corruption" on the topic of – Institutional integrity.



>> Undue influence on the decision-making process, especially in legislative bodies. <<

Lobbying is a term created in the US political practice. It stems from the word “lobby”, used to refer to an organization or group with joint interests striving to influence the vote for laws and regulations by members of legislative bodies or Congress. Influencing legislators is most often resorted to in order to achieve a particular interest or to prevent the adoption of a measure that is against the lobbyist’s interest. In other words, lobbying involves influencing the decision-making process, especially in legislative bodies. It is believed that, in all countries, laws are never passed without the influence visible and invisible lobbying. Lobbying is legal in a number of democratic countries, where it is strictly regulated and made transparent. Lobbying is a process that most often results in corruptive actions and carries an extremely high risk of corruption. In the European tradition, lobbying is interpreted either as pressure by interest groups against public decision makers by lawful means or as pressure that typically results in corruptive practices.

In the Republic of Serbia, the law does not regulate lobbying. For the time being, there are two approaches to making lobbying legal. According to the first, lobbying needs to be regulated by law, since it already exists and the lack of legal status only benefits those that are prepared to achieve their interests at any cost, most often by bribery and resulting blackmail. This particularly concerns a number of extremely wealthy people in the manufacturing industry, finances and trade. Lobbying is also performed

Lobbying involves influencing the decision-making process, especially in legislative bodies.



through political parties. Under the second approach, it is premature to make lobbying legal, because it would legalize various forms of illicit behaviour.

In Slovenia, they have legalized lobbying in the scope of the Law on Integrity and the Prevention of Corruption. Under that Law, only registered lobbyists may engage in lobbying. Every adult citizen that is not employed in the public sector is eligible to become a registered lobbyist. A public official may not engage in lobbying for a period of two years after leaving public office. According to the same Law, lobbyists may join forces and establish lobbyists associations, which must enact a code of ethics. The Law regulates the registration of lobbyists and reporting and prohibited conduct in the lobbying process. Furthermore, it provides for sanctions for violations of the Law, as well as for identification breaches and forbidden conduct by lobbyists. The latter are required to submit a report by January 31 of the current year for the previous year or 30 days from the expiry of their registration. The said report must contain the lobbyist's tax number, information about interest groups he/she has lobbied for, the purpose and the goal of lobbying for every single interest group, the state authorities and public officials he/she has lobbied for, the types and manners of lobbying in every respective case, as well as the types and amount of donations he/she has made to political parties and organizers of electoral or referendum campaigns.

This example shows it is inevitable to have lobbying legalized at some point in the future. For now, in Serbia, this is a topic most often initiated by entrepreneurs' associations and chambers of commerce.



MEANINGFUL EXPENDITURE OF PUBLIC FUNDS

>> Fulfilment of needs financed from the public budget in a responsible, sensible and economical manner, in keeping with the public interest. <<

The meaningful expenditure of public funds involves assessing the priority needs to be fulfilled with these funds. Not all the needs of society and the state have the same importance. Therefore, their purposefulness must be determined, as well as the sequence order in which they will be fulfilled. For example, an office in a state authority needs to be equipped or a company car purchased for a public official, but the purchase of a medical appliance for citizens' needs, a new fire truck or replenishing food stocks for emergency situations take primacy. That is the reason for setting the priority in satisfying the needs financed from the budget, which, in turn, is financed from the pocket of all citizens.

The most frequent mechanism for fulfilling publicly financed needs is public procurement. In order to avoid embezzlement, public procurement needs to be constantly monitored for purposefulness. An independent public body – the State Auditing Institution, performs the monitoring. A good example of monitoring the purposefulness of public procurement of all budget-financed institutions is the Swedish model.

Public procurement needs to be constantly monitored for purposefulness.



In Sweden, the auditing institution covers the whole pyramid of the state administration – from local communities and regions up to the central level of government. There are 2.700 auditors in Sweden. The ruling parties, at all levels of government, are required to send for training 2000 professionals that will be specialized for auditing jobs within the political party and the segments of government assigned to it. The training lasts six months. That is the internal audit overseeing the budget expenditures for rationality and purposefulness. Each municipality in Sweden has a professional auditor employed in an independent state auditing body. Furthermore, there are 300 auditors at central government level. This well extended network enables auditing at the end of the year and establishing if the principles relevant for the spending of budget assets have been adhered to: rationality and purposefulness related to the needs and affairs of state authorities and institutions.

Unfortunately, due to limited capacity, Serbia is not able to track properly the purposefulness of public procurement, which often results in embezzlement.

Watch the [TV episode](#) and listen to the [radio show](#) from ANEM's series "Illustrated Glossary of Corruption" on the topic of – Meaningful expenditure of public funds.



MISUSE OF PUBLIC RESOURCES

>> Using state and public resources for personal purposes (or for personal gain) by public officials or employees in public authorities. <<

Misuse of public resources happens when employees in the state and public institutions are enabled to use state and public resources for personal purposes. Examples include using a company car for personal purposes, repairing a local road from the national budget or building a road for private usage outside of urban criteria and plans. In various segments of state and public affairs there are many opportunities for such misuse. Therefore, laws should be enacted to regulate precisely how state and public assets and funds are used, as well as to provide for strict penalties to curb malpractice.

Therefore, laws should be enacted to regulate precisely how state and public assets and funds are used, as well as to provide for strict penalties to curb malpractice.

The misuse is often laid bare during electoral campaigns, when public officials use company cars for campaigning purposes. They often act both in the capacity of public officials and representatives of their political parties on election rallies. In order to prevent that from happening, the Electoral Law should be amended to provide for a ban against exercising, the same day, public office and a political party function. The Law should also prohibit the usage of public assets and equipment for private and political party ends.



There are many examples of usage of public resources for personal ends, such as the use of service apartments public official may repurchase from the state at preferential prices after a certain period of time, in accordance to internal regulations or decrees. The Law should prohibit any authority to enable anyone repurchase a service apartment in state property based on an internal regulation or decree.

Watch the **TV episode** and listen to the **radio show** from ANEM's series "Illustrated Glossary of Corruption" on the topic of – Misuse of public resources.



MODELS FOR FIGHTING CORRUPTION

>> Ways of fighting corruption that have proven to be successful in the modern world. <<

Three models for fighting corruption have been successfully tried out: the Hong Kong model, the New South Wales model in Australia and the Swedish model. The Hong Kong model is a combination of shock therapy and a meticulously thought-out mechanism of legislative and institutional instruments. It is comprehensive, well organized and systemic and may be considered as an example of the new institutional approach to fighting corruption. It first involves the creation of the key functions in fighting corruption: supervision, control, regulation, prevention and investigation. The investigative function has a special place, since it helps rehabilitating the state authorities that have the authority to fight corruption – the police, prosecutor's offices, the courts, customs and inspectorates. The Independent Commission against Corruption (ICAC) has been very successful, because it was able to operate effectively under strict laws and penalties.

When it comes to political corruption, one of the best legislative concepts is revoking the immunity of all public officials and employees of law enforcement and judicial authorities. If the investigative bodies of Commission have uncovered material evidence, immunity will not protect anyone – not the governor, the primeminister, the ministers, MP's, police officials, prosecutors or judges.



The Strategy in the Hong Kong model consists of three well-connected elements. The first concerned bribery: it was made clear that every alleged case of bribery was going to be thoroughly investigated and prosecuted without any interference or obstruction. The second element concerns a system of procedures with the purpose of eliminating any corruptive risks, the whole point being to reduce corruptive actions to the minimum. The third element involves training the public to recognize the corruption as an evil undermining the social order, as well as their equality before the Law. Citizens' feedback is extremely important in fighting corruption. Two important assets in ICAC's work are the fact that it never initiates investigations, as well as its internal sources. Secondly, ICAC strives to act in a responsible manner in relation to all the public's requests and reacts to their complaints, which it thoroughly investigates. ICAC also refrains from opening those cases for which the public is not prepared for or where there is not enough evidence. The Commission respects the confidentiality of data in investigations. Such approach has proven a success and it has helped ICAC gain even greater public support. Individuals reporting cases of alleged corruption are particularly protected. After five and a half years of implementing the Hong Kong model, corruption was completely marginalized. After being branded in 2002 by Transparency International one of the most corrupt countries in the world, Hong Kong has become one of the 20 world countries where corruption has been completely uprooted (it currently holds the 12th place).

The second successful model for fighting corruption is the one applied in New South Wales in Australia, modelled after the Hong Kong system. New South Wales adopted the ICAC Act in 1988, under which that commission is vested in the following main functions: a) investigation and uncovering of corruptive behaviour in the public sector; b) active prevention of corruption by providing advice and other support; and c) teaching the citizens and the public sector about corruption and its consequences. The authority of



ICAC spans over all public agencies, employees in ministries, local councils, members of parliament, ministers, employees in the judiciary and the Government (executive branch), as well as all individual holding public office. The police are outside ICAC's jurisdiction.

ICAC's most important function is the investigative one, in which that independent investigative body has extensive authority to gather evidence: a) it may collect evidence from witnesses (including experts providing forensic evidence) and confidential sources; b) it can gather material evidence by serving search orders and by the use of force, as well as other authority related to data collection; c) it may use covert operations such as physical surveillance, electronic surveillance and covert operatives and investigators (in line with strict procedures and with a court order).

ICAC may also use special investigative mechanisms in certain cases, such as public hearings. Everyone invited to a public hearing about an alleged case of corruption has the status of witness. Witnesses are obligated to speak the truth and may be punished by a prison term if they conceal something or if their statements are in any way untrue. Such public hearings have their roots in parliamentary practice and are extremely important in preventing corruptions. ICAC also protects public officials and persons working under a service contract in the authorities of the New South Wales administration, if they blow the whistle on corruption. Protection means that any reprisals against the whistleblowers constitute a criminal offense. It is ICAC's duty to inform whistleblowers about the course of the investigation in the cases they have reported and if the investigation is not finished, they receive such



information every six months. There are also internal procedures for protecting whistleblowers, such as providing psychological help and referring them to other agencies that may help them if they feel threatened.

The third anti-corruption model is the Swedish Model. Sweden is one of the first countries where Transparency International has measured the perception of corruption to be at the incidental level.

On the transparency scale, Sweden has been occupying the third place in the last decade. While corruption is reduced to the minimum, that country is consistently improving anti-corruption measures. Among other things, this involves investigating corruption in the state administration, high political positions and at the level of public procurement, where false invoices may be used.

Sweden resorts to various tools to fight corruption: transparency, free and independent press, independent judiciary, state audit and free and independent bodies in the structure of government controlling anything that may create corruption risks. The first tool is transparency in the work of the public sector. It means that information about it must be accessible to all citizens, even at anonymous request. If someone from the public sector, labels a piece of information confidential, the citizen may demand the court to assess if confidentiality is necessary in that particular case. The second tool is free and independent press, which entails the media freely reporting about alleged corruption cases or potential corruption-related risks connected to public office. In all cases, the highest possible professional standards should be adhered to. In Sweden, press is considered independent



and independence is measured by the degree of accessibility of citizens to everything of public interest, without government interference in the work of the media. The third tool are independent courts and prosecutors free from undue influence, doing their job solely based on their knowledge, conscience, the Law and justice. The judiciary is also considered a potent tool in fighting corruption and it occupies a special place in the Swedish anti-corruption model. Sweden has formed a prosecutorial unit consisting of seven prosecutors tasked with tracking down corruption. They also have the authority to oversee the work of all prosecutors, in order to avoid having them ignore citizens' complaints about corruption. Of the said seven prosecutors, two are in charge of overseeing the work of five of their colleagues. That is an example of two-degree control in fighting corruption. The fourth tool is the state audit, which has a supervisory, controlling and investigative function. It is independent and it represents the most professional body overseeing budget expenditures. The fifth tool are free and independent agencies established within the structure of government and state institutions, tasked with tracking down embezzlement and preventing potential corruption.



NEPOTISM AND CRONYISM

>> Abuse of office and position in order to secure benefits for relatives and friends. <<

Public officials are prohibited from using their official position to gain wealth or benefits for themselves or related persons. The latter are broadly defined – spouses, relatives and “any other legal or natural persons that on any other grounds be considered to have a connection of interest with the public official”. Hence, the Law unambiguously prohibits, in one of its fundamental anti-corruption provisions regulating conflict of interest, any form of nepotism and cronyism.

Nepotism has been part of the political jargon in Serbia for a while, while cronyism, although equally present in an environment where strings are often pulled, is a less known term. Concerning is the fact that, while nepotism and cronyism are recognized as negative phenomena, they are often tolerated. According to public opinion polls about corruption, even the citizens complaining about nepotism will not miss an opportunity to jump the queue. And this is cronyism.

The most dangerous form of nepotism and cronyism is employing relatives, friends and fathers in law in public authority bodies. In practice, in Serbia we had situations in public authorities that one rarely sees even in family business. In 2010 and 2011, the Dean of the Faculty of Medicine in Nis Milan Visnjic secured a job on the Faculty for several of his relatives – his son and daughter, his son-in-law and his son-in-law’s mother. The Agency recommended his dismissal due to the fact Visnjic might have secured

Even the citizens complaining about nepotism will not miss an opportunity to jump the queue. And this is cronyism.



economic gain for his next of kin, thereby undermining the confidence of the citizens in responsible public governance and the fact he failed to report this potential conflict of interest to his superior and the Agency. Nonetheless, the Council of the Faculty refused to enforce the decision of the Agency. Even worse, in January 2013, Visnjic announced his candidacy for Chairperson of the Council of the Faculty of Medicine. Meanwhile, the Misdemeanours Court fined him 60 thousand dinars.

Nepotism was subject to proceedings before the Republic Committee for Addressing Conflict of Interest in 2009, requiring that Milan Dacic be dismissed from the position of Director in the Republic Hydro meteorological Institute, for securing a job for his wife Mirjana Atanackovic-Dacic. Dacic's spouse performed temporary and occasional jobs during 11 months, for a salary of 30 thousand dinars. She was entitled to travel costs for coming to/ leaving the office and for domestic business trips. Dacic concluded two successive agreements with his wife for the same job.

Nepotism does not occur only when laws are broken; nepotism and cronyism may be legalized. For example, the Serbian Parliament adopted in May 2009 the Amendments to the Law on Foreign Affairs, which enabled the minister to employ, without any competition whatsoever, 5% of the total number of employees in an embassy or a consulate, for a four-year period, with their employment with their previous employer being "frozen". The opposition, led by the Serbian Progressive Party (SNS) vehemently criticized the Law, but the latter remains in force to this day, when the SNS is in power.



Watch the **TV episode** and listen to the **radio show** from ANEM's serial "Illustrated Glossary of Corruption", on the topic of- Nepotism and cronyism.



OVERSIGHT AND CONTROL OF BUDGET EXPENDITURES

>> **Oversight of the work and performance of all entities collecting and spending public funds.** <<

Along with transparency and accountability, oversight and control are key for successfully cracking down on corruption.

There should be no situations where a public official or a public authority body have acted without supervision. In the absence of supervision or if supervision is not effective, a favourable environment for corruption is created.

Therefore, it is important to have clearly prescribed and applicable mechanisms of supervision and control and bodies with integrity and strong authority to perform such supervision and control. These are often independent state bodies, although supervision and control may also be carried out by the media and non-governmental organizations, as well as state bodies vested by law (or the constitution) in such powers, in the scope of hierarchical relations or relations of supervision and control.

In theory, the Parliament has the most significant supervisory role in the country. It is submitted reports by all independent bodies and the Government is accountable to it.

The EU Progress Report for Serbia in 2013 pointed to improved parliamentary control of the Government, with the PM and the ministers

How the Parliament carries out its supervisory role, if the results are compared to a plan that has not been publicly released?



participating in regular sessions where questions are asked to the Government; the ministers submit quarterly reports to the relevant parliamentary committees and the Government “has presented the annual program of activities for 2013”. Although the Government announced in late December it has adopted the such plan for 2014 too, which plan contains, according to media reports, “precise work plans for the ministries”, that document is nowhere to be found on the websites of the Government or the Parliament and it is not known if the Parliament has reviewed it. It is pertinent to ask how the Parliament carries out its supervisory role, if the results are compared to a plan that has not been publicly released. The response is a simple one – the MPs in the plenary never discuss the annual report on the work of the Government.

The Parliament does not discuss auditors’ reports or track the implementation of independent bodies’ recommendations.

This was also noted by the National Anti-Corruption Strategy, which says, “It is necessary to regulate oversight of the implementation of the conclusions passed by the Parliament, with the possibility to take measures if the conclusions have not been implemented without justified reason.”

While the Parliament has the resources (but does not use them), supervisory bodies, such as independent bodies do not have sufficient resources; they are undermanned, with inadequate premises and the adequate budget to pay the experts.

In order to have effective control of public authority bodies, these bodies must have clearly defined tasks and must make work plans and reports that may be compared to these plans. Apart from the obligation of some bodies to draw up work plans and the duty of most authorities to submit work reports, it is often vaguely defined what these plans and reports must contain, how and when they are reviewed and what consequences will ensue if they are not drawn up.



The Law on Public Companies prescribes some of the rules of supervision in an area extremely vulnerable to corruption (in the public companies' sector), which has been in force since December 2012. However, that Law is selectively enforced; the supervisory committees in many companies haven't be set up in the manner prescribed by Law and where they are established, there were no cases pointing to problems in the functioning of these companies.

A particularly important aspect of supervision concerns the area of public finances and disposing public property. It is important for both the media and the citizens to be interested in joining supervision and control, especially in the segment of budget expenditures. Anyone living in an apartment building will be interested in knowing how the chairperson of the tenants' association is spending the money collected for whitening the hallway or if the 1000 dinars each tenants has given will be used for repainting the stairway or perhaps the apartment of the said chairperson. The citizens are also often disinterested for investigating what happens with the thousands of dinars they pay to the state through VAT on daily basis, or with the contributions on salaries and other taxes and levies.

Watch the **TV episode** and listen to the **radio show** from ANEM's serial "Illustrated Glossary of Corruption", on the topic of – Oversight and control of budget expenditures.



PANTOUFLAGE

>> Improper migration of a public official from the public sector to the private sector, where he finds employment or does business with enterprises or international organizations the activities of which are related to the public office function the official used to discharge. <<

Pantouflage (in French) literally means, “Putting on the slippers”. In the Anglo-Saxon system, they refer to the “system of revolving doors” and lately it is identified as one of the areas posing an exceptional corruption risk. As a completely new concept in the area of conflict of interest, pantouflage was “introduced” in Serbia in the Law on the Anti-Corruption Agency from 2010. The latter refers to this phenomenon as the “Ban on taking employment or business collaboration upon the termination of public office”. It is basically a practice we have been seeing these last few years – after the expiry of his/her term of office, the public official “migrates” to the company engaging in business in the area the public official was dealing with (or was regulating the business environment for) while he/she held public office. We can trace some notable cases in the years preceding the adoption of the aforementioned Law: the Assistant Energy Minister took employment in a private energy company, while the Assistant Finance Minister involved in excise policy moved to work for the tobacco industry. After the establishment of the Anti-Corruption Agency, there were a couple of transfers that caught the eye of the public – the former National Bank Governor Radovan Jelasic moved to Unicredit

Former public official may only be fined for violating pantouflage provisions.



Bank in Vienna after his term of office expired. The Agency concluded in 2010 that Jelasic's transfer was not questionable, since Unicredit Bank in Vienna is a separate legal person from Unicredit Bank in Serbia, although the Serbian bank is part of the Unicredit Group.

The public officials that didn't request an approval for their transfer and which have been subject to an Agency procedure included several state secretaries and assistant ministers, which took jobs in private companies doing business in the areas their respective ministries were involved with.

Among the members of the Serbian government from the 2008-2012 period, until the second part of 2013, the approval was sought for (and obtained) by Bozidar Djelic for several arrangements with international financial institutions, Petar Skundric for taking the job of President of the National Oil Committee of Serbia and by former PM Mirko Cvetkovic, for "participating in a privatization seminar organized for the needs of the Belarus state administration".

The Law on the Anti-Corruption Agency prescribes that a public official, the term of office of whom has expired, shall not take employment or establish business collaboration in the two years following the expiry of his/her term of office, with a legal person, entrepreneur or international organization engaged in activities related to the public official's former function, without the approval of the Agency. Prior to establishing such employment and/or business collaboration, the public official is required to seek the approval of the Agency, which shall decide about such request within 15 days.



The ban does not apply to officials directly elected by the people – councillors, members of parliament and the President.

The weak link in the legislative framework is the fact that a former public official may only be fined for violating pantouflage provisions – 50.000 to 150.000 dinars, a legal person 200.000 to 2.000.000 dinars, while the responsible person in the legal person may also be fined 50.000 and 150.000 dinars.

Watch the [TV episode](#) and listen to the [radio show](#) from ANEM's serial "Illustrated Glossary of Corruption", on the topic of – Pantouflage.



PERCEPTION OF CORRUPTION

>> The opinion of citizens or the business community on the prevalence of corruption in society. <<

Research about the perception of corruption aim at showing the prevalence of corruption in a society. Nonetheless, such a picture is often distorted. In a society where corruption is still taboo, it is not be talked about much and hence the perception of corruption will perhaps be lower. In a country that has started to seriously crack down on corruption, the topic will be present in the media and the citizens are will be more likely to feel there is more corruption than it is actually the case.

There are prejudices and preconceptions, but also specific situations resulting in higher perception of corruption relative to the actual state of affairs. Hence, nearly everyone who lost a litigation will claim the judge to be corrupt, while those that have been deceived by their lawyer, who told them he has to charge them a “bonus” in order to bribe someone in the courthouse, will firmly believe that all judges are corrupt, and not they lawyers.

Still, research may provide a sketch of the situation or at least a frame for the picture. In order for the picture to be complete, information about the “impression” should be compared to real experiences and views of the respondents about corruption and factor them in together with the measures taken to avert corruption – both oppressive (that may significantly affect perception) and long-term preventive (less visible) and educational measures (those that will help the respondents to better recognize corruption and anti-corruption).

Research may provide a sketch of the situation or at least a frame for the picture.



It is also important, of course, how the media interpret research about perception. A misinterpreted perception of corruption, repeated over and over, will create an image diverging from reality: if 80% of the respondents believe that there is corruption in a particular segment of society (healthcare or judiciary), an erroneous interpretation that 80% of the doctors (or judges) are corrupted will cement that belief in those citizens that have never had any direct experience with corruption. Furthermore, every following poll will help build an increasingly distorted picture.

What do surveys say? The results of the global corruption barometer of Transparency International for 2012/2013, in the segment about Serbia, show that citizens believe that the level of corruption has decreased. At the same time, bribery is on the rise.

Furthermore, the perception of corruption in certain institutions is also up; more than half of the citizens believe that political parties, the judiciary, public officials and healthcare services are extremely corrupt.

The explanation for this paradox is that the impression of the citizens about the general level of corruption is based on the fact that several major investigations had started when the survey was being carried out (investigations – started or resumed – about 24 cases) and that the results rather reflect the hope of the public that the situation will change, than the actual situation.

Such an impression and the deceptiveness of perception were confirmed by the six months-long research carried out by the Centre for Free Elections and Democracy (CESID), commissioned by the United Nations Development Program (UNDP). After a major rise of confidence in state authorities are their



preparedness to tackle corruption in late 2012, which was accompanied by a high percentage of those believing the level of corruption would shrink, the numbers remained idle and ultimately dropped in the following surveys.

The perception of corruption is greater than the actual prevalence of it. Namely, although the figures about the number of citizens that have offered a bribe show are relatively low (between 13% and 17%, according to different surveys), it is still a minority, while the perceived corruption of certain institutions and sectors is closer to the maximum.

According to the composite Corruption Perception Index of Transparency International, in 2013, Serbia's index grew from 39 to 42 and the country advanced from the 80th to the 72nd place in the rankings.

Experts believe that in this case, corruption affected the change in real life – the strong rhetoric against corruption and certain actions by law enforcement authorities affected the decrease of corruption in all public services in contact with potential investors, the assessment of which is key for forming the index.

In terms of the corruption perception, Serbia occupies the last place (together with BiH) among the countries of the former Yugoslavia – five spots behind Montenegro and Macedonia, 15 spots behind Croatia and 29 behind Slovenia.

Watch the [TV episode](#) and listen to the [radio show](#) from ANEM's serial "Illustrated Glossary of Corruption", on the topic of – Perception of corruption.



PREVENTION IN ANTI-CORRUPTION EFFORTS

>> Identifying and remedying systemic weaknesses that cause or may corruption.<<

The purpose of prevention to avert having a public official or civil servant finding him/herself in the situation to gain wealth from corruption, with the profit from such “arrangement” constituting sufficient motivation to overcome fear of getting caught. The risk of engaging in corruption will be lower if there are gaps in regulations and procedures governing the accountability of officials and weaknesses in the methods for uncovering corruption. Prevention helps identifying and remedying such weaknesses and problems in the system (regulations, organization and procedures).

However, prevention in the wider sense also includes the remaining two foundations for suppressing corruption – repression and education. Education helps developing the awareness about the harms of corruption and its consequences, while repression serves to deter potential actors of corruption from engaging in it.

There is yet another tight link between repression and prevention: if a repressive action (identifying corrupt officials, civil servants or any other persons, including those in the private sector) is not followed by preventive activity, there is a great risk the corrupt officials/persons (that were arrested/convicted) will be immediately replaced by a new echelon of people prepared to engage in corruption, convinced they are more “skilled” than their predecessors and that they will get away

It is necessary to review the mechanisms, regulations and procedures that enabled corruption to happen.



with it. Corruption might become more expensive due to the experience of the previous echelon (the amount of the bribes will be greater), but it will not be curbed. In order to avoid that from happening, it is necessary to review the mechanisms, regulations and procedures that enabled corruption to happen and to remedy these systemic shortcomings.

The main institution in charge of prevention in Serbia is the Anti-Corruption Agency. Among its many competences (according to the Law on the Anti-Corruption Agency, there are a total of 20), analysing regulations and initiating amendments thereto, drawing up integrity plans, settling conflicts of interests of public officials, keeping registers (including the register of officials' property and income and the catalogue of gifts received by them). The Law itself has a separate chapter on prevention, detailing the role of the Agency in overseeing the implementation of the Strategy and the Action Plan, the preparation and implementation of anti-corruption training, deciding upon complaints, surveys and international cooperation.

Each of these areas has its important place in the prevention system. Hence, for example, an official will most definitely not report a free travel he/she has received "as a sign of gratitude" from a partner he has "helped", but the public, media and political opponents will be able to check in the catalogue has the official reported the trip he has "consumed" and the ensuing investigation could show who is the donor of the unreported gift, the motivation behind the gift and if the whole case is a felony.

Other bodies and organizations are dealing with prevention too. The Anti-Corruption Council was primarily established as a preventive body, tasked with pointing to gaps in the regulations to the Government of Serbia. The Ombudsman (in the segment of good governance) and the Commissioner for Information of Public Interest and Personal Data Protection (in the segment of transparency) have enormous significance for curbing corruption. Responsible media should start asking questions about systemic problems in



fighting corruption and educate the citizens, while the NGOs have already been recognized as a link in that system.

Comparative prevention-related experiences are interesting too. There are systems where prevention is based on coordination and analysis, such as the French Central Anti-Corruption Service. In the UK and Commonwealth countries, the prevention of corruption often involves repressive measures: as early as back in 1889, the Public Bodies Corrupt Practices Act prescribed that giving a bribe to a public official or civil servant constitutes a criminal offense. The Indian Anti-Corruption Act has established a special judge for corruption trials of public officials. That Act has also criminalized corruptive promises of benefit, in relation to the affairs of a public body. In the Anglo-Saxon system, commissions enforcing anti-corruption regulations and ensuring the reporting of income and property of officials and civil servants enjoy certain investigative capacities, although the prosecutor is vested in criminal prosecution powers.



>> A mechanism for including citizens and experts in the process of passing regulations and decisions of public interest. <<

The participation of the public in formulating and adopting regulations (laws or decisions of local authorities) and strategies, especially the budget, is the foundation of democracy. On one hand, the citizens elect their representatives and trust them with decision making, on their behalf and in the public interest, which does not mean that the voice of the citizens should be heard only when elections are taking place.

Participative democracy is democracy that listens carefully to the voice of the public while drawing up regulations concerning the citizens and when deciding about spending taxpayers' money. This is the how the citizens advocate for and defend their interests, contributing to open and transparent work of the executive and legislative branch.

In Serbia, the concept of public debate, through which the citizens influence public policies, is regulated poorly and superficially and in practice it often boils down to posting documents on government authorities' websites.

At the republic level, public debate in preparing laws is prescribed by the Rules of Procedure of the Government of Serbia. The Office for Cooperation with Civil Society tabled in September 2012 to the Government and initiative for amending the said Rules, in order to introduce mandatory public debate about all legislation of public interest, as well as for bylaws. These amendments would have made it mandatory to determine the duration, venue and time of the public debate, the address and the submission of proposals, the minimum content

In Serbia, the concept of public debate in practice often boils down to posting documents on government authorities' websites.



of the public debate, how it is organized and managed, the procedure with the proposals received, as well as the mechanisms of control where the debate hasn't been held or hasn't complied with the regulations. The amendments to the Rules of Procedure from 2013 did not result in the adoption of all of these suggestions.

According to the actual Rules of Procedure, the public debate shall be mandatory if the Law to be debated is substantially changing the regulation of a matter or regulates a matter of particular relevance for the public, namely in the preparation of a new systemic Law if the competent committee does not decide that there is no need for a public debate; when drawing up amendments to the Law, if these amendments substantially alter the concepts contained in the current Law, which is again subject to a decision by the competent committee; as well as during the preparation of a Law on the ratification of an international treaty, only if the competent committee decides that a public debate will take place.

The program of the public debate shall always contain the draft or blueprint of the act subject to the public debate with an explanation, the deadline for holding the public debate, important information on the activities planned in the scope of the public debate (round tables, fora, the venue and the time when such activities are to be held, etc.), the manner of submission of proposals, suggestions, initiatives and comments.

The state of affairs in practice was illustrated in the research carried out by Transparency Serbia from 2010 to 2013. In the period July 2010-July 2011, public debates were held for merely 43 out of 176 proposed regulations. Upon the formation of the new government in July 2012, the situation did not improve: by March 2013, public debates were organized for only 20 out of 55 government draft laws and important amendments. The situation was even worse at the level of cities. For the 105 draft decisions tabled by the city councils, public debates were organized in only 22 cases.



Public debates are rarely advertised (although this is mandatory) on the eUprava web portal. From July 2012 and September 2013, public debates for only 14 laws and amendments were advertised on the said portal, as well as for six other documents (action plans, strategies, guidelines and rulebooks). Particularly interesting is the fact that eUprava didn't advertise the debates about two documents concerning the issue of improving public debates – the National Anti-Corruption Strategy and the Action Plan for the enforcement of that Strategy.

The main shortcoming of the current regulations on public debates is that those trying to present their opinions and giving their contribution during the public debates cannot know if their proposals have been considered, why they have been rejected and what other proposals (and by whom) have been tabled to the public debate. Such a situation happened with both the National Anti-Corruption Strategy and the Action Plan: the working group decided that all incoming proposals will be reviewed and that explanation on accepting or rejecting the same will be released. However, the Ministry of Justice failed to implement that decision. In the final phase of drawing up the said two documents, not even the members of the working group received answers to their questions about why the Ministry had altered (in the final version) the provisions coordinated by the working group and rejected the proposals of some members.

At the local level, the situation is even worse. There are, for the most part, no regulations that would make it mandatory for the local government to organize a public debate about any act, except for urban plans. The statutes of certain cities and municipalities prescribe that public debates shall be held about the budget and strategic development plans, but the formulations are such that the obligation boils down to organizing a public forum or posting a draft act on the website. Indeed, certain municipalities or cities have posted on their websites invitations to citizens to take part in budget planning. However, while in the pre-electoral period at the local level, all political parties manage to reach out to the citizens (through door-to-door campaigns) in order to present their electoral promises, after the elections, when



disposing the money taken from these citizens, the same political parties rarely call them to take part in the public debate. There are, however, some rare good examples. The website of the Municipality of Indjija says that pollsters have visited nine thousand households in order to determine what are the projects of relevance and interest for the citizens, based on which the plans and programs of public companies were drawn up, as well as the budget for 2014.

Participative democracy in deciding about the expenditure of taxpayers' money was on display in Belgrade in 2007, when American taxpayers' money was being decided upon. The Belgraders voted about whether the money from US donations will be used for the reconstruction of Dom Omladine or for purchasing ambulance vehicles.

Watch the [TV episode](#) and listen to the [radio show](#) from ANEM's serial "Illustrated Glossary of Corruption", on the topic of – Public debate.



PUBLIC OFFICIALS' PROPERTY CARDS

>> Reports concerning property and income public officials are required to submit during their term of office and within a certain period after the termination of such public office. <<

Property cards are written reports where the citizens state their assets and income. For the time being, Serbia has only introduced property cards for public officials. Under the Law, public officials are required to state in such cards their assets and income, as well as those of their spouse (or unmarried partner) and underage children.

A property card should detail the income of the public official from the budget and other public sources; income from a different occupation or activity; income from scientific, research, educational, cultural, artistic or sports activity; copyrights and patent rights; memberships in associations' bodies, other revenues and revenues of the spouse or partner and underage children. All this revenue is reported in net amounts. Furthermore, the property card contains information about immovable and movable property, as well as high-value belongings (precious items, collections, works of art, animals, etc.); current accounts, both in the national currency and in the foreign currency, as well as the amounts kept on these accounts; banking accounts (dinars and foreign currency, amounts and currencies). The property card also contains data about current loan liabilities, as well as various forms of receivables, shares (stocks with voting rights) and stakes in companies, other securities (bonds,

Public officials are required to state in such cards their assets and income, as well as those of their spouse (or unmarried partner) and underage children.



commercial papers and treasury bills), insurance policies, bills of exchange, etc.); the right to using an apartment for official purposes with information about the city, address, structure, surface area, grounds for enjoying the right of usage and the time during which the apartment will be used. Other data are also required in relation to the enforcement of the Law on the Anti-Corruption Agency, such as bonuses, fees, extras and safe deposit boxes. Under the Law on the Anti-Corruption Agency, information about revenues of public officials financed from the budget and other public sources must be available to the public, as well as data about immovable property in the country and abroad, without detailing the place where such property is located or the address. All other information stated in the property card shall remain inaccessible to the public, but the Agency may use them in its checks.

The public official is required to fill in his/her property card within 30 days from taking office. Furthermore, she/she shall submit a report within 30 days from the termination of public office, which report will detail his assets as on the day of termination of office. Each year while he is in office, the public official shall, from January 1st to January 31st, submit a report on his assets in the case of substantial changes relative to the information submitted in the previous report. A substantial change to the report would include increased value of assets relative to the average annual salaries net of taxes and benefits in the Republic of Serbia. Moreover, after the termination of office and in the following two years, the public official shall submit a report once a year (in January the following year) if the changes have taken place to his assets the value of which exceeds the amount of the average monthly salary in the Republic of Serbia.



The property card tracks the assets of the public official as of his/her first day in office, during his/her term of office and after the termination thereof. The purpose is to determine if the public official has, using his function, gained more than he/she is supposed to earn during his term of office. Any discrepancies in the property card and the actual situation may be construed as reasonable doubt that the public official has acquired part of his property unlawfully. The property card acts as a corruption deterrent. Under the Law on the Anti-Corruption Agency, the fines for failure to report assets or providing false information, with the aim to conceal property information, range from six months to five years in prison. Furthermore, a jail sentence automatically terminates the employment of the public official in question, who will be barred from holding public office during a ten-year period after the finality of the verdict.

The property card acts as a corruption deterrent.

Watch the **TV episode** and listen to the **radio show** from ANEM's series "Illustrated Glossary of Corruption" on the topic of – **Public officials' property cards.**



TRADING IN INFLUENCE

>> **The process in which a person, in return for payment or other benefit, uses his/her office or social position of influence or intercede for the performance of an official act or the failure to perform such act. <<**

Trading in influence is a process where public officials, taking advantage of their position, engage in a “trade” with those they are trying to achieve a need or interest with. The most dangerous trading in influence occurs in relation to legislative, executive or judicial power. Members of parliament, for example, may trade with individuals or groups interested in the adoption of poor (especially selective) laws, regulations and decrees, which undermine citizens’ equality before the law. Ruling parties may trade in influence in order to enable persons in the executive and legislative branch to secure profit or a privileged position helping them to gain profit. Trading in influence is a corruptive act where both parties are winners, while the citizens are on the losing end, since traders in influence profit at the expense of the budget that is financed by taxpayers’ money.

Trading in influence is difficult to prove. In the case of the executive and legislative branch, one may suspect that trading in influence has taken place if an analysis of the enforcement of laws, regulations or decrees demonstrates that substantial damaged

Ruling parties may trade in influence in order to enable persons in the executive and legislative branch to secure profit or a privileged position helping them to gain profit.



has been caused to society and the state. This is easiest to recognize in the consequences visible through monopolistic positions and the gains realized by individual or narrower interest groups.

An observable form of trading in influence is bribing MPs by powerful individuals or parties that did not make it to Parliament. Serbia has seen such cases after the snap parliamentary elections in 2003: two years later, the political party “Pokret snaga Srbije” was said to have tried to buy MPs and set up a caucus in the Parliament. The District Public Prosecutor in Belgrade ordered the police to collect information about the alleged “transactions” with MP’s mandates, but the suspicion that certain MP’s had received money for the failed attempt to set up a new parliamentary caucus was never proven.

Trading in influence may happen at all levels of government, under the “tit for tat” principle. This form of corruptive behaviour is difficult to ascertain. The only way for it to be minimized is to pass good laws that clearly and precisely define and encompass matters regulated in a more general manner.

Watch the **TV episode** and listen to the **radio show** from ANEM’s series “Illustrated Glossary of Corruption” on the topic of – Trading in influence.



TRANSPARENCY IN THE WORK OF PUBLIC AUTHORITIES

>> Openness, transparency of work, exposure to the public view and criticism as the most fundamental impediments to corruption. <<

In a public counters hall with several clerks receiving requests from the citizens and where the procedures and deadlines for the issuance of documents are visibly displayed, corruption is far less likely to happen than in an environment where a single clerk (the only one in charge of “your case”) receives the applicants in his office, weighing by himself what papers you need to submit in a deadline know to him only, in order to receive the requested document. That is the simplest illustration of transparency in practice. Even in the absence of other important measures such as control, penalties or a clear system of responsibility, transparency is a deterrent for many that would otherwise had engaged in corruption. Transparency is not limited to public counters and “petty corruption”; it helps the citizens get to know how the government is fulfilling its obligations and how taxpayers’ money is spent. When the public learns this information, the question of political, but also criminal responsibility of the representatives of that government may be brought forward. One of the vital tools for achieving more transparent work of public authority bodies is the Law on Free Access to Information, but also the fact sheets that under the said Law must be released and updated regularly by these bodies. By the enforcement of the Law and

The government often construes the term “transparency” in the wrong way, believing they are transparent if they hold a press conference.



submission of request, one may obtain the desired information in a relatively short time, but the fact sheet should enable the bulk of significant information to be already available. The fact sheets released by public authorities contain detailed data about their structure, their duties and affairs, the resources used and the services provided to interested persons, deadlines and the like.

On the other hand, public authority bodies are not obligated to have internet presentations and to update them regularly, or to guarantee for the accuracy and completeness of the data released on such presentations.

The government often construes the term “transparency” in the wrong way, believing they are transparent if they hold a press conference, where they present selected topics to be discussed or if they issue a press release after a meeting, where decisions were taken. Certain decisions, such as, for example, the conclusions of the Government of Serbia, may come to the attention of the citizens only if they ask from Parliament for the annual report about the work of the Government. The conclusions, which regulate some important areas and determine how taxpayers’ money is going to be spent (for example, decisions are made on the leasing of homes or apartments for diplomatic personnel), are not even released in the Official Gazette.

Furthermore, the Government of Serbia consistently violates the Law on Free Access to Information of Public Interest, refusing to release memoranda and agreements, such as agreements between the Republic of Serbia and the company Global Capital Advisors Management from the Emirates, agreements with the company Securum Equity Partners Europe about the construction of the solar park, agreements with Etihad concerning the transformation of JAT into Air Serbia, or the feasibility study for building the Danube-Morava-Vardar channel.



In the column “Economic Agreements and Treaties” of the Serbian Government website, only five documents have been released in the last ten years. Instead of the text of agreements and treaties, the news about the conclusion thereof are regularly published, based on which it is not possible to assess the actual benefit they bring, or the obligations the state has assumed towards the investors.

Watch the [TV episode](#) and listen to the [radio show](#) from ANEM’s serial “Illustrated Glossary of Corruption”, on the topic of – Transparency in the work of public authorities.



WHISTLEBLOWER

>> Civil servant or employee in public institutions or enterprises reporting in good faith suspected corruption in the public body, public institution or enterprise that employs him/her. <<

Silence is golden for those engaged in corruption. As long as the people around them remain silent in fear of losing their job or because they believe, “it is not their business” or that “it is not their money”, corruption will continue to flourish. The first to learn about the existence of corruption and other embezzlement undermining the public interest are the employees in the public bodies where these phenomena happen. Unfortunately, they rarely decide to report them. The Law that will regulate whistleblower protection in an uniform way has been awaited for years and at the start of 2014, protection is still prescribed in the provisions of three laws (Law on Civil Servants, Law on Free Access to Information of Public Interest and the Law on the Anti-Corruption Agency), as well as through the Rulebook on the Protection of Persons Reporting Corruption, adopted in 2011 by the Anti-Corruption Agency. However, this protection is limited in scope.

The working group set up by the Commissioner for Information of Public Interest drew up in 2013 the blueprint of the Law on Whistleblowers, which provides for the protection of all persons reporting corruption, regardless if they are employed in the state body where the case of corruption allegedly happened. The Law also provides for a prison sentence for reprisals against whistleblowers, the possibility for the whistleblower to be indemnified instead of being reinstated to his/her job, as well as for

Silence is golden for those engaged in corruption.



the possibility of financial remuneration if the whistleblowing resulted in increased public revenues, which would not have been generated had it not been for the whistleblowing. The blueprint was submitted to the Ministry of Justice, but the latter failed to open a public debate about the proposed text; instead, it established a new working group, that ultimately wrote the new text of the Law. During the public debate, both the Anti-Corruption Agency and Transparency Serbia voiced serious objections to the text. After the elections were called, the process of adoption of the Law was suspended and the announced round tables in the scope of the public debate were never held. In the meantime, whistleblowers have continued to enjoy only the protection provided for by the Rulebook of the Agency, which stipulates that protection may be awarded only to employees in state authorities. That means that persons with service contracts that have expired, those that were fired before they had pointed to alleged corruption or those that have indirect relations with the state body (and may suffer reprisals – e.g. those that have pointed to corruption in a state body while being employed in a private company doing business with that state body) are not eligible for protection.

Even in the cases when the whistleblower gets such status from the Agency, it happens that he/she suffers reprisals. A doctor that reported alleged corruption in the Oncology Institute of Vojvodina had its employment contract with the Faculty of Medicine terminated, because the whistleblower status pertains only to employees of the Institute. Valentina Krstic, who pointed to corruption in the penitentiary in Nis, was subject to disciplinary proceedings and suspended, although she had the status of whistleblower, while the disciplinary proceedings were “frozen” and ultimately terminated only after the joint intervention of the Anti-Corruption Agency, the Commissioner for Information of Public Interest and Personal Data Protection and the Ombudsman. There is no information whatsoever about the investigation of corruption she had pointed to.



Watch the **TV episode** and listen to the **radio show** from ANEM's serial "Illustrated Glossary of Corruption", on the topic of – Whistleblower.



ANEM launched the project “Illustrated Glossary of Corruption” in December 2012, financed by the European Union within the “Civil Society Facility Serbia Programme”. The implementation of the project lasts 18 months. The main partner on the project is the Anti-Corruption Agency of the Republic of Serbia.

The project is particularly directed at:

- Contribution to a more effective prevention and fight against corruption by active involvement of citizens and media in this process.
- Contribution to raising public awareness and knowledge on corruption, its forms and mechanisms for preventing and fighting it.
- Building capacity of media for investigating corruption and reporting on it.
- Influencing transparency, openness and accountability of public administration, public services and holders of public office.
- Strengthening the role of media in the prevention and fight against corruption and stimulating media to deal with this problem more actively.
- Contribution to building cooperation between civil society, media and relevant bodies dealing with anti-corruption, in the prevention and fight against corruption.

The project targets:

- Media, especially ANEM members and their journalists
- Citizens and society as a whole
- Public administration and public office holders

Key activities of the project:

- Production and broadcasting of radio and TV series “Illustrated Glossary of Corruption”. The series is comprised of 21 radio and 21 TV episodes on selected terms related to corruption, its prevention and fight against corruption. During March and April 2014 the series was broadcast on 25 TV and 40 radio stations – members of ANEM network.
- Education of journalists, particularly from local communities, about corruption, its prevention and fight against corruption – through seminars, a workshop and journalists’ participation in the production of the series.
- Production of electronic publication “Glossary of Corruption”, intended for general public.
- Production of electronic “Guide for Journalists on Reporting about Corruption”.
- Round table on the role of the media in the fight against corruption.



The project is financed by the European Union through "Civil Society Facility Serbia Programme".

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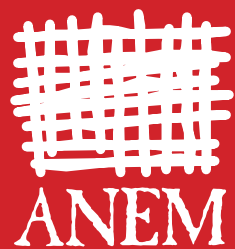
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ANEM is a non-governmental and non-profit media association, founded in 1993 and registered in 1997, active in the development and improvement of the freedom of thought and expression, and of freedom, professionalism and independence of the media in accordance with the highest internationally recognized norms, principles and standards. ANEM is the largest association of electronic media in Serbia gathering more than 100 radio and TV stations across the country. ANEM activities contribute to the improvement of the media regulatory framework and the establishment of favorable media environment in the interest of the media sector, as well as to better position, conditions, and the quality of work of its members and other media. ANEM is nowadays recognized by the media sector and responsible institutions as an unavoidable stakeholder in the development of media policy and regulation. It is recognizable in Serbia and abroad by its active advocacy for media reforms, protection and promotion of the freedom of expression and freedom of the media, while ANEM membership is recognizable by its dedication to the highest professional standards and professional ethics.



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