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Implementation of National Anti-corruption Plans in South-eastern Europe (PACO IMPACT)

Anti-corruption services in South-eastern Europe

Policy Advising and Co-ordination Bodies
- Current status and needs for reform -



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The views expressed in this report are solely those of the involved experts and representatives from each project area and do not necessarily reflect the official position of the Council of Europe.

1. INTRODUCTION

This compilation is one of the outputs of the PACO Impact project - a technical assistance project in support of regional countries' anti-corruption policy reform efforts - which lasted from March 2004 to July 2006, and which was funded by the Swedish International Development Cooperation Agency (Sida) and implemented by the Council of Europe. The project areas covered through PACO Impact were Albania, Bosnia and Herzegovina, Croatia, "the Former Yugoslav Republic of Macedonia", Kosovo, Montenegro, and Serbia. It followed-up on assessments made by the European Commission on project areas' progress towards European integration in the framework of the Stabilisation and Association process and European Partnerships with the countries of South-eastern Europe, and recommendations resulting from GRECO evaluations as well as other reviews, such as those carried out under the Stability Pact Anti-corruption Initiative (SPAI).

Among the main challenges with regard to anti-corruption measures in South-eastern Europe is the establishment, the strengthening and the proper functioning of independent anti-corruption services. Strong political commitment, along with training of staff and the provision of equipment and other resources, is essential to the success of such services. Through its interventions, PACO Impact therefore paid particular attention to these institutions.

This compilation of the status of anti-corruption policies and anti-corruption services in South-eastern Europe presents the situation at the end of PACO Impact (July 2006). Similar to an earlier version, it aims to give a concise overview over progress made, and of the challenges the project areas face.

It is hoped that the report will be a useful reference tool for stakeholders, and that it will serve as a basis for follow-up analyses of progress made, and for the identification of further technical assistance needs in this field.

2. ALBANIA

1. Anti-corruption policy		Endorsing institutions
Status of anti-corruption strategy	Albania does not have a self-standing comprehensive anti-corruption strategy. The anti-corruption strategy and Action Plan are presented through the Albanian government's anti-corruption objectives/priorities, which are identified, up-dated and reviewed on a six-month basis.	<ul style="list-style-type: none"> ▪ Council of Ministers ▪ Task Force on Anti-corruption, headed by the Prime Minister
Next steps	Drafting and implementation of future comprehensive six-month anti-corruption priorities and/or measures.	Same as above.
Status of anti-corruption action plan	See above.	Task Force on Anti-corruption, headed by the Prime Minister
Next steps	Setting up clear and concrete measures for central government institutions on the prevention and the fight against corruption, as well as follow-up on their implementation and periodical progress.	Task Force on Anti-corruption All relevant institutions
Plans for revision	Not yet determined.	
2. Anti-corruption service/body		Institutions which Anti-corruption service/body is/should be accountable to
Mandate (legal basis)	<p>The Anti-corruption Task Force has been established by Decision No. 794 of 19 December 2005 of the Council of Ministers.</p> <p>The Department of Administrative Internal Control and Anti-corruption (DIAC) has been established by Decision No. 94 of 15 February 2006 of the Council of Ministers.</p> <p>NOTE: These two new acts abolished the previous decisions that established and re-organised the functioning of the (former) Anti-corruption Monitoring Group (ACMG) and mainly the Anti-corruption Monitoring Board and the Anti-corruption Unit.</p>	<p>Council of Ministers</p> <p>Council of Ministers</p>
Next steps	<ul style="list-style-type: none"> ▪ A fully operational Anti-corruption Task Force; ▪ Elaboration and implementation of guidelines and rules of procedure of DIAC; ▪ Review/improve the legal basis of the DIAC in order to improve specific provisions. 	<p>Council of Ministers</p> <p>DIAC</p> <p>DIAC</p>
Tasks and	The Anti-corruption Task Force is in charge of:	Prime Minister and Council of Ministers

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<p>authority</p>	<ul style="list-style-type: none"> ▪ Analysing corruption and ethics-related problems; ▪ Defining strategic priorities, aims, objectives and concrete measures in fighting and preventing corruption; ▪ Based on these priorities, proposing the creation of experts' working groups on specific sectors, and overseeing the working groups' work; ▪ Approving anti-corruption and governance action plans; ▪ Defining priorities for internal, administrative and financial audits; defining of specific auditing tasks on a case-by-base basis; ▪ Ensuring collaboration with the business community and civil society; ▪ Guaranteeing transparency in the fight against corruption. <p>DIAC has the following tasks and responsibilities:</p> <ul style="list-style-type: none"> ▪ To examine and analyze practices and procedures in the public administration for the identification, diminishing and prevention of opportunities for corruption, focusing first on areas that are prone to corruption; ▪ To verify the legality of administrative acts issued by the organs of the public administration; ▪ To propose to the Prime Minister general or specific administrative measures in accordance with the results from the conducted verifications; ▪ To follow-up and implement duties assigned to DIAC by the Council of Ministers or the Prime Minister; ▪ To provide consulting, expertise and training services in co-operation with the Department of Public Administration, through seminars and workshops for civil servants of public administration institutions, aimed at increasing the understanding of the legislation in force in the area of prevention and fight against corruption as well as the promotion of best practices; ▪ To raise awareness of the public administration on issues related to the fight against corruption and prevention of abusive practices; ▪ To inform on the preparation of summary periodical reports on anti-corruption measures undertaken by the ministries and their subordinated institutions. 	
<p>Next steps</p>	<p>Capacity building measures, including training of staff to carry out the tasks vested into the newly established DIAC.</p>	
<p>Composition and human resources</p>	<p>The Anti-corruption Task Force is headed by the Prime Minister and has 13 members representing the following institutions: the Prime Minister's Office, the Ministry of Finance, the Ministry of Interior, the Ministry of Justice, the Ministry of Public Works, Transport and</p>	

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	Telecommunications, the Ministry of Economy, Trade and Energy, the Department of Administrative Internal Audit and Anti-corruption (DIAC) at the Council of Ministers, the Public Procurement Agency, the General Directorate of Internal Audit at the Ministry of Finances, the General Directorate of Customs, the Central Office of the Immovable Properties Registry, the Directorate of Internal Audit Service at the Ministry of Interior, and the Albanian Energy Corporation.	
Internal organisation	The DIAC has 10 staff members + 1 Director. An upgrade of the number of staff (inspectors) covering anti-corruption issues is currently being discussed.	
Annual budget or other financial resources	Currently, there is no separate budget for the DIAC as such; budgetary allocations are and will be made through appropriations from the annual budget of the Council of Ministers.	
Next steps	Allocation of specific funds in the State Budget as of the new fiscal year.	

3. Relation to other relevant institutions

Based on the scope and tasks of the Anti-corruption Task Force and DIAC, there should be a strong basis for co-operation and relations as follows:

Task Force co-operates with:

- The Office of the Prime Minister;
- Line-ministries and central government institutions/bodies under the authority of the Prime Minister and/or the respective ministers;
- The Department of Internal Administrative Unit and Anti-corruption (DIAC);
- Civil society.

DIAC has direct and indirect links with:

- The Office of the Prime Minister;
- Line ministries and central government institutions/bodies under the authority of the Prime Minister and/or respective ministers;
- The High-Inspectorate for the Declaration of Assets;
- The State Supreme Audit;
- The Prosecutor-General's Office; and
- International organisations.

4. Achievements so far in anti-corruption policy and services provided

Prevention	In accordance with the "First 100 days of Governance"-program set out in early September 2005, and the first six-month objectives of 2006; achievements so far under each area are as follows: <ul style="list-style-type: none"> ▪ The establishment of the Anti-corruption Task Force headed by the Prime Minister; ▪ The establishment and strengthening of the Department of Internal Administrative Control and Anti-corruption (DIAC).
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Next steps	Not yet determined - subject to future six-month priorities and measures by the government.
Suppression/ Law enforcement	<ul style="list-style-type: none"> ▪ Review/improve of the existing Procurement Law; ▪ Adoption of the amendments/changes to the Law on Conflict of Interest and its proper implementation; ▪ Adoption of the legal framework on ridding the administration of nepotism, discharge from customs, taxes and public procurement departments of all employees with family ties to any government senior official; ▪ Drafting of a new law on Corporate Liability; ▪ Adoption and enforcement of the Law on Public Participation in the Fight against Corruption; introduction of a protection of "whistle-blowers"; ▪ Ratification and enforcement of the United Nations Convention against Corruption.
Next steps	Not yet determined - subject to future six-month priorities and measures by the government.
Public awareness	<ul style="list-style-type: none"> ▪ Signing of a Memorandum of Understanding with civil society in order to increase transparency and monitor conflict of interest cases in central government institutions; ▪ Establishment of operational public information offices and use of information technology for more active communication between the public and the institutions of the central administration; ▪ Installation of a green line reporting mechanism at the Prime Minister's Office for confidential complaints/reporting on alleged corrupt civil servants; ▪ Establishment of and functioning of green lines and mail boxes to lodge complaints on corruption-related violations in each institution.
Next steps	Not yet determined - subject to future six-month priorities and measures by the government.
5. Difficulties encountered	
<ul style="list-style-type: none"> ▪ Lack of inter-institutional co-ordination and co-operation; ▪ Lack of a properly functioning and fully operational Anti-corruption Task Force and DIAC; ▪ Lack of human resources to fully deliver on the new competencies given to DIAC. 	
6. Recommendations for further improvement	
<ul style="list-style-type: none"> ▪ Need for Rules of Procedure and Functioning of the Anti-corruption Task Force and immediate implementation of the DIAC's Internal Rules of Procedure; ▪ Provision of ToR for each working group established under the Anti-corruption Task Force; ▪ Design of a monitoring and reporting system/mechanisms among all the actors foreseen in the proper functioning of the Anti-corruption Task Force; ▪ Need for capacity to provide adequate analysis and identification of corruption-related problems; ▪ Need for capacity to identify priority measures and include them into an anti-corruption road map; ▪ Need to clarify the interaction/overlap of competencies and responsibilities between the Anti-corruption Task Force and DIAC; ▪ Creation of a secretariat structure serving the Anti-corruption Task Force in order to ensure the continuity and consistency of the institutional memory of this structure. 	
7. Risk factors	
<ul style="list-style-type: none"> ▪ Lack of co-ordination between the members of the Task Force; 	

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- The work of the Department of Internal Administrative Control and Anti-corruption is not matched by a similar drive in line ministries and other institutions.

3. BOSNIA AND HERZEGOVINA (BIH)

1. Anti-corruption policy		Endorsing institutions
Status of anti-corruption strategy	Despite the existence of an Anti-corruption Strategy and Action Plan as part of the Medium-Term Poverty Reduction and Development Strategy, the Council of Ministers of BiH initiated, in December 2005, the drafting of a comprehensive Strategy for the Fight against Organised Crime and Corruption for the period from 2006 to 2009. The Ministry of Security of BiH was leading the drafting process and co-ordinated the activities of the working groups. The process of drafting was finished in May 2006, and its adoption is expected in the near future.	Council of Ministers
Status of anti-corruption action plan	An Action Plan forms an integral part of the newly drafted BiH Strategy for the Fight against Organised Crime and Corruption for the period from 2006 to 2009.	Same as above.
Plans for revision	See above.	Same as above.
2. Anti-corruption service/Body		Institutions which Anti-corruption service/body is/should be accountable to
Mandate (legal basis)	The newly drafted BiH Strategy for the Fight against Organised Crime and Corruption covering the period from 2006 to 2009 stipulates that an agency/body be established that would be tasked with the monitoring of the implementation of the Strategy.	Under discussion.
Tasks and authority	Under discussion.	Under discussion.
Composition and human resources	Under discussion.	Under discussion.
Internal organisation	Under discussion.	Under discussion.
Annual budget or other financial resources	Under discussion.	Under discussion.
3. Relation to other relevant institutions		

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At the moment, BiH has no specialised anti-corruption service. The Monitoring and Implementation Office of the Economic Policy Planning Unit (EPPU), operating under the auspices of the Council of Ministers, had been in charge of monitoring and evaluating the previous Anti-corruption Strategy and its Action Plan.

The following institutions in BiH are, among other, dealing with the fight against corruption; included are institutions that were involved in activities on up-dating the previous Anti-corruption Strategy and its Action Plan, and such involved in the recent drafting of the Anti-corruption Strategy and its Action Plan:

- Ministry of Security of BiH, in particular the Ministry's Department for Organised Crime and Corruption and its Inspectorate in charge of internal control;
- State Investigation and Protection Agency (SIPA), in particular its Financial Intelligence Department;
- Entity Ministries of Interior, in particular the Ministries' Departments for Organised Crime and Corruption;
- Prosecutors' Offices at all levels (State, Entity, Brčko District, Cantonal and Municipal levels). Special Department for Organised Crime and Corruption of the Prosecutor's Office of BiH, established by Decision of the High Representative of the International Community.

4. Achievements so far in anti-corruption policy and services provided

Prevention	Adoption of a number of laws at all levels, in accordance with the Strategy, such as: <ul style="list-style-type: none"> ▪ Law on Public Procurement; ▪ Law on Conflict of Interests; ▪ Civil Service Law.
Suppression/ Law enforcement	Establishment of adequate and specialised mechanisms/structures in response to the implementation and enforcement of preventive legislation. In addition, adoption of the following laws: <ul style="list-style-type: none"> ▪ Law on Police Officials; ▪ Law on the High Judicial and Prosecutorial Council; ▪ Law on Financing of Political Parties.
Public awareness	Public Awareness has not been consistently addressed by the BiH institutions. Occasionally, though, some local and international organisations do run awareness campaigns.

5. Difficulties encountered

- Complex organisational structure of the State with a multi-layered government, and delayed progress with the overall police reform;
- Other ongoing reforms in various segments of the public administration and lack of their co-ordination with measures related to the prevention and the fight against corruption.

6. Recommendations for further improvement

- Accelerate and co-ordinate reform process with respect to anti-corruption measures, especially with respect to monitoring in line with the newly prepared Strategy for the Fight against Organised Crime and Corruption;

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- Improve intra-governmental co-ordination of the implementation of the anti-corruption strategy;
- Harmonize the relevant legislation at different levels of government;
- Harmonize domestic legislation with international legal instruments;
- Establish an independent anti-corruption body at State level;
- Strengthen SIPA by increasing funds allocated to it corresponding to its tasks, and appropriate human resources;
- Improve and strengthen regional co-operation.

7. Risk factors

- Overwhelming focus on repressive measures, insufficient attention to preventive and educational measures;
- Strong attention to the immediate needs of the adoption of a new legislative framework, to the detriment of the development of mechanisms and capacity to implement and enforce this new legislation;
- Insufficient capacity to collect corruption-relevant data inside the administration and lack of capacity to establish benchmarks and success indicators to monitor and steer the implementation of the Strategy and Action Plans;
- Proliferation of structures with overlapping competencies and insufficient co-ordination among them.

4. CROATIA

1. Anti-corruption policy		Endorsing institutions
Status of anti-corruption strategy	A new National Program for the Suppression of Corruption was adopted by Parliament on 31 March 2006.	<ul style="list-style-type: none"> ▪ Parliament ▪ Council of Ministers ▪ Line Ministries
Next steps	None	
Status of anti-corruption action plan	At the end of April 2006, the Ministry of Justice established a co-ordination group of representatives from all institutions that have been assigned specific responsibilities for the implementation of the National Program. The tasks are foreseen to be carried out through so-called "mini programs".	<ul style="list-style-type: none"> ▪ Parliament ▪ Council of Ministers ▪ Ministry of Justice
Next steps	Instead of drafting a formal Action Plan, the above mentioned co-ordination group will decide on concrete measures to implement the Strategy through its "mini programs".	<ul style="list-style-type: none"> ▪ Parliament ▪ Council of Ministers ▪ Ministry of Justice
Plans for revision	N/A	N/A
2. Anti-corruption service/Body		Institutions which Anti-corruption service/body is/should be accountable to
Mandate (legal basis)	<p>An Anti-corruption Body/mechanism – according to the new National Program for the Suppression of Corruption - aimed at monitoring the implementation of the Anti-corruption Program and in charge of public education and prevention of corruption is sought to be established in the course of 2006. This body will be called the 'National Council'.</p> <p>The Office for the Suppression of Organised Crime and Corruption (USKOK), and specifically its Department for the Prevention of Corruption and Public Relations is, according to the Law on USKOK, responsible for the education of the public on corruption and the prevention of corruption. In addition, this Department is tasked to provide for the compilation of reports and analyses on forms and causes of corruption in the public and the private sectors. USKOK's mandate has been reviewed in 2005, resulting in greater authority and a structured relationship with the police, and in USKOK having a stronger role at the early stages of</p>	It is foreseen that the Anti-corruption Body would be accountable to the Parliament, while the initiative for establishing the Body is currently led and co-ordinated by the Ministry of Justice.

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	investigation procedures.	
Tasks and authority	For the new Anti-corruption Body/mechanism, tasks and authority are currently being under discussion. A Policy Paper is being prepared and is expected to be finalised soon, which will take into consideration the legal authority of USKOK not only as a specialised institution in charge of investigation and prosecution of corruption-related offences, but also its authority to provide prevention and education on anti-corruption capacity.	Under discussion.
Composition and human resources	<p>The new Anti-corruption Body's/mechanism's composition and its resources are yet to be decided.</p> <p>USKOK's staff are mainly professionally trained prosecutors. However, problems occur due to the lack of specifically trained staff for the relevant corruption prevention and education departments, and due to overall insufficient funds to support USKOK's work. An ongoing EC twinning project is aiming at increasing those capacities of USKOK.</p> <p>Currently, the staff situation in USKOK is as follows:</p> <ul style="list-style-type: none"> ▪ The Headquarter in Zagreb is headed by the USKOK Director who is supported by 10 Prosecutors and 1 Legal Advisor within the Prosecutor's Department; ▪ There is 1 Prosecutor and 1 Legal Advisor in each of the 4 branch offices; ▪ There are another 7 employees and civil servants; recruitment of a criminologist is underway; ▪ The Department for Prevention of Corruption and Public Relations employs a sociologist/political scientist, and a journalist; the Department for International Co-operation and Joint Investigations one expert consultant/interpreter. 	Under discussion.
Internal organisation	<p>Internal organisation of the new Anti-corruption Body/mechanism is still under discussion.</p> <p>According to the new National Program for the Suppression of Corruption, the future "National Council" is foreseen to comprise representatives of different institutions and agencies; however, the mandate of the Council, its structure, the financing aspects, and additional human resources are issues that need to be determined through a "Policy Paper" and should later on take the form of a regulatory legal basis for the future "National</p>	Under discussion.

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	<p>Council”.</p> <p>USKOK has several departments:</p> <ul style="list-style-type: none"> ▪ Prosecutor’s Department- responsible for the investigation and prosecution of corruption-related criminal offences; ▪ Department for Research and Documentation- providing logistical support; ▪ Department for Prevention of Corruption and Public Relations; ▪ Department for International Co-operation and Joint Investigations. 	
Annual budget or other financial resources	The budget for the new Anti-corruption Body is under discussion.	Government
3. Relation to other relevant institutions		
<ul style="list-style-type: none"> ▪ <u>USKOK</u>, the Office for the Suppression of Organised Crime and Corruption – established in December 2001 as a specialised Public Prosecutor’s Office - is responsible for the prevention, prosecution and suppression of criminal offences related to corruption and organised crime. Recent amendments and changes to the Criminal Code (in particular those that had become necessary because of Croatia’s adherence to international legal instruments) widened the scope of criminal cases USKOK can deal with. The latest amendments to the Law on USKOK facilitate better co-operation and co-ordination between USKOK, the courts and the police; they also strengthen the authority of USKOK during the initial investigation procedures. ▪ <u>Ministry of Finance</u>: The Office for the Prevention of Money Laundering– a specialised financial intelligence agency - collects data on suspicious transactions considered to contain indications of money laundering; the Financial Police, the Customs Administration, the State Inspectorate, and the Tax Administration investigate and report corruption-related criminal offences to USKOK. ▪ <u>Ministry of Interior</u>: The Ministry’s Department of Economic Crime and Corruption is primarily focusing on organised crime; it is, however, envisaged to also conduct joint investigations on corruption-related offences in close co-operation with USKOK. The Ministry’s Counter-Intelligence Agency conducts security checks important for the prevention of corruption. 		
4. Achievements so far in anti-corruption policy and services provided		
Prevention	<ul style="list-style-type: none"> ▪ Adoption of relevant national legislation such as the Law on Public Procurement (although there is a need for changes as the current legislation contains loopholes); ▪ Monitoring (“inspection”), investigation and prosecution of corruption-related criminal offences by USKOK; ▪ Following the launch of an up-dated and improved national Anti-corruption Program and the establishment of a specialised Anti-corruption Body (the “National Council”), the capacities for prevention of corruption will increase. ▪ Law on Civil Servants – adopted in July 2005 and in force since January 2006- regulates duties of civil servants and employees, including a prohibition of abuse of authority, the obligation to reject gifts, and provisions for transparency and accountability and controlling some forms of conflict of interest. 	

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Next steps	Increased prevention is necessary in specific sectors/areas, especially: public procurement, local administration, judiciary, education, health (acknowledging this, the Ministry of Health has recently conducted a research into corruption in the health sector).
Suppression/ Law enforcement	<ul style="list-style-type: none"> ▪ The Criminal Code (in force since October 2004) and the Criminal Procedure Law were amended by relevant articles stipulating acts of corruption following the adoption of the UN Convention on Trans-national Organised Crime, the Council of Europe Convention on Cyber Crime, the Council of Europe Criminal Law Convention on Corruption. Further amendments and changes to the Criminal Code were discussed by Parliament for the second time on 17 May 2006 - once adopted, the amendments will strengthen the sanctions for corruption-related offences, introduce changes pertaining to the criminal offences of embezzlement and tax fraud and strengthen the respective sanctions; also, it is proposed to introduce changes to with relation to the seizure of illegally gained property extending the definition of 'illegally gained property' in line with international legal standards. ▪ The Law on USKOK and the amendments adopted in February 2005 aim at strengthening the authority of the Office of USKOK by introducing additional responsibility (jurisdiction) for the prosecution of criminal offences that were enforced under the recent amendment to the Criminal Code; ▪ The Law on Criminal Responsibility of Legal Persons - adopted in September 2003 and in force since March 2004 - stipulates the criminal responsibility of any physical person conducting business of a legal person with the aim to gain illegal profit; ▪ The Law on Prevention of Conflict of Interest in the Public Service (adopted in September 2003), established a system for monitoring of the financial status of elected and appointed public officials; the new National Program for the Suppression of Corruption foresees the introduction of a new law that would address /thus improve deficiencies of the current legislation. ▪ The Law on Prevention of Money Laundering - prescribes measures and actions in the financial sector (banks) in order to reveal and suppress money laundering; ▪ The Labour Law - Article 108 contains a whistle-blower protection clause; ▪ Ratification of the UN Convention against Corruption in April 2005 by the Parliament.
Next steps	Anti-corruption issues need to be embedded in a broader judicial reform process.
Public awareness	<ul style="list-style-type: none"> ▪ The Ministry of the Interior operates a phone line for citizens to report acts of corruption; the number is published on the Ministry's official website; ▪ The newly adopted amendments to the Law on USKOK provide for the creation of a Department for the Suppression of Corruption and Public Relations, this Department's task is to increase awareness and to provide training to officials working in public or state institutions on how to detect and report corruption; the Department will also educate and introduce citizens to relevant measures pertaining to corruption; ▪ Law on Freedom of Access to Information (however, some provisions necessitate changes and amendments, such as currently too long deadlines of the administrative body to respond to requests and the proportionality and public interest tests); ▪ Office of the Ombudsman: Although seminars and public awareness campaigns have been organised in the past, citizens are still insufficiently aware that they can report corruption issues to the Office, which will then be followed up with the relevant institutions; ▪ In a number of cases, the media uncovered, investigated and reported about the

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	involvement of senior officials in corruption; this has resulted in the resignation and dismissals of some senior Government officials.
Next steps	Although there is a generally high level of public awareness in Croatia, there is a need for continued education campaigns not only through relevant curricula in education institutions, but also inside state bodies, among senior politicians, government officials and officials at regional and local levels.
5. Difficulties encountered	
<ul style="list-style-type: none"> ▪ To date, a disproportional responsibility for corruption-related policy issues and relevant reforms was with USKOK's Department for Corruption Prevention and Public Relations, this responsibility was not matched by adequate numbers of staff skilled and trained in outreach work; however, progress has been made; ▪ Although changes in the legal framework have been introduced, there is a need for amendments and changes in a number of laws; enforcement of new legislation with feasibility studies carried out prior to such legislative reforms, still remains a critical issue; ▪ The persisting low public awareness on existing channels to report on cases of corruption and on the division of responsibilities for corruption-related issues (in particular between MoI and USKOK) remains problematic. 	
6. Recommendations for further improvement	
<ul style="list-style-type: none"> ▪ Establishment of the anti-corruption service/body monitoring the implementation of the National Program for the Suppression of Corruption; ▪ Assistance to law enforcement agencies in strengthening their capacities to investigate and repress corruption; ▪ Improve public awareness and education efforts between the government and NGOs, which in turn could further educate citizens; ▪ Continue efforts to raise awareness among state and government officials; ▪ Introduce more statistical measurements and carry out more surveys, commissioned or facilitated by the relevant institutions in charge of anti-corruption. 	
7. Risk factors	
<ul style="list-style-type: none"> ▪ Lack of continuous political support and responsibility and potential issues of ethics in the public administration hamper the success of ongoing efforts; ▪ The possibility of a deficient existing legal and institutional framework continues to provide opportunities for corruption (in particular in the privatization process of strategic state-owned enterprises and public services; and in public procurement); ▪ Existing loopholes in the legal framework regulating the financing of political parties represent an ongoing risk for abuse and possible corruption. 	

5. KOSOVO¹ (SERBIA)

1. Anti-corruption policy		Endorsing institutions
Status of anti-corruption strategy	In May 2004, the first Anti-corruption Strategy for Kosovo was launched and enforced by PISG Institutions.	<ul style="list-style-type: none"> ▪ The Office of the Prime Minister of PISG ▪ Kosovo Government Institutions ▪ Line Ministries ▪ Civil society
Next steps	The implementation of the Strategy through the Anti-corruption Action Plan.	<ul style="list-style-type: none"> ▪ The Office of the Prime Minister of PISG ▪ Kosovo Government Institutions (Ministries) ▪ Civil society
Status of anti-corruption action plan	The Anti-corruption Action Plan was promulgated on 7 February 2006 by the Government of Kosovo.	<ul style="list-style-type: none"> ▪ Kosovo Government Institutions (Ministries) ▪ Civil society ▪ National Agencies ▪ UNMIK
Next steps	Continuous implementation of the Action Plan for the implementation of the Strategy by the newly established Kosovo Anti-corruption Agency.	<ul style="list-style-type: none"> ▪ Kosovo Government Institutions (line ministries) ▪ Kosovo Anti-corruption Agency ▪ Civil society
Plans for revision	The Anti-corruption Action Plan will be reviewed every six months, initially by the Office of Good Governance (PISG), and later by the Kosovo Anti-corruption Agency.	Kosovo PISG Institutions
2. Anti-corruption service/Body		Institutions which Anti-corruption service/body is/should be accountable to
Mandate (legal basis)	Chapter 2 (Kosovo Anti-corruption Agency) of the Law on the Suppression of Corruption provides the legal basis for the establishment of the Kosovo Anti-corruption Agency (Body) for the Suppression of Corruption.	According to the Regulation 2005/26 (of 12 May 2005) On the Promulgation of the Law on the Suppression of Corruption, the Kosovo

¹ The project area includes also Kosovo, currently under the interim administration of UNMIK in accordance with the United Nations Security Council resolution 1244 (1999).

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		Anti-corruption Agency will be accountable to the Kosovo PISG and the Kosovo Assembly.
Next steps	The Assembly of Kosovo has nominated 9 members of the Anti-corruption Council based on Regulation 2005/26 (Law on the Suppression of Corruption). A next step foreseen to be taken during June – July 2006 will be the appointment of the Director of the Agency, and the selection and recruitment of the Agency’s support staff.	
Tasks and authority	In accordance with Article 24 of the Law on the Suppression of Corruption, the tasks and authorities of the Kosovo Anti-corruption Agency are expected to be as follows: <ul style="list-style-type: none"> ▪ Administrative investigation of corruption offences; ▪ Ensuring legal and institutional co-operation with other relevant domestic and international law enforcement agencies; ▪ Supervision and analysis of statistics in connection with the state of corruption in Kosovo; ▪ Provision of legal advocacy inputs for relevant pieces of legislation; ▪ Being in charge of prevention, education and public participation activities; and ▪ Submission and publication of annual reports on corruption and analysis of the status of implementation of anti-corruption measures by all stakeholders. 	
Next steps	Establishment and functioning of the Anti-corruption Agency in accordance with Regulation 2005/26 (Law on the Suppression of Corruption). In addition, the initial draft of the Internal Rules of Procedure on the functioning and the structure of the Kosovo Anti-corruption Agency need to be finalised and adopted by the members of the Anti-corruption Council.	<ul style="list-style-type: none"> ▪ The office of Prime Minister of Kosovo ▪ The Office of Good Governance (PISG)
Composition and human resources	The Law on the Suppression of Corruption does not make any provisions on the number of staff members or other human resources that would be at the disposal of the Agency.	
Next steps	See above (“Tasks and authority”).	
Internal organisation	The Law on the Suppression of Corruption refers to 1 Director of the Agency and the nine members of the Anti-corruption Council.	

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Next steps	See above ('Tasks and authority').	
Annual budget or other financial resources	The Law on the Suppression of Corruption foresees that the budget of the Kosovo Anti-corruption Agency be covered by the Consolidated Budget of Kosovo. Under PACO Impact, new IT equipment has been delivered to the Anti-Corruption Agency.	
Next steps	Approval of the funds for the Kosovo Anti-corruption Agency set-up is pending. The funds will be allocated once the Director and the staff/personnel have been appointed. The Ministry of Finance and Economy is the body in charge of proposing and providing the budgetary allocation for the Anti-Corruption Agency.	
3. Relation to other relevant institutions		
<p>As up until recently, there had been no anti-corruption service/body in place, the Office of Good Governance, Human Rights and Equal Opportunities within the Office of the Prime Minister was in charge of formulating anti-corruption policies and providing advice to the PISG and UNMIK institutions. The mandate of the Office of Good Governance is based on UNMIK Regulation 2001/19.</p> <p>The Office of Good Governance/Office of the Prime Minister, in close co-operation with international organisations and donors, such as the Council of Europe and GTZ, have provided substantial material and technical assistance to the drafting process of the Anti-corruption Action Plan of Kosovo (February 2006), the Anti-corruption Strategy (May 2004) and the very initial Anti-corruption Policy Paper of the Government of Kosovo (early 2003). The Office of Good Governance/Office of the Prime Minister continue to co-operate closely with the following institutions in the fight against corruption:</p> <ul style="list-style-type: none"> ▪ UNMIK Pillar 1 (Justice and Police); ▪ Department of Justice; ▪ Financial Investigation Unit (Guardia Di Finanzia); and ▪ All Ministries of the Kosovo Government. 		
4. Achievements so far in anti-corruption policy and services provided		
Prevention	Prevention focuses on: <ul style="list-style-type: none"> ▪ The introduction of an appropriate legislative framework; ▪ Public awareness; ▪ Finalisation of the Anti-corruption Action Plan; Anti-corruption Strategy; Law on the Suppression of Corruption; and ▪ Organisation of prevention and public awareness-oriented campaigns and activities of the fight against corruption. 	
Suppression/Law enforcement	<ul style="list-style-type: none"> ▪ Penal Code of Kosovo; ▪ Penal Procedural Code; ▪ UNMIK Regulation against Money-laundering; ▪ Public Procurement Law; 	

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	<ul style="list-style-type: none"> ▪ UNMIK Regulation on the establishment of the Kosovo Auditor General Office; ▪ UNMIK Regulation on Customs Code.
Public awareness	<p>In 2003 and 2004, the Office of Good Governance/Office of the Prime Minister was engaged in public awareness campaigns on anti-corruption policy through public debates, booklets, media appearances and the organisation of workshops and seminars with public officials, civil society and media representatives.</p> <p>In October 2004, the Office of Good Governance/Office of the Prime Minister and UNDP launched an anti-corruption awareness campaign, which is still ongoing.</p>
Next steps	<p>The UNDP campaign will continue throughout 2006 with the main objective of increasing awareness of the population on the fight against and the prevention of corruption.</p>
5. Difficulties encountered	
<ul style="list-style-type: none"> ▪ Delays and complex situations due to the different institutional holding of the “reserved” and the “transferred” powers, i.e. executive powers for many areas are with UNMIK (such as for justice, police, etc.); ▪ Difficulties were faced in the initiation of the implementation of the Law on the Suppression of Corruption and the establishment of the Anti-corruption Agency. 	
6. Recommendations for further improvement	
<ul style="list-style-type: none"> ▪ Establishment and functioning of the Anti-corruption Agency and proper co-ordination mechanisms with other relevant services, such as the economic crimes services within the police, prosecution and the judiciary; ▪ Increase efforts to raise awareness of officials and citizens on corruption problems; ▪ Allocation of specific funds for the Kosovo Anti-corruption Agency and other anti-corruption activities; ▪ Better co-ordination among institutions vested with “reserved powers” and those with “transferred powers” when dealing with legislation and law enforcement issues in the field of corruption-related offences. 	
7. Risk factors	
<ul style="list-style-type: none"> ▪ Insufficient human and material resources to implement the Strategy and Action Plan; insufficient resources for an effective functioning of the Agency; ▪ Problems arising from the need for co-ordination between the different institutions. 	

6. MONTENEGRO

1. Anti-corruption policy		Endorsing institutions
Status of anti-corruption strategy	The Program against Corruption and Organised Crime was endorsed in July 2005.	Government of the Republic of Montenegro
Next steps	Implementation of the Program and drafting of the Anti-corruption Action Plan of Montenegro in line with the EU Partnership short – and long-term priorities.	Government of the Republic of Montenegro
Status of anti-corruption action plan	Following the adoption of the Program, the Government tasked the Ministry of Interior to initiate and co-ordinate the establishment of two bodies: a) A Working Group tasked to draft the Program’s Action Plan, and b) An Inter-ministerial Commission, tasked to monitor the implementation of the Program. The Draft Action Plan was completed in June 2006 and sent to the Government for adoption.	Government of the Republic of Montenegro
Next steps	The Action Plan is expected to be adopted in July 2006.	Government of the Republic of Montenegro
Plans for revision	Not yet determined.	
Other Steps	Involvement of OACI representatives in the review of the corruption-related elements of the Poverty Reduction Strategy Paper (PRSP).	Ministry of Labour and Social Care
2. Anti-corruption service/Body		Institutions which Anti-corruption service/body is/should be accountable to
Mandate (legal basis)	The Office for Anti-corruption Initiative (OACI) derives its mandate from the Government’s Decree on Organisation and Functioning of the Public Administration, adopted in July 2004 (published in the Law Gazette of the Rep. of Montenegro, No. 54/04).	By the end of July 2006, the Ministry of Finance will be in the course of supervising the legality and efficiency of the Office.
Next steps	Measures to improve the independence of the OACI, through inclusion of an accountability clause to institutions other than the Government.	Consider shifting accountability to the Parliament.
Tasks and	OACI is in charge of:	Currently, the Ministry of

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	tasks as provided in its legal bases.	proposal from the Ministry of Finance
Annual budget or other financial resources	Annual budget in 2006: € 73 551.05 Annual budget in 2005: € 62 006.36 Annual budget in 2004: € 69 515 No additional financial resources	Government of the Republic of Montenegro
Next steps	Increase budgetary allocations to the OACI.	Government of the Republic of Montenegro
3. Relation to other relevant institutions		
<p>The Office for Anti-corruption Initiative works in close co-operation with the Ministry of Interior, the Ministry of Justice, the Supreme Public Prosecutor, the Committee for Conflict of Interests, the Committee for Public Procurement, the Office for the Prevention of Money Laundering, the Ombudsman Office, as well as with international organisations and structures (SPAI, CoE, OSCE, EAR, OECD/Sigma, UNDP etc.) and different relevant NGOs.</p>		
4. Achievements so far in anti-corruption policy and services provided		
Prevention	<p>The OACI actively participated in drafting of several laws and sub-legal acts which are crucial for the fight against corruption, such as:</p> <ul style="list-style-type: none"> ▪ Law on Conflict of Interests; ▪ Law on Prevention of Money Laundering; ▪ Law on the State Audit Institution; ▪ Law on Public Procurement; ▪ Program against Corruption and Organised Crime; and ▪ Action Plan of the Program against Corruption and Organised Crime. 	
Next steps	<ul style="list-style-type: none"> ▪ Drafting and adoption of Codes of Conduct for different branches of power; ▪ Public surveys, sector research and analysis; ▪ Evaluation of the implementation of anti-corruption reforms; ▪ Revision of the Law on Financing of Political Parties. 	
Suppression/Law enforcement	<p>The OACI itself has no executive/law enforcement powers. However, in December 2005, the OACI established a Public Relations component, which aims, <i>inter alia</i>, to provide citizens with the possibility to lodge complaints on corruption-related offences directly to OACI. The PR officer immediately forwards these complaints to the competent law enforcement institutions.</p> <p>This initiative was supported by the Council of Europe through the PACO Impact Project.</p>	
Next steps	<ul style="list-style-type: none"> ▪ Strengthen the Public Relations component and its visibility through a public awareness campaign; ▪ Ensure allocation of additional funds in order to continue supporting the employment of staff for the PR component. 	
Public awareness	<p>The Office has recently started to developed specific public awareness activities. In addition, the Program Against Corruption and Organised Crime and its Action Plan foresees that OACI will play a major role in anti-corruption public awareness measures.</p>	

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Next steps	<ul style="list-style-type: none"> ▪ Conducting of public awareness campaigns, public discussions, including public debates in local communities; ▪ Printing brochures on corruption (annual reports, legal and institutional reviews on combating corruption, sector analysis, basic anti-corruption manuals, etc.).
Other steps	<ul style="list-style-type: none"> ▪ Drafting and adoption of the Law on Criminal Liability of Legal Entities; ▪ Further training for public officers and law enforcement bodies.
<p>5. Difficulties encountered</p>	
<ul style="list-style-type: none"> ▪ Insufficient budget; ▪ Lack of human resources; ▪ Lack of training for OACI employees. 	
<p>6. Recommendations for further improvement</p>	
<ul style="list-style-type: none"> ▪ Enhance the capacities of the OACI by enhancing its prerogatives and competencies; ▪ Strengthen the role and capacities of the OACI in monitoring the implementation of the Program against Corruption and Organised Crime and its Action Plan; ▪ Strengthen the co-ordination and co-operation with international actors; and ▪ Further improve co-operation with relevant public institutions and NGOs. 	
<p>7. Risk factors</p>	
<ul style="list-style-type: none"> ▪ Growing dependency on financial donations for every reform that needs to be undertaken; ▪ Lack of allocation of more power and resources to the OACI; ▪ Premature and speedy legislative procedures, which negatively impact the subsequent enforcement of corruption-related laws; ▪ Lack of public awareness. 	

7. SERBIA

1. Anti-corruption policy		Endorsing institutions
Status of anti-corruption strategy	Following public debate sessions held in January 2005, the National Anti-corruption Strategy of Serbia was endorsed by the Council of Ministers on 26 May 2005, and subsequently adopted by the Serbian Parliament on 8 December 2005.	<ul style="list-style-type: none"> ▪ Parliament of Serbia; ▪ Council of Ministers of Serbia.
Next steps	Implementation of the National Anti-corruption Strategy of Serbia through its Anti-corruption Action Plan.	
Status of anti-corruption action plan	<p>An Action Plan is at the drafting stage; the process is being supported through twinning projects of the Ministry of Justice with counterparts in Slovenia and Germany.</p> <p>Area-specific action sections within the framework of the Anti-corruption Action Plan will be prepared through the Commission for the Implementation of the National Strategy, which is to be established by Government decision following a Ministry of Justice proposal.</p>	The Government will have to endorse the Action Plan, since its implementation will require measures/activities from various relevant ministries as well as allocation of additional budgetary resources.
Next steps	Finalisation of a sector oriented Anti-corruption Action Plan.	All relevant institutions, through and with the assistance of the Commission - to be responsible for the Implementation of the National Strategy.
Plans for revision	Not yet specified.	
2. Anti-corruption service/Body		Institutions which Anti-corruption service/body is/should be accountable to
Mandate (legal basis)	An anti-corruption body/mechanism aimed at monitoring the implementation of the Anti-corruption Strategy and in charge of public education and prevention of corruption has been under discussion since early 2005, and is sought to be established through a specific Anti-corruption Law which is currently being at its final drafting stages.	<ul style="list-style-type: none"> ▪ Parliament ▪ Council of Ministers ▪ Ministry of Justice
Next steps	Finalisation of the Draft Anti-corruption Law in co-ordination with the Republican Board on Conflict of Interests and the existing Anti-corruption Council, as well as other relevant institutions through consulting meetings of the assigned	

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	Working Group.	
Tasks and authority	To be determined by the assigned Working Group.	
Next steps	To be determined by the assigned Working Group.	
Composition and human resources	To be determined by the assigned Working Group.	
Internal organisation	To be determined by the assigned Working Group.	
Annual budget or other financial resources	The preparation of an assessment of the financial implications will need to be provided to the parliament prior to the adoption of the law in order to provide the budgetary allocations that could also be incorporated into the new law.	<ul style="list-style-type: none"> ▪ Ministry of Finance ▪ Ministry of Justice ▪ Working Group
Next steps	Prepare financial assessment.	Ministry of Finance
<p>The draft National Strategy foresees the establishment of an autonomous, independent Anti-corruption Service/Body, whose composition, mandate and relation with other institutions/bodies/services will be specified in detail in a separate Anti-corruption Law. The draft Law has been prepared by the Ministry of Justice in co-operation with the Council of Europe, and has been submitted to the assigned Working Group for review/discussion. This Law will serve as the legal basis for the establishment of the Anti-corruption Service/Body.</p> <p>The National Strategy envisages that the Anti-corruption Service/Body would have the following competencies and tasks :</p> <ul style="list-style-type: none"> ▪ Implementation of the Anti-corruption Strategy and Action Plan; ▪ Enforcement of regulations related to conflict of interest for all officials; ▪ Control of the implementation of regulations governing the financing of political parties and election campaigns; ▪ Monitoring the work of other bodies engaged in the fight against corruption; ▪ Developing integrity measures for the public sector. <p>The Terms of Reference/mandate for this Body might, however, be extended in accordance with the Anti-corruption Law-to-be.</p> <p>The relationship with other institutions remains to be determined by the new Law.</p> <p>However, it should be mentioned that the latest Expert Discussion Table, held in April 2006, showed that there is no common ground between the Republican Board on Conflict of Interests and the Anti-corruption Council on the one hand, and the Ministry of Justice on the other hand. The Board and the ACC opposed certain issues of the Draft leading to potential of both or one institutions' dissolution. However, there is an on-going discussion on modalities of the final incorporation - or not - of these bodies into a new body.</p>		
<p>3. Relation to other relevant institutions</p>		
<ul style="list-style-type: none"> ▪ The existing Anti-corruption Council – established in October 2001 - is an Advisory body of the Government. Its task is to propose preventive and repressive measures and to follow-up their implementation. The Council has been very active in commenting on relevant draft legislation and has issued reports dealing with various subjects (sugar affair, privatization abuses etc.). None of the recommendations issued by the Council was taken forward. The Council operates with an annual budget allocated to it by the Government (although the nominal budgets were 		

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	<p>in 2003 - Dinar 30 Million; in 2004 – Dinar 19.5 Million; in 2005 – Dinar 15 Million, the funds available eventually for disbursement were considerably lower, i.e. in the range of Dinar 10 Million in each budgetary year); the situation is similar in 2006.</p> <ul style="list-style-type: none"> ▪ The Republican Board for the Implementation of the Law on Prevention of Conflict of Interest is an advisory and controlling body; although the Law has been passed in April 2004, the Board started functioning only in January 2005; the Board has issued all relevant legal documents (Instructions for the Implementation of the Law, Rules of Procedure, Disclosure Report Form); by the end of 2005, the Board had issued over 100 opinions, registered property for over 1000 officials and initiated several hundreds of proceedings for the prevention of conflict of interest; the board issues monthly reports and information for the public, and submits an Annual Report to the National Assembly (the first report was submitted in March 2006). The Board also proposed a number of legislative changes having in mind problems encountered during its initial work. As for the Anti-corruption Law-to-be, the Board adopted “Basic postulates regarding independent and autonomous Anti-corruption Body to be established by separate Law” and submitted the paper to Ministry of Justice. ▪ The Public Procurement Office is in charge of overseeing the implementation of the Law on Public Procurement. A Commission for the Protection of Bidders’ Rights and Public Interest has been established by the same Law. It issues final decisions about the regularity of the public procurement procedures; ▪ The Specialised Prosecutor’s Office deals with corruption cases only when they contain organised crime aspects. This is a serious shortcoming, which also requires re-thinking and a review of the existing practice in the regular prosecutor’s service, i.e. there is a need to address the issue of specialisation of prosecutors, as well as judges and police officers; ▪ Law on the Supreme Audit Institution adopted in November 2005; the SAI is expected to start functioning by mid-2006 (i.e. 6 months after entry into force of the Law). ▪ Police (specialised police officers/ economic crime units): in November 2005, the new Law on the Police was adopted, following which a new systematization reinstated the Unit for High-level Corruption in the Department for the Suppression of Organised Financial Crime. There has been an increase in human resources’ capacity within the Economic Crime Units throughout Serbia in the course of 2006.
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4. Achievements so far in anti-corruption policy and services provided

Prevention	<p>There are still no mechanisms in place to properly address prevention. However, the Republican Board for the Implementation of the Law on Prevention of Conflict of Interest will, <i>inter alia</i>, play a preventive role.</p> <p>A Permanent Co-ordination Group tasked with policy-level co-ordination regarding money laundering measures was established in August 2005. Given the nexus between money laundering and corruption, this is an important structure for corruption prevention.</p>
Next steps	<ul style="list-style-type: none"> ▪ Conduct public surveys under the guidance and auspices of independent institutions/organisations; ▪ Improve capacities of existing anti-corruption mechanisms to do corruption prevention, specifically those of the Board for Conflict of Interest and the Anti-corruption Council.
Suppression/ Law enforcement	<p>A Commission for the Fight against Organised Crime and Corruption has only recently been established by Governmental decision. The Unit for High-level Corruption within the Ministry of Internal Affairs has been reinstated, while human resources of the Economic Crime Unit have been greatly enhanced.</p>
Next steps	<ul style="list-style-type: none"> ▪ Strengthen the reinstated Unit for High-level Corruption;

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	<ul style="list-style-type: none"> ▪ Extend the mandate of the specialised prosecution services; ▪ Provide necessary resources; ▪ Empower them to co-ordinate and monitor other police and prosecutorial services dealing with corruption cases.
Public awareness	The Anti-corruption Council runs its own website, containing currently 18 reports. The media has followed-up cases that had been brought forward by the ACC. However, there has not been any comprehensive public awareness campaign by the ACC.
Next steps	Launch of a comprehensive public awareness campaign.
5. Difficulties encountered	
<ul style="list-style-type: none"> ▪ The slow pace of the Parliamentary procedure (more than 6 months between endorsement of the National Strategy by the Government and its adoption in Parliament) posed a serious problem in particular with view to the expected new/amended legislation relevant for the fight against corruption; ▪ The goal for 2005, i.e. the adoption of the Strategy by Parliament was achieved; the next challenge is the preparation and implementation of an Action Plan; deficiencies in co-ordination and co-operation at the inter-ministerial level may additionally complicate this process; ▪ The current on-going debate on the dissolution of the Anti-corruption Council and the Board for Conflict of Interest and the Anti-corruption Council. 	
6. Recommendations for further improvement	
<ul style="list-style-type: none"> ▪ Finalise the Action Plan that backs up the National Strategy and start its implementation, thereby foreseeing not only specific measures, but also their budgetary requirements, which would need to be endorsed by the Government; ▪ Adoption of the Anti-corruption Law that will establish the legal framework for the functioning of the Anti-Corruption Body, in particular its status/role, authority, budget, and relation with other relevant anti-corruption institutions. 	
7. Risk factors	
<ul style="list-style-type: none"> ▪ Complexity of the co-ordination procedures with other governmental institutions; ▪ Budgetary constraints. 	

8. "THE FORMER YUGOSLAV REPUBLIC OF MACEDONIA"

1. Anti-corruption policy		Endorsing institutions
Status of anti-corruption strategy	<p>In 2003, a multi-disciplinary State Program for the Prevention and Repression of Corruption containing recommendations for measures and activities to establish an efficient system for prevention and repression of corruption was elaborated through broad stakeholder consultation (i.e. Government, line ministries and institutions, State Prosecution and Public Attorney, civil society and international experts). This Program has a long-term perspective with no clear deadline for renewal/update.</p> <p>An annex to the State Program on the implementation of anti-corruption measures in local government has been adopted in June 2005.</p>	<ul style="list-style-type: none"> ▪ Parliament ▪ Government ▪ Ministry of the Interior ▪ Ministry of Justice ▪ Ministry of Finance ▪ Ministry of Economy ▪ Public Prosecutor's Office ▪ Public Attorney ▪ State Audit Office ▪ Agency for Civil Servants ▪ Directorate for the Prevention of Money Laundering ▪ Customs Administration, etc.
Status of anti-corruption action plan	The State Program itself contains an Action Plan, which provides for specific measures through Annual Programs.	Same as above.
Plans for revision	Multi-stakeholder annual conference assessing progress in the implementation of the State Program, while each responsible institution provides reports on progress made initially to the State Commission for the Prevention of Corruption.	An assessment report is endorsed by the State Commission for the Prevention of Corruption (SCPC) and is made public.
2. Anti-corruption service/Body		Institutions which Anti-corruption service/body is/should be accountable to
Mandate (legal basis)	<p>The State Commission for the Prevention of Corruption is an autonomous and independent legal entity.</p> <p>The Commission was established by the Law on Prevention of Corruption ("Official Gazette of the Republic of Macedonia" No. 28 of 26 April 2002 and "Official Gazette of the Republic of Macedonia" No. 46 of 12 July 2004), Article 50 – 54)</p>	<ul style="list-style-type: none"> ▪ The Parliament ▪ In addition, the Commission submits Annual Reports on its other activities, but also on an ad hoc basis to the President and the Government. Open public reports and other actions are reported also to the media and civil society forums.
Tasks and authority	<ul style="list-style-type: none"> ▪ Adopts the State Program for the Prevention and Repression of Corruption, and annual programs and work plans for the 	

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	<p>implementation of the State Program;</p> <ul style="list-style-type: none"> ▪ Commissions opinions on relevant draft laws; ▪ Initiates actions/reporting as required by the law to competent bodies on issues related to auditing and controlling financial operations of political parties, trade unions, citizens' associations and foundations; ▪ Initiates actions/reports related to initial procedures related to criminal allegations on corruption or other measures of accountability of elected or appointed functionaries and officials; ▪ Identifies conflict of interest cases as determined by law; ▪ Provides for control and verification of asset declarations of elected or appointed functionaries, officials and relevant persons in public enterprises and other publicly funded legal entities; ▪ Assures inter-governmental and international co-operation in the fight against corruption; ▪ Provides training and other public education elements to the relevant bodies in charge of law enforcement and criminal proceedings against corruption and economic crime. 	
Composition and human resources	<ul style="list-style-type: none"> ▪ 7 Senior legal and economic experts, appointed by the Parliament for a 5 year term (non-renewable); ▪ 5 full time staff members who serve as the Commission's secretariat. 	
Internal organisation	<ul style="list-style-type: none"> ▪ The State Commission is supported by a Secretariat; ▪ The Senior Experts (members) of the State Commission exercise their function in parallel with their other public duties; ▪ The Secretariat members are currently employed as civil servants. 	
Annual budget or other financial resources	<ul style="list-style-type: none"> ▪ The State Commission receives an annual allocation from the State Budget; which for 2005 was MKD15.000.000,00 (€240.000); for 2006, MKD13.000.000 (€210.000) have been allocated; ▪ Additionally, the State Commission receives <i>ad-hoc</i> technical assistance from international donors. 	
3. Relation to other relevant institutions		

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<p>In accordance with the law, the State Commission reports to and addresses Parliament once a year when submitting the Annual Report on the work of the State Commission for the Prevention and Repression of Corruption. Prior to its submission, the Annual Report has to be endorsed by the government. In view of this, as well as other actions/tasks, the Commission maintains a close relationship (as stipulated by the law) with the following institutions:</p> <ul style="list-style-type: none"> ▪ Ministry of Justice; ▪ State General Audit; ▪ Transparency International; ▪ Office of the Prosecutor General. 	
<p>4. Achievements so far in anti-corruption policy and services provided</p>	
<p>Prevention</p>	<ul style="list-style-type: none"> ▪ Publication and public awareness campaigns through media articles on alleged abuse of public office; ▪ Prevention of corruption is achieved through the submission of initiatives to other relevant institutions and bodies for already determined abuses, and through public dissemination of those initiatives through the media in order to act in prevention towards other bearers of public competencies. The same refers to cases of conflict of interest - state bodies or institutions approach the Commission so that it would assess whether there is a conflict of interest in specific cases; ▪ In accordance with the Law, the State Commission also provides opinions on draft laws of importance for the prevention of corruption; ▪ Annex to the State Program on Measures for the Prevention and Repression of Corruption in Local Self-Government adopted in June 2005.
<p>Suppression/Law enforcement</p>	<p>As a result of the State Commission's work, the following legislative changes have been made:</p> <ul style="list-style-type: none"> ▪ Amendments to the Constitution enabling the use of Special Investigative Means (adopted); ▪ Amendments to the Constitution enabling the independence of the election of judges and prosecutors (in procedure); ▪ Criminal Code (adopted); ▪ Code of Criminal Procedure (adopted); ▪ Law on Access to Information (in procedure); ▪ Law on the Prevention of Conflict of Interests (in procedure); ▪ Law on Civil Servants (adopted amendments); ▪ Law on the Prevention of Corruption (adopted amendments); ▪ Law on the Salaries of Public Administration; ▪ Law on Independent Court Budget (adopted); ▪ Law on Courts; ▪ Law on Political Parties (adopted); ▪ Law on Financing of Political Parties (adopted); ▪ Law on the Salaries of Judges and Public Prosecutors; ▪ Law on the Public Prosecutors' Office (adopted); ▪ Law on the Public Attorney's Office; ▪ Law on Witness Protection; ▪ Law on Banks; ▪ Law on Financial Institutions; ▪ Law on Misdemeanours; ▪ Law on the Prevention of Money-Laundering (adopted); ▪ Law on Commercial Companies (adopted); ▪ Law on Public Procurement (adopted); ▪ Law on State Audit (adopted amendments);

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	<ul style="list-style-type: none"> ▪ Law on the Financial Police (adopted); ▪ Law on Citizens' Associations and Foundations (NGOs).
Public awareness	<p>The State Commission tries to lead by example through full transparency of its own work, believing that this is a contribution to the strengthening of public awareness. There are now open lines provided by the Customs Administration, Public Revenue Office and the Ministry of the Interior to which corruption related offences can be reported.</p> <p>A PR campaign has been implemented in 2005 (funded through the PACO Impact project), focusing on prevention of corruption and international standards through printed materials.</p> <p>In addition, the Commission initiated its first Survey of Corruption Perception under the same project and intends to carry out repeat surveys on a bi-annual basis in order to assess the corruption perception in the country, and the impact of corruption - related reforms.</p>
5. Difficulties encountered	
<ul style="list-style-type: none"> ▪ Insufficient staffing of the Commission's Secretariat; ▪ Non-adequate working conditions (i.e. lack of office space and inappropriateness of IT structure); ▪ Lack of technical means and resources to efficiently conduct procedures related to asset declarations; ▪ Insufficient networking with the Public Revenue Office; ▪ Lack of Special legislation regulating the control of conflicts of interest; ▪ Violation of the Code of Ethics by high-level officials; ▪ Insufficient public awareness campaigns, especially within schools and other parts of the education system. 	
6. Recommendations for further improvement	
<ul style="list-style-type: none"> ▪ Improve the efficiency and effectiveness of the Commissions' operations; ▪ Ensure a better understanding of the state of play and mechanisms of corruption through carrying out surveys; ▪ Establish a structured interaction with other relevant national institutions and sharing and application of international best practices and lessons learned; ▪ Introduce a system of benchmarks and success indicators and equally, assist the other relevant bodies to design a system of benchmarks for the measurement of success of the implementation of the new legal framework. 	
7. Risk factors	
<ul style="list-style-type: none"> ▪ Lack of financial resources and equipment (including software); ▪ Limited human resources necessary for the efficient implementation of the regulations of the Laws concerning the field of combating corruption. 	