THE NATIONAL ANTI-CORRUPTION STRATEGY  
in the Republic of Serbia for the period 2013-2018

I  INTRODUCTION

Corruption means a relation based on abuse of an official or social position or influence, in the public or private sector, aimed at gaining personal benefit, benefit for others, violation of a right or harming others. The Transparency International\(^1\) Corruption Perception Index shows how widespread this problem is, according to which Serbia was 80\(^{th}\) out of 176 countries in 2012.

The first National Anti-Corruption Strategy in the Republic of Serbia was adopted in 2005 (hereinafter referred to as the Strategy 2005), and Action Plan was adopted in 2006. The Report of the Anti-Corruption Agency (hereinafter referred to as the ACA) on the implementation of the Strategy 2005 for 2012 shows that most objectives were achieved in the field of establishing a legal and institutional framework for preventing and combating corruption, preventing conflict of interest in the public sector, involving in the regional and international fight against corruption, as well as establishing ethical standards and transparent financing of political parties. On the other hand, certain issues that are the subject of the strategic document are not at all, or only partly resolved. Some examples are the judiciary reform that is still not completed in a satisfactory manner; privatization and public procurement processes that still raise concern in terms of corruption; insufficient transparency of the media ownership and possibility of undue influence on the editorial policy; insufficient involvement of the public in the legislative process and budget planning, etc. The ACA Report also defines two types of problems and challenges in the process of monitoring of the implementation of the Strategy 2005. Firstly, the process of collection of information and reports from Action Plan obligors contained many difficulties because obliged parties did not meet their legal duty to report in a timely and complete manner. Secondly, the inconsistent content of the Strategy 2005 and Action Plan 2006, as well as lack of adequate education of obliged parties about their obligations, caused confusion about what activities should be undertaken and under whose competence.

There is a strong awareness and political will in the Republic of Serbia to make substantial progress in the fight against corruption with due respect of democratic values, the rule of law and protection of fundamental human rights and freedoms. This was used as the basis for the adoption of the National Anti-Corruption Strategy in the Republic of Serbia for the period 2013-2018 (hereinafter referred to as the Strategy), whereas specific measures and activities for its implementation will be provided for in the accompanying Action Plan.

II  GENERAL OBJECTIVE AND PRINCIPLES OF THE STRATEGY

The general objective of the Strategy is to eliminate corruption as much as possible, which is an obstacle to the economic, social and democratic development of the Republic of Serbia. Consequences of corruption do not imply exclusively impoverishment of the society and the country, but also a drastic drop in public confidence in democratic institutions, as well as

\(^1\) http://www.transparency.org/policy_research/surveys_indices/cpi.
occurrence of insecurity and instability of the economic system that is reflected, *intern alia*, in the reduction of investments. According to the research of the World Economic Forum for the period 2011-2012, corruption was ranked among top two problems identified in adoption of a decision on the commencement of economic activities in the Republic of Serbia.

In the implementation of this Strategy, authorities and holders of public powers that are involved in the prevention of and fight against corruption, are obliged to exercise their powers in accordance with the following general principles.

1. **The principle of the rule of law** – A guarantee of the legality of actions, equality before the law and rights of all citizens to legal remedies. The Constitution of the Republic of Serbia, laws and by-laws, as well as ratified international treaties and generally accepted rules of the international law, must be fully and consistently implemented.

2. **The principle of “zero tolerance” for corruption** – Indiscriminate application of the law in all forms of corruption.

3. **The principle of accountability** – An obligation to assume full accountability for creating public policies and their efficient implementation, including implementation of this Strategy and the Action Plan.

4. **The principle of universality of implementation of measures and cooperation of entities** – A duty to implement measures comprehensively and consistently in all fields, and in cooperation, as well as to exchange experiences and harmonize actions of relevant entities at all levels of the government with established good practice.

5. **The principle of efficiency** – A duty to regularly conduct anti-corruption measures within one’s own powers, and to conduct ongoing training for the purposes of improving efficiency in the fight against corruption.

6. **The principle of transparency** – A guarantee of publicity in the process of adoption and implementation of decisions, as well as enabling citizens to access information, in accordance with the law.

## III FIELDS OF THE STRATEGY

Although corruption is a phenomenon that permeates the entire society, the Strategy lists certain fields in which some priority actions will be taken, and which were recognized as crucial for the development and strengthening of systemic anti-corruption mechanisms. The fact is that it is not possible to solve problems in a limited time and with limited resources in all the fields in which corruption may occur. Therefore, the Strategy seeks to created solid foundations for future comprehensive fight against corruption with proper allocation of limited resources within a strategic time frame of 5 years. In addition, the following chapter (Chapter IV – Prevention) defines objectives related both, to the fields of priority actions, and to all other fields in which corrupt behavior may appear.

The fields of priority actions were identified on the basis of the qualitative and quantitative analysis of indicators of trends, scope, forms and other issues related to corruption in the Republic of Serbia. They are based on different sources of information, including ACA’s annual reports on the implementation of the Strategy 2005, reports of the Anti-Corruption Council (hereinafter referred to as the Council), the needs analysis conducted for the purposes of
development of the Strategy, reports of the European Commission on the progress of the Republic of Serbia from 2012, GRECO, OECD and UNCAC analyses, developed integrity plans that were collected from the ACA, analysis of citizens’ perception of corruption, civil sector reports, as well as other relevant documents.

The structure of this chapter of the Strategy first contains the field of priority actions and a short description of the situation and its key problems, which is followed by objectives whose achievement will eliminate detected problems.

3.1. POLITICAL ACTIVITIES

a) Description of the situation

By adopting the Law on the Financing Political Activities in June 2011, Serbia has substantially improved the legal framework in this field. However, in practice, certain legal solutions proved to be deficient, particularly in terms of the persons connected to political entities, the use of public resources, and obligations of the authorities competent for the control of the financing of political entities. No external audit of political entities has been carried out until the present day as they are not provided for by the Law as mandatory subjects of the audit conducted by the State Audit Institution (SAI). An additional difficulty in this filed makes the lack of necessary capacities of the authorities competent for the control of financing activities.

The Anti-Corruption Agency (ACA) has achieved significant results in the field of prevention of conflict of interest regarding the incompatibility of functions. However, the issue of conflict of interest, in terms of elimination of the influence of the private interest of the persons performing a public function, has not been regulated properly, which inhibits actions of the ACA. Therefore, it is necessary to specify and provide mechanisms for monitoring and consistent application of the provisions on the conflict of interest and increase accountability and transparency in actions. In the field of control of property and incomes of public officials, the ACA has faced difficulties related to the verification of accuracy and completeness of property and income reports and to keeping a register. The main deficiencies in practice are a loosely defined legal term, rights and obligations of a public official and non-existence of a range of public functions. Furthermore, loosely defined powers and duties of the ACA in the control procedure, as well as inadequate cooperation with competent authorities, further complicate the procedure of verification of data in submitted property cards.

Involvement of the public and civil society organization has a key role in increasing transparency of work and accountability of politicians. Namely, the process of adoption of regulations in Serbia, at all levels, is characterized by insufficient involvement of the public, which is the reason why many regulations become an "instrument" of corruption and misuse rather than means of its eradication. The reason for this is, inter alia, non-existence of a legal guarantee which would guarantee that adoption of a regulation would be preceded by public hearings and that proposals of the public would be considered. Serbia also does not have a regulated lobbying process as a mechanism for affecting interested individuals and groups for the purposes of adopting regulations and decisions.

Favorable conditions were slowly created for the influence of interests of political entities on their work due to the manner of appointment and removal of directors and the manner of managing public enterprises at all levels of the government. The new Law on Public Enterprises from 2012 has reduced certain risks of corruption. Although requirements for the election of
directors are now prescribed, there are no clear criteria on the basis of which a relevant ministry would propose a candidate to the commission and on the basis of which the commission would make the final selection of the candidates who meet all prescribed requirements. Therefore, selection, removal and the method of evaluation of work of directors are still hazardous processes in terms of misuse and corruption.

Although public goods are, for the purposes of obtaining private gain, traded at all levels of the government, the issue of anti-corruption actions is almost completely left out and forgotten by political decision-makers at the territorial autonomy and local self-government levels. No serious provincial and/or local anti-corruption action plan, except in rare cases, has been adopted and implemented. This would ensure transparent work of territorial autonomy, and/or local self-government authorities, as well as of provincial and local public enterprises, the budgeting process, and/or creating and spending budgetary funds, as well as an adequate response of the civil society and media to corruption challenges. The potential of the corruption problem at these levels has increased and will continue to increase with the implementation of the deconcentration process and, in particular, decentralization of powers from the national level. Non-existence of a standing working body within the Assembly of the Autonomous Province and/or Local Self-Government Unit in charge of combating corruption inhibits efficient control of the council and administration at that level of the government.

b) Objectives

3.1.1. Eliminate deficiencies in the legal framework for the control of financing political activities and political entities.
3.1.2. Eliminate deficiencies in the legal framework and build capacities in the field of prevention of conflict of interest, and control of property and incomes of public officials.
3.1.3. Adopt and implement an effective legal framework which shall regulate lobbying and participation of the public in the decision-making procedure.
3.1.4. Determine clear criteria for nomination, selection and dismissal, as well as for evaluation of results of work of directors of public enterprises.
3.1.5. Adopt provincial and local anti-corruption action plans whose implementation shall be supervised by standing working bodies of provincial and/or local assemblies.

3.2. PUBLIC FINANCE

3.2.1. Public revenues

a) Evaluation of the situation

The Tax Administration started working more transparently with the establishment of a new e-Tax system. The system is still at its initial stage and there is enough room for further building of capacities, technical requirements, education of employees, as well as for carrying out of campaigns for raising awareness of citizens about the existence and operation of this system. In addition, no system with a unique tax identification number for linking records on persons, property and incomes kept in the Republic of Serbia has been established. This makes it difficult to track changes and control the information reported in the period before the reform of the tax system by introducing the synthetic personal income tax instead of the existing schedular system.
Such a situation also negatively affects efficient control of property cards of employees, appointed and nominated persons in public services, as well as of public officials, and control of the financing of political parties.

The Customs Administration has taken significant systemic measures in this field: drafting the Anti-Corruption Strategy at the level of the Customs Administration, introducing video surveillance and license plate reader system in the each organization unit carrying out customs service duties. The Customs Administration developed the Draft Customs Law which envisages a whole range of measures and authorizations for adopting by-laws that will govern activities of the customs service in the fields with possible risks of corruption. During development of integrity plans, procedures of declaration of goods according to customs tariff, reductions of the customs value of goods, smuggling, etc. were identified as a real risk of corruption. In addition, the capacities and organizational structure of the Internal Control Department cannot support sudden direct field controls of application of customs regulations in customs offices (CO) and at border crossings (BC). COs and BCs should have an improved video surveillance which is an effective mechanism for combating corruption and for easier provision of evidence in possible actions of determining accountability. The main problems are the lack of a legal framework, technical equipment and skilled personnel. Therefore, the plan is to establish a separate organizational unit within the Director’s Office with an aim to enable continuous and analytical monitoring of the situation in the service related to the issues of corruption and integrity, as well as the training of customs officials and the business community, and media campaigns. Fight against corruption and building of integrity are included in the main objectives of the Business Plan of the Customs Administration for 2013, as part of the system approach. Establishment of the information system in the Customs Administration represents a positive step towards the establishment of transparency and accountability for work. Therefore, the Customs Administration envisaged activities of applying for and providing funds from EU pre-accession funds in the Indicative Business Plan for 2014-2015.

b) Objectives

3.2.1.1. Fully develop the e-Tax system and regularly update the data.
3.2.1.2. Establish a legal and institutional framework for the implementation of a system for a unique tax identification number for natural persons and legal entities.
3.2.1.3. Identify and eliminate any deficiencies in the legal framework for the customs system conductive to corruption.
3.2.1.4. Establish efficient control of application of customs regulations.

3.2.2. Public expenditures

a) Evaluation of the situation

Control and accountability are particularly important when it comes to the management of public resources or funds allocated by the citizens for effective and efficient management with public affairs in accordance with general interests. Adherence to these standards is still not satisfactory in the Republic of Serbia. The public is still not fully and in a comprehensible manner familiarized with the processes of planning and spending of budgetary funds. Laws on
the budget for a specific fiscal year are mostly adopted in a short period of time, whereas a
discussion of the national representative body about the manner in which public funds are spent
in a specific fiscal year has not existed for ten years in a row.

So far, there has been no efficient sanctioning of malpractice in public procurements or
adequate cooperation between the Directorate for Public Procurement, public prosecutor’s
offices, the ministry competent for financing affairs, SAI and other competent institutions. The
new Law on Public Procurements (“Official Gazette of RS” No. 124/12), came into force on 6
January 2013, and its implementation began on 1 April 2013. It has achieved a significant
progress in the regulatory plan, in the field of transparency of procedures, reduction of
discretionary powers of directors of the bodies conducting procurement, strengthening control
over public procurement procedures, sanctions, professionalism, building capacities and
intelligences of the persons responsible for public procurements. Anti-corruption effects of the new
Law and the need for possible amendments cannot be fully perceived. However, it is clear that it
is necessary to harmonize other regulations with the new Law and adopt by-laws which shall
govern the issues of determining appropriateness (justifiability) of public procurement, carrying
out the monitoring and control of public procurement procedures, preventive mechanisms aimed
at preventing conclusion of agreements on the basis of unjustified or irregular execution of the
public procurement procedure, internal acts that would precisely govern the public procurement
procedure, etc. Introduction of discipline in public procurements and combating irregularities
should be supported by decisions of the National Commission for the Protection of Rights,
however, they have not been enforced consistently.

b) Objectives

3.2.2.1. Enhance participation of the public in monitoring budget expenditures.
3.2.2.2. Consistent application of the Law on Public Procurements and keeping records on the
actions of competent authorities related to the irregularities found in their reports.
3.2.2.3. Improve cooperation and coordination between relevant institutions at all levels of the
government on anti-corruption activities.

3.2.3 Public internal financial control, external audit and protection of EU financial interests

a) Evaluation of the situation

The concept of the Public Internal Financial Control (PIFC) applies equally to all
budgetary beneficiaries (direct or indirect), and to other users (local self-government, public
companies, etc.). Therefore, it is extremely important to ensure its functional and operational
independence and mandatory application. However, the Consolidated Annual Report on the
Situation with the Internal Financial Control in the Public Sector in the Republic of Serbia for 2011 of the
Central Harmonization Unit of the Ministry of Finance and Economy indicates that the
abovementioned has not been provided due to an inadequate legal framework, consisting mostly
of by-laws, but also due to inconsistent application of existing regulations. Another obstacle
represent the fact that the existing systematized positions for internal auditors are not fully populated
due to the lack of highly educated staff, low salaries, inadequacy of systematized professions in terms of
the workload and complexity of work and competition of the private sector. It was also noticed that
senior managers in the public sector are not sufficiently familiar with their role and responsibilities in
establishing the internal control system, as well as with the role of an internal auditor in their
organization. The managerial accountability and financial management and control are still understood in their literal meaning. The financial management and control is focused on the legality and regularity of financial transactions, without explicit consideration of the issue of cost-effectiveness, efficiency and appropriacy.

According to the EC Progress Report for 2012, progress was made in the field of external audit. The State Audit Institution (SAI) continued to gradually build its capacities and new auditors were employed. The SAI Council adopted the Strategic Development Plan for the period 2011–2015 in November 2011. The SAI continued to work on the improvement of the audit methodology. It also increased the scope of the audit. However, the Law on the State Audit Institution does not envisage full financial and operational independence in accordance with standards of the International Organization of Supreme Audit Institutions (INTOSAI). The SAI is still in the process of institutional construction because it has been operating only for five years, and also due to the fact that not all conditions for its successful operation were provided timely. The SAI has insufficient resources and the number audit subjects is still rather limited. Building of capacities for conducting the audit of appropriacy is under way, and this year, the SAI will commence with the pilot audit of appropriacy.

With the adoption of the Strategy for the Development of Internal Financial Control in the Public Sector in the Republic of Serbia in 2009, the Government applies principles of internal control and internal audit both, on public funds under control of the Government, and on the EU funds on the basis of internationally accepted standards of internal control for the public sector and internal audit. In addition, the Office for Auditing the EU funds management system was established in 2011. However, the practice has shown that a normative framework for decentralized management of EU development assistance funds under the IPA was not provided. Also, there is no established organizational unit for combating irregularities and fraud within the Ministry of Interior (AFCOS) which would be a mechanism of cooperation between competent institutions and the European Anti-Fraud Office (OLAF).

**b) Objectives**

3.2.3.1. Establish and develop a system for public internal financial control in the public sector at all levels of the government.

3.2.3.2. Change the legal framework to ensure complete financial and operational independence of the SAI in accordance with the standards of the International Organization of Supreme Audit Institutions (INTOSAI) and carry out the audit of appropriacy.

### 3.3. PRIVATIZATION AND PUBLIC-PRIVATE PARTNERSHIP

**a) Description of the situation**

The privatization process in the Republic of Serbia has proved to be one of the most hazardous fields of corruption. Namely, the Report of the Anti-Corruption Council from September 2012 states that imprecision of a series of privatization regulations and non-transparency have left room for numerous illegalities. For example, there are no provisions governing the economic essence of the restructuring process or any principles for determining the method of privatization; the issue of contents of a privatization agreement; criteria for the appointment of the director in the Privatization Agency, etc. Such vagueness of regulations has
created numerous opportunities for misuse. The practice has shown that no financial statements were made prior to privatization, in accordance with the Law on Accounting and Auditing and International Accounting Standards, that assets and liabilities were underestimated, or that enormous assets were excluded in order to reduce the assessment of value of a company, which would then be sold at a price significantly lower than its real value. In addition, many privatization agreements violate the equivalence of giving, which is also enabled by inadequate control, both in terms of the execution of the agreement, and in terms of the exercise of powers of the director of the Privatization Agency. Some uncertainties and imprecision in the Privatization Law were eliminated with regulations and internal acts of the Privatization Agency, however, all this is not enough to ensure full transparency and legal certainty of all participants in the privatization procedure.

In addition to the privatization process, the Agency has an important role in the processes of restructuring of the companies with state and social capital, in managing the entire share capital remaining in the process of ownership transformation, the bankruptcy procedure of the companies doing business with the social capital or the companies that were sold so the contract with customers was terminated, supervision of operations of the companies whose sales agreement was terminated by appointing temporary equity representatives. Most of these processes are not precisely regulated by the law or are regulated at the expense of the state. For example, the appointment of temporary equity representatives is carried out exclusively on the basis of internal criteria set by the Privatization Agency itself. In addition, part of the Law on Bankruptcy, concerning the plan of reorganization, is not accurate enough, particularly in terms of the method of classification of creditors, expert’s evaluation of the property, and particularly in terms of expert’s evaluation of property units consisting of the property with and without encumbrance.

The bankruptcy procedure also contains a number of deficiencies in terms of unclear regulations and their implementation. For example, the trustee in bankruptcy has no legal obligation (only an option) to analyze operations of the bankruptcy debtor prior to the initiation of the bankruptcy procedure, to determine reasons that led to the bankruptcy and to notify creditors about this by submitting a detailed report. The Law on Bankruptcy prescribes a random selection of the trustee in bankruptcy, and the bankruptcy judge, on exceptional occasions, shall have the possibility to directly appoint the administrator. This legal provision has been mostly ignored, and the exception has become a rule, often without a reasoned decision.

The Law on Public-Private Partnership and Concessions (“Official Gazette of RS” No. 88/2011) governs the field of long-term cooperation between the public and private partners for the purposes of providing funds, construction, reconstruction, managing or maintaining infrastructural and other facilities of public importance, and providing services of public importance, which may be contractual and institutional. Effects of the new Law and the need for amendments cannot be fully perceived, therefore, it is necessary to conduct an analysis of risk of corruption in the Law and its compliance with other relevant laws, particularly in the field of usefulness of decisions on public-private partnerships.

b) Objectives

3.3.1. Change the legal framework to eliminate risks of corruption in the regulations governing the procedure and control of privatization, reorganization and bankruptcy of the companies with state and social capital.

3.3.2. Establish a system for efficient implementation and control of enforcement of positive regulations in the field of privatization, reorganization and bankruptcy.
3.2.3. Eliminate risks of corruption in the field of public-private partnerships and concessions and its consistent application.

3.4. JUDICIARY

a) Description of the situation

Achieving independence of judiciary means that the judiciary budget is completely separate from the executive budget, which is not the case at the moment. The Law on High Judicial Council and the Law on State Prosecutorial Council envisage that authorities shall manage the judicial budget. Due to the lack of necessary technical, administrative and professional capacities, the HJC and SPC still have not fully taken over these competences.

In the field of setting criteria for the selection of a person for the judicial function, progress was made with the establishment of the Judicial Academy, which will, in the following period, represent the only means through which future holders of judicial functions will be selected. It should also have a key role in the application of professional standards and the merit principle in the judiciary. However, an adequate merit-based career system for judges and prosecutors is yet to be fully developed.

The criminal offense “illicit enrichment” defined in the UNCAC has not been prescribed yet. The new Criminal Procedure Code (“Official Gazette of the RS”, Nos. 72/2011, 101/2011 and 121/2012), introduces prosecutorial investigation and gives to the prosecution a leading role in obtaining evidence and their presentation before the court. This Law has been applied in the cases handled by the competent Organized Crime and War Crimes Prosecutor’s Office since January 2012 (and in the criminal cases under general jurisdiction of courts and prosecutor’s offices, it will be applied from October 2013).

It is particularly important to emphasize the need to improve cooperation with national and European institutions and organizations, as well as with other international organizations (EUROJUST, OLAF, GRECO, OECD, etc.). An additional difficulty in this field represents the fact that existing electronic registers of all criminal cases, which involve actions of internal affairs authorities and justice, are not interconnected, nor are they kept in the same manner. This inhibits proactive approach and monitoring of proceedings conducted in relation to an individual criminal offense, and problems related to the exchange of information also occur. The result of this is limitation of efficiency of operating procedures, as well as lack of precise analytical reports created for amendments to laws, work planning and strategic decisions. In this regard, existing records do not contain unified “monitoring units” (information on a person, criminal offense, actions taken, etc.) from the moment of detecting a criminal offense to adjudication. Currently, all criminal case documents have different numbers assigned by different authorities, and records that are not mutually harmonized and networked.

Financial investigation is mainly conducted after a criminal charge has been filed, during investigation. Delay of financial investigation increases the risk of taking the property out of the country and transferred to one of “tax heavens”.

For better communication of the prosecutor’s office and police, it is necessary that the law envisages sending police officers to the prosecutor’s office for a definite period of time. The principle of opportunity to conduct criminal proceedings is sometimes violated due to the absence of economic and financial consultants in the prosecutor’s office. These consultants could be constantly with the prosecutor and assist him to process a subject matter in the best possible
manner and in the shortest period of time, that is, not to commence an investigation or raise indictment if this is not opportune time in a specific case.

What is also noted is legally unregulated work of court experts, who often use their title to work for banks and companies as appraisers. This creates an opportunity for different forms of abuse resulting from such a legally unregulated situation. Also, work of an expert hired by a court needs to be controlled better.

b) Objectives

3.4.1. Ensure full independence or autonomy and transparency of the judiciary in terms of budgetary powers.
3.4.2. Ensure that the process of selection, promotion and accountability of holders of judiciary functions is based on clear, objective, transparent and pre-determined criteria.
3.4.3. Establish efficient and proactive actions in detecting and prosecuting criminal offenses related to corruption.
3.4.4. Improve substantive criminal law and harmonize it with international standards.
3.4.5. Establish efficient horizontal and vertical cooperation and exchange of information between the police, prosecutor’s offices, judiciary, other state authorities and institutions, regulatory and supervisory bodies, and European and international institutions and organizations.
3.4.6. Establish a unique recording system (electronic register) for criminal offenses related to corruption.
3.4.7. Improve mechanisms for prevention of conflict of interest in judiciary professions.
3.4.8. Provide adequate resources in the public prosecutor’s office and courts for dealing with cases of corruption (capacity building).
3.4.9. Adopt a long-term strategy which comprehensively promotes the issue of financial investigations.

3.5. POLICE

a) Description of the situation

The Republic of Serbia has made positive progress in increasing internal controls and the number of submitted and resolved reports. Criminal offences related to corruption are the most dangerous form of crime, and one of the characteristics of these criminal offenses is a high “dark figure”, which means that the actual number of these criminal offenses is much higher than the reported one. In recent years, corruption has been discovered in all areas of social life. In terms of both preventive and repressive plan, police anti-corruption activities at all levels represent a key presumption for creating conditions for efficient and effective criminal proceedings against perpetrators of such offenses. Successful fight against corruption, particularly at the middle and higher level, cannot be fully effective only with punishing perpetrators. The improvement of results of anti-corruption measures taken by the police is significantly affected by a timely risk analysis, and adoption of preventive anti-corruption plans in the fields in which corruption is particularly present. This ensures mutual alignment of police measures (so that, for example, it does not happen that repressive measures contradict preventive measures), as well as a balance of these measures in the anti-corruption system. The Ministry of Interior adopted the Strategy for Development of the Ministry in January 2011, in which one of the objectives is also “building
capacities of the criminal police for efficient and effective operation”. In order to build police capacities in the field of anti-corruption activities, it is necessary to establish a separate organizational unit. In view of anti-corruption activities within the police, the Strategy also envisages development and improving the internal control system through the prevention of unlawful conduct of police officers, a specific investigation of police work, continued cooperation with the media and the public, as well as through the establishment of international standards of professional conduct of police officers. In addition, the Code of Police Ethics was adopted on the basis of the Law on Police from 2006, which obliges all employees of the Ministry to oppose any act of corruption in all organizational units of the Ministry. A lack of capacities in the Sector of Internal Control of the Police and non-compliance with European standards was noticed. The Law on Police needs to be amended in order to strengthen organizational units involved in anti-corruption activities.

b) Objectives

3.5.1. Build police capacities required for investigations of criminal offenses related to corruption.
3.5.2. Strengthen integrity and internal control mechanisms for the purposes of combating corruption in the police.

3.6. SPATIAL PLANNING AND CONSTRUCTION

a) Description of the situation

Several hundreds of thousands of buildings were illegally built in the Republic of Serbia in the last two decades, without required building permits and approvals. The Law on Planning and Construction from September 2009 (and its subsequent amendments) also governs the process of legalization of illegally constructed buildings and the land conversion process, which is particularly fertile ground for corruption considering that public authorities are granted with great competences in the decision-making process under parties’ requests. Different interpretation and inconsistent application of this Law increase uncertainty and operation costs. Considering the importance of the overall social development and of an individual investor’s decision about potential investments in the territory of the Republic Serbia, the field of planning and construction must in the following period obtain a comprehensive, balanced and complete legal framework governing this field.

Problems in the field of urban planning go beyond illegal construction of buildings. For example, there is a problem of incomplete and outdated real estate cadastre (and utility lines cadastre), lack of urban planning at different levels or its discrepancies, insufficient capacities of inspection services and their passive role in the control process. All processes in the field of urban planning are additionally elaborated due to the fact that they include different institutions where a special place and competence have local self-govern ment units, which often lack capacities, knowledge and experience to finish the processes in a proper manner.

Establishment of the real estate cadastre and a digital registration system was completed. However, the intention is to register all the real estate in the public electronic Real Estate Cadastre, as well as to eliminate all inconsistencies in terms of the facts taken over from land registries, and to provide fast and accurate information about real estate ownership.
An inadequate legal framework for the operation and actions of inspection services (urban planning and construction inspectors), as well as incomplete independence in work and insufficient capacities created a passive role of the inspectors and inability to act adequately in specific situations. Moreover, more effective control of public authority officers competent for issuing building and other permits and approvals in urban planning is required.

b) Objectives

3.6.1. Register all the real estate in the Republic of Serbia and real estate related data in the public electronic Real Estate Cadastre.
3.6.2. Reduce the number of procedures and introduce a single window system for issuing building and other permits and approvals.
3.6.3. Ensure transparency of criteria and involvement of the public in the process of consideration, amendments and adoption of spatial and urban plans at all levels of the government.
3.6.4. Ensure efficient internal and external control in the process of issuing building and other permits and approvals in the field of urban planning.

3.7. HEALTH CARE SYSTEM

a) Description of the situation

The ACA Report on Forms, Causes and Risks of Corruption in the Health Care System from 2012 shows that the risk of corruption may exist in the field of public procurement, additional work of physicians, spending of funds (from the budget or grants), acceptance of gifts, conflict of interest, waiting lists, provision of non-standard services, as well as in the relation between pharmaceutical companies and doctors, and employment of health care workers and associates. The causes of these risks are primarily gaps in systemic laws. Therefore, it is conductive for cases of abuse that there are no clear procedures and lists of non-standard services; criteria and procedures for performing additional work whose incomes in cash are not returned to the budget but are allocated to health care institutions and their employees (existence of the so-called “own incomes”); loosely regulated relation position of the pharmaceutical industry in terms of the medical practice and training of employees in the health care system; imprecisely regulated legal conditions under which health care workers and associates employed in public institutions can provide health care services in private institutions, etc.

The current practice shows that there is no adequate accountability and transparency in terms of adoption of decisions about waiting lists, access to personal information or specific services, etc. Apart from an unclear provision of the Code of Ethics of the Medical Chamber (which prohibits to doctors to demand or receive awards in addition to the established criteria), there is no legally regulated identification, reporting and resolution of conflict of interest of health care workers and associates, as well as of public officials and persons performing functions in various committees and bodies that make decisions (and do not have the status of an official in terms of the Law on the Anti-Corruption Agency). In terms of donations to health care institutions, it has been noticed that there is no committee in practice which would first estimate whether equipment is necessary for work and which would inspect all costs of utilization. In terms of decisions on investments, renovation and acquisition of medicines and medical devices,
accountability and transparency have been normatively increased with the adoption of the new Law on Public Procurements in January 2013, however, it is necessary to ensure its full implementation. Inadequate internal and external control of competent public authorities and health care institutions, as well as absence of efficient elimination of irregularities determined in their findings, is particularly favorable for the expansion of corruption. This is aggravated by the lack of proactive and efficient intersectoral cooperation and cooperation with repression authorities.

Verification of risks in integrity plans and analysis of successful self-assessment of public authorities, conducted by the ACA in January 2013, for the health care system, shows that the health care system is not supported by the information system, which results in non-transparent spending of the money of insured persons and provision of health care services. In addition, rights of beneficiaries of health care services are not clearly defined and published, nor are they sufficiently informed about the amount of fees and type of health care services. Development of the information system would make all health care services visible, in conformity with regulations on the protection of personal data and it would be possible to monitor and control their results.

b) Objectives

3.7.1. Identify and eliminate all deficiencies in the legal framework that are conductive to corruption, and ensure their full implementation.

3.7.2. Provide efficient mechanisms for integrity, accountability and transparency in the adoption and implementation of decisions.

3.7.3. Ensure a transparent information system in the health care system and participation of the public in the control of work of health care institutions, in accordance with legal protection of personal data.

3.8. EDUCATION AND SPORT

a) Description of the situation

Risks of corruption noticed in the education sector are mostly associated with insufficient transparency of a number of processes taking place within educational institutions, as well as great discretionary powers in decision-making. Risks of corruption are particularly related to discretionary powers of directors in terms of employment of personnel, public procurement procedures, organization of trips, renting of school facilities, etc. The absence of effective control represents a great problem because mechanisms for responding to different types of irregularities do not exist. The lack of control is also connected to the problems with the education inspection whose work and contents of decisions may be influenced by the ministry competent for education.

The OECD Report (2012) “Strengthening Integrity and Fighting Corruption in Education – Serbia” shows that it is essential to make internal university rules and regulations clear to the students, to implement them in a fair and transparent manner and to ensure that academic merits of students, and not favoritism, are a guiding principle for grading. The normative framework in the Republic of Serbia is apparently not fully capable of providing transparent operation of schools and use of privately raised funds. It does not determine what sources of school revenues are permitted, and financial control of school revenues is not strong enough to adequately control
the amount of inflow of private funds into the system. At this point, this is an economic activity in schools which may pose a threat to integrity. Therefore, the process of decision-making associated with the management of public funds should be carefully controlled and transparent.

The issue of private higher education institutions is insufficiently regulated considering that adequate quality control standards and mechanisms are not prescribed, which creates a possibility for abuse within these educational systems. The aforementioned OECD Report recommends that the Commission for Accreditation and Quality Control makes visits for the purposes of accreditation, as well as additional controls of actions upon complaints.

The Strategy for the Development of Sports in the Republic of Serbia, adopted for the period 2009-2013, states that one of the problems is non-transparency in financing activities. Adoption of the Law on Sports in 2010 and accompanying by-laws created a normative framework which should improve transparency of funding from public sources, whereas the issue of financing from private sources remains unregulated, which contributes to the survival of the “grey/black” financing of sport. A related issue is the unresolved ownership structure of sports clubs, and/or the ownership vacuum, which is also a source of corruption in sports. Part of the Strategy is dedicated to depoliticization and autonomy of sports. In addition to a declarative statement that sports should remain politically neutral, this priority is not further elaborated in the Action Plan and leaves room for abuse of sports by politics. This is supported by the membership of state officials and civil servants in management and supervisory boards of sports clubs and associations. Significant progress in this field has been made with the Law on Amendments to the Criminal Code which introduces a new criminal offense “Arranging the outcome of a competition”.

b) Objectives

3.8.1. Change the legal framework relating to the appointment, position and powers of directors of primary and secondary schools, as well as deans of faculties.
3.8.2. Adopt regulations governing the education inspection.
3.8.3. Ensure transparency of the procedures for registration, examination, grading and evaluation of knowledge in all academic institutions.
3.8.4. Ensure that the process of accreditation and subsequent control of fulfillment of conditions for work of public and private educational institutions is based on clear, objective, transparent and pre-determined criteria.
3.8.5. Establish transparency of sports financing and the ownership structure of sports clubs and federations.

3.9. MEDIA

a) Description of the state

Corruption within the media unables objective informing and public supervision over social activities. In the sphere of journalist protection, significant progress has been achieved with the adoption of the Law on Amendments to the Criminal Code in December 2012, which decriminalized the criminal offenses “Slander” and “Unauthorized public commentary on judicial proceedings”. International recommendations and conventions have recognized pluralism and media diversity as crucial to the functioning of a democratic society. Council of Europe
Recommendation No. R (94) 13 explains that the regulation of media concentration implies that the competent services or authority have information which enable them to know the real media ownership structures and, furthermore, identify third parties which may be influencing their independence. Moreover, the Recommendation emphasizes the necessity for media transparency which would allow the public to form its own opinion on the value it ought to give to the information, ideas and opinions spread by the media. The Report of the Anti-Corruption Council… In addition, the European Parliament has expressed its concern over the Government's attempt to control the work of the media and drew attention to the concentration of ownership and the lack of transparency in the media ownership structure (EP Resolution on the European integration process of Serbia B7-0021/2011). From the perspective of media transparency, such tendency could cause a dual problem. On the one hand, it is more difficult or it could become more difficult for the public to find out who owns the media it follows and thus, in light of the owners' identities and motives, as well as those who may be behind them, form an opinion on the value of the information, opinions and ideas that media broadcasts or spreads. On the other hand, it complicates the work of the Broadcasting Agency which is responsible for the application of provisions which refer to the monitoring of illicit media concentration, especially in the procedure of broadcasting permits being issued to radio and television services. One important precondition for determining the media ownership structure is the Media Registry. However, the fact remains that the law does not clearly specify what data is being registered or how the Registry is run which practically prevents one from determining the media ownership structure. The lack of transparency has also been noted in the RBA permit issuance procedure, as well as when it is being decided how the licence money will be distributed.

Since there are no clearly set out criteria and procedures for granting state aid through a competition, general rules and principles are applied, which may bring participants in a competition in a disadvantageous position. The problem is also posed by the fact that the state does not have a unique recording system for the funds spent, neither at the central nor at the provincial and local level, therefore, it is almost impossible to determine the exact amount and structure of the aid. In addition, there is no efficient monitoring of the provision of aid, assessment of its effects, or adequate reporting. With accepting the highest international standards and regulatory framework of the Council of Europe and European Union, the Republic of Serbia should harmonize its laws on media with European documents (primarily with the AVMS Directive) referring to the field of media and public information, and adopt regulations missing in this field.

3.9.1. Transparent ownership, media funding and editorial policy.

IV CORRUPTION PREVENTION

In addition to achieving priority objectives of the Strategy provided for in the previous Chapter, an equally important part of fight against corruption is its prevention. The Strategy will be implemented in all the fields referred to in Chapter IV, as well as in all other fields in which corruption may occur. The Chapter first defines an objective necessary to be accomplished, and then a brief explanation of the purpose of the objective.

4.1. Set up an analysis of effects on corruption in the process of drafting regulations.
The existing legislative procedure does not contain an obligation to examine effects on corruption in drafting laws and other regulations. Although the Rules of Procedure of the Government (Art. 46) prescribes cases and institutions to which the Government shall submit draft regulations for an opinion, such an obligation is not prescribed for the analysis of effects on corruption. Such an obligation is also not prescribed by the Rules of Procedure of the National Assembly, which is the only one that can oblige other constitutionally authorized proposing authorities to conduct an analysis of effects on corruption. The analysis of effects can be conducted within the authority proposing a regulation, however, there are no guarantees that the authority will really conduct the analysis. Therefore, it is necessary to make amendments to the procedure of adoption of regulations which will prescribe an obligation for all authorities proposing regulations to carry out an analysis of effects on corruption in the process of drafting a regulation on the basis of a methodology developed by the Agency and to describe the result of the analysis in the explanation of the proposed regulation. In addition, an authority proposing a regulation will be obliged to obtain an opinion of the Anti-Corruption Agency about effects on corruption prior to submitting the proposed regulation to the authority passing it.

4.2 Establish the system of employment and promotion in public authorities on the basis of criteria and merits.

The system for employment and career promotion is still not entirely based on merits, and employment and promotion are still subject to political influence. Participants in the selection procedure are not on a completely equal footing, and managers still have too much discretion in the selection of candidates from the lists which selection commissions make after completion of competitions. In addition, there are no criteria for employment for a definite period of time, and contracts are concluded without an internal or public competition. It is necessary to harmonize the legal framework regulating employment and legal status of employees in public administration and adopt provisions which will in a unique manner regulate the issue of salaries and social insurance rights. Special attention should be paid to the criteria for the selection/nomination/appointment to manager positions, prevention of conflict of interest, and method of evaluation of their work.

4.3. Ensure transparency of work of public authorities.

Transparency of work of public authorities shall be ensured in several ways, however, none of them is fully developed. In terms of laws, the most important is the Law on Free Access to Information of Public Importance which guarantees to everyone the right to obtain the information held by public authorities and created in work or in relation to work of these authorities and which is contained in a document. Although the rights provided by this law are broad, the wording of the law can and should be improved. Transparency of work of public authorities should be enabled to all the citizens equally. Authorizations and resources available to the Commissioner for Information of Public Importance and Personal Data Protection should be extended, particularly in terms of competences for misdemeanor proceedings. Public authorities should with their internal acts ensure greater governing of transparency of work and actions upon such requests. Also, it is necessary to fully comply with the instructions of the Commissioner for creating and publishing information on work, and to ensure implementation of Commissioner’s final decisions in all cases.
4.4. Ensure continuous education about corruption and anti-corruption methods.

Regarding the field of education in the judiciary, progress has been made in the way that the Judicial Academy included education on criminal offenses related to corruption in its annual training program for judicial and prosecutorial staff. In recent years, education of civil servants on corruption and ways of combating corruption has been carried out more often. However, it is necessary to establish continuous education particularly emphasizing the issues of ethics, integrity, recognizing situations of conflict of interest, rights of whistleblowers, etc. It is necessary to direct anti-corruption education on raising awareness of all citizens that corruption is socially unacceptable behavior that needs to be eradicated. Since exchange of experience is an important part of good quality education, it is necessary to establish or improve international cooperation and transfer of knowledge in the field of anti-corruption. Creating and increasing intolerance to corruption in the public opinion is a long-term objective which implies organizing campaigns for raising awareness about harmfulness of corruption, promotion of ethical behavior, training and professional development.

4.5. Create conditions for more active participation of civil society in anti-corruption.

It is necessary to improve the institutional and legal framework for support to civil society organizations. State support will be provided to all beneficiaries who in their applications for obtaining funds from public sources submit a statement on the absence of conflict of interest and an internal anti-corruption act (e.g. the Code of Ethics), as well as book keeping reports on revenues and budget administration. In addition, a strategic framework will be created which will contain conditions for the assessment of the purpose and quality of proposed and implemented projects by civil society organizations, on the basis of which administrative and financial support will be provided. Achievement of this objective shall create a stimulating framework for directing more active participation of civil society organizations to achieving strategic objectives, but also to fulfilling certain standards in their organization and actions.

4.6. Create conditions for more active participation of the private sector in anti-corruption.

The state will create a stimulating framework for the private sector to financially support anti-corruption projects of the civil sector. In addition, the Serbian Chamber of Commerce will support and promote good practice of those companies which adopt the Integrity Plan, rules of the Code of Business Ethics, Code of Corporate Governance of the International Chambers of Commerce for combating corruption, as well as rules of the Declaration on Combating Corruptions of the Global Compact Serbia. In addition to improving mutual cooperation of the state with the private sector, it is necessary to eliminate risks of corruption that hinder existence of favorable environment for business operations in Serbia. Namely, the gray economy, lack of transparency in taxation, pre-regulation and inadequate inspection of business operations represent starting points for a comprehensive fight against corruption in the private sector.
4.7. Ensure that the National Assembly monitors implementation of conclusions and/or recommendations adopted on the basis of reports of independent state authorities

Independent state authorities submitted to the National Assembly their annual reports on work, however, actions on the basis of these reports remained very limited in their scope. The process is finalized in the manner that the National Assembly, at the proposal of the competent board, adopts conclusions and/or recommendations, without a mechanism which would ensure that they are binding for those public authorities and holders of public authorizations they refer to. Therefore, it is necessary that the Rules of Procedure of the National Assembly govern the procedure of oversight of implementation of conclusions which the National Assembly adopted, with a possibility to take measures in case conclusions have not been implemented without good reasons.

4.8. Extend and/or specify competences and build personnel capacities and working conditions of the Anti-Corruption Agency, Protector of Citizens, Commissioner for Information of Public Importance and Personal Data Protection and State Audit Institution

In current practice, it has been noticed that independent state authorities and autonomous governmental organizations relevant for combating corruption often lack required competences and do not dispose with adequate personnel, spatial and technical capacities, which limits effects of their work.

4.9. Establish efficient and effective protection of whistleblowers (persons that report suspected corruption).

Current protection of whistleblowers is regulated by provisions of three laws (the Law on Civil Servants, Law on Free Access to Information of Public Importance and Law on Anti-Corruption Agency), as well as the by the Rulebook on protection of a person who reported suspicious corruption, which was adopted by the Anti-Corruption Agency in 2011. Nevertheless, such protection is limited in its scope for several reasons (a person enjoying protection, the extent of protection, cases in which protection is provided, non-regulated field of sanctions for those who do retaliate, or indemnity or awarding of whistleblowers), therefore, it is necessary to have a complete legal framework in this field that would be ensured with enactment of a special law dealing with protection of persons making disclosures in both, public and private sector, in public interest. In addition, it is necessary to gain trust of the public and persons who are potential whistleblowers, that the adopted law will really guarantee full protection of these persons.

4.10. Enact a law on prevention of conflict of interest of employees in the public sector

Establishment of mechanisms for the prevention and elimination of conflict of interest in the Republic of Serbia was improved under the auspices of the Anti-Corruption Agency having significant competences in this field. However, the Law on Anti-Corruption Agency does not regulate the issue of conflict of interest that refers only to the officials performing public functions. All other employees in public authorities are subject to the Law on Civil Servants which does not regulate this issue in an adequate manner. The Labor Law, which applies to
employees in other authorities, who are entrusted with exercising public powers, does not regulate the issue of conflict of interest. Therefore, it is necessary to create a unique legal framework which will create same mechanisms for the prevention and elimination of conflict of interest for all employees in the public sector. Efficient control of implementation of provisions on the prevention of conflict of interest is inconceivable without an adequate mechanism for the submission and control of property cards of all employees in public administration. Therefore, the starting point is carrying out the feasibility study so as to determine the most suitable model for control and defining roles of managers, internal auditors, Tax Administration, the Anti-Corruption Agency and other public authorities.

V IMPLEMENTATION AND MONITORING IMPLEMENTATION OF THE STRATEGY

5.1. Implementation of the Strategy

The National Anti-Corruption Strategy is a medium-term policy document containing objectives to be implemented in the following five years. The framework for the implementation of policy objectives will be specified in the Action Plan to be adopted within three months after adoption of the Strategy. The Action Plan will provide for specific measures and activities for the implementation of policy objectives, time frames, responsible entities, and implementation resources. Indicators for the execution of measures and activities will also be defined, on the basis of which the level of their implementation will be monitored, as well as indicators for the assessment of success of set objectives. As the Strategy and the Action Plan are developed for the period of five years, it is necessary to periodically analyze and possibly amend both documents in order to harmonize them with existing social conditions.

5.2. Strategy implementation coordination

Efficient implementation of the Strategy implies strong political will which may be created only through joint efforts and cooperation at the highest political level. The Ministry competent for justice will be a coordinator within the Government of the RS in charge of mutual communication, exchange of experiences and information about activities undertaken for the purposes of implementation of the Strategy and Action Plan. The line ministry will establish an appropriate organizational unit which will be responsible to coordinate implementation of the Strategy and which will be a focal point for cooperation with other holders of public powers and with international organizations. Every obliged party in terms of the Action Plan will determine a focal point that will monitor execution of activities from the Action Plan under the competence and/or scope of operation of the obliged party. The Ministry competent for justice will organize regular quarterly meeting in which focal points from state authorities will exchange experiences in the implementation of the Strategy and Action Plan. Such meetings will be organized in cooperation with the Anti-Corruption Council. This will establish, organize and simplify regular mutual communication, exchange of information and coordination.

5.3. Overview analysis of the Strategy and Action Plan implementation

The Anti-Corruption Council is an advisory body of the Government of the RS that overviews anti-corruption activities, proposes measures to be taken for efficient fight against
corruption, follows their implementation and proposes initiatives for adoption of regulation, programs and other acts and measures in this field. The Council timely shows the Government detected forms of corruption and points to failures of anti-corruption mechanisms. The Council will overview the results of the implementation of the Strategy and Action Plan in public authorities.

The Council will together with the Ministry competent for justice participate in organizing quarterly meetings of focal points from public authorities. At the meeting, the Council will collect information on the experience in and obstacles to the efficient implementation of the Strategy and Action Plan and submit a report on this to the Government of the RS. If the Government of the RS does not inform the Council, within a reasonable time, about taken measures on the basis of recommendations from the report, the Council will publish the report on its website. In addition to regular quarterly meetings, the Council may also initiate extraordinary meetings.

5.3. Monitoring Strategy and Action Plan implementation

Monitoring of implementation of the Strategy and Action Plan is under the competence of the Anti-Corruption Agency established by the Law on Anti-Corruption Agency as an independent and autonomous state authority. All authorities and holders of public powers in charge of the execution of measures from the Strategy and Action Plan will submit semi-annual and annual reports to the Anti-Corruption Agency on the implementation of the Strategy and Action Plan. In addition to reports, every public authority will submit evidence for allegations from reports which are consistent with indicators of activities in the Action Plan. If, in spite of reports and enclosed evidence, there are still doubts about fulfillment of obligations, the Agency will invite representatives of public authority to clarify them verbally at a meeting which the public will be allowed to attend. A public authority will be obliged to respond to the invitation of the Agency. If an obliged party in terms of the Action Plan does not submit a report, evidence, and if it does not respond to the Agency’s invitation, it may be fined in misdemeanor proceedings. In exceptional cases, the ACA may provide an opinion containing assessment of execution of activities within the period and in the manner defined in the Action Plan and recommendations to overcome any difficulties. The ACA will submit this opinion to the obliged party in terms of the Action Plan and to the authority which selected, appointed or designated a manager. It shall be obliged to discuss about its opinion within 60 days, and to inform the public and ACA about conclusions of the discussion. The Agency can make the opinion accessible to the public. The report on the implementation of the Strategy will no longer be an integral part of the annual report on the work of the Agency. It will be a separate report which will be separately submitted to the National Assembly. Mandatory elements of the report of the Anti-Corruption Agency on the implementation of the Strategy and Action Plan will be prescribed. The National Assembly will discuss about the Anti-Corruption Agency’s report on the implementation of the Strategy as a separate item on the agenda.

5.4. The system of accountability for execution of obligations under the Strategy and Action Plan

After submission of two annual reports of the Anti-Corruption Agency on the implementation of the Strategy 2005 (for 2010 and 2011), there are still some unclear
mechanisms related to further actions of the National Assembly. Namely, the National Assembly adopted conclusions on the basis of the aforementioned reports, however, there is no mechanism that would ensure their implementation. Therefore, it is necessary to introduce an obligation for the National Assembly to discuss about the relevant report on a separate session and publicly debate on reassessing the work of responsible obliged parties in terms of the Action Plan. In addition, it is necessary to introduce an obligation for the Government of the RS to submit to the National Assembly, within six months, a report on the implementation of conclusions of the National Assembly adopted on the basis of consideration of ACA reports.

VI RECOMMENDATIONS

In addition to achieving objectives of the Strategy that impose certain obligations, and considering that public authorities will be solely responsible for the Strategy, the Strategy also lists specific recommendations referring to public authorities as well as to the private and civil sector, and enhances their actions according to listed measures. Bearing in mind that recommendations are not binding in their nature, their execution/non-execution is not envisaged to be obligation of public authorities, particularly not of the entities from the private and civil sectors. Therefore, the Strategy recommends the following:

1. Journalists Associations should improve:
   - The Code of Ethics of Serbian Journalists in the part referring to gifts and conflict of interest, as well as to improve application of the Code and familiarize journalists with its provisions;
   - Education of journalists about the corruption issue for the purposes of avoiding journalistic sensationalism and further rising of public awareness of dangers and harmful effects of corruption, and about the need for anti-corruption actions.

2. Adopt acts with the media that definite handling of gifts and the issue of conflict of interest of journalists and editors;

3. Promote and support anti-corruption, and as part of this:
   – Media and professional support;
   – Anti-corruption education;
   – Establish an annual award for contribution to the fight against corruption “Verica Barać” in the following categories: citizen, civil servant, member of a profession, scientist, entrepreneur and journalist.

4. Encourage establishment of postgraduate specialist and PhD studies that will address various anti-corruption aspects.

5. Encourage active cooperation and partnership between holders of anti-corruption measures and civil society organizations through activities such as round tables, printing of publications and promotional materials about dangers and harmful effects of corruption, and anti-corruption measures.