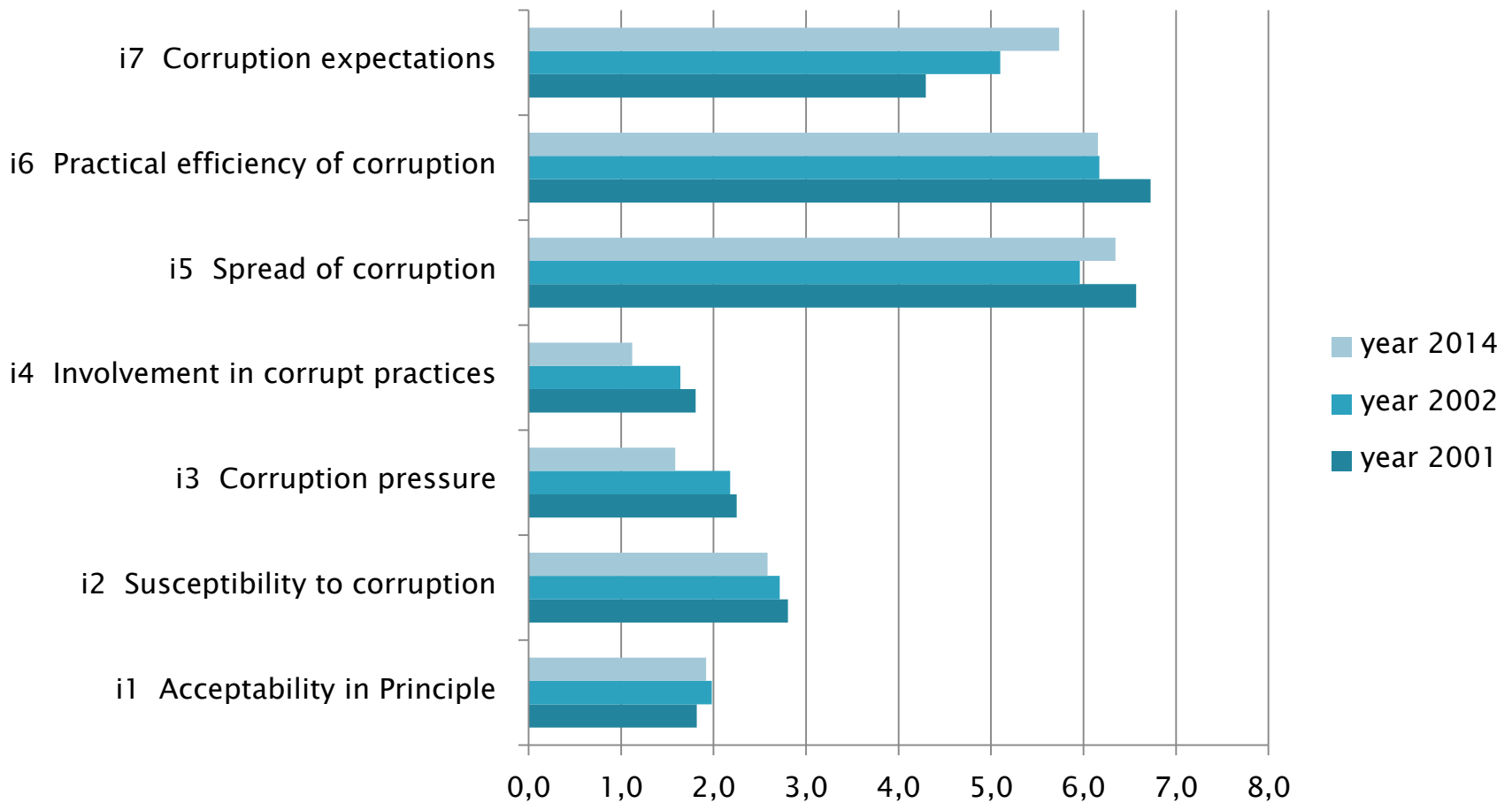


Main Corruption Challenges in Serbia

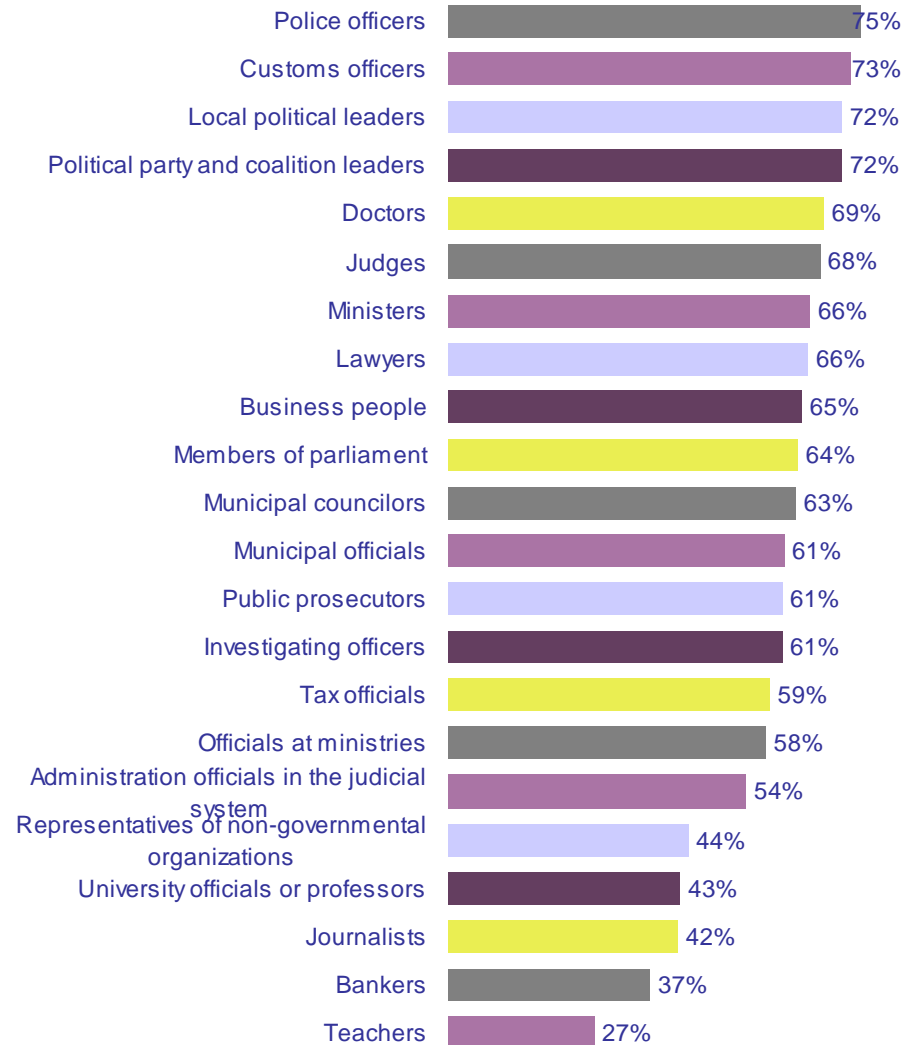
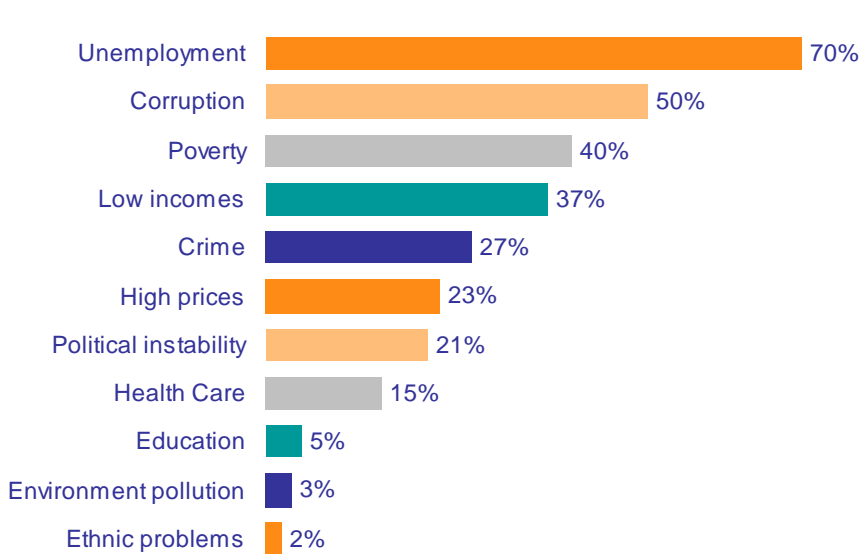
Center for Liberal – Democratic Studies



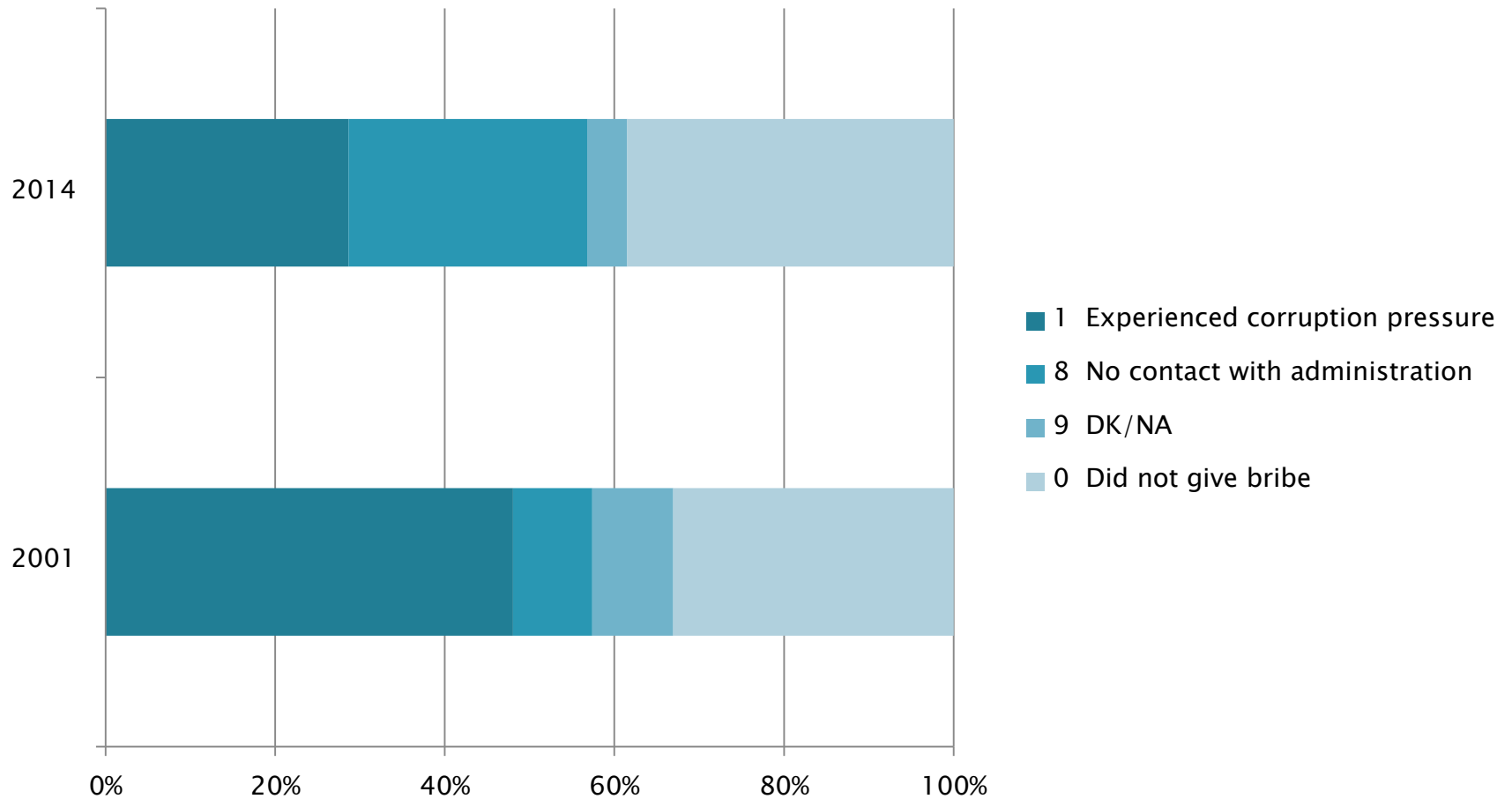
Survey results



Some findings



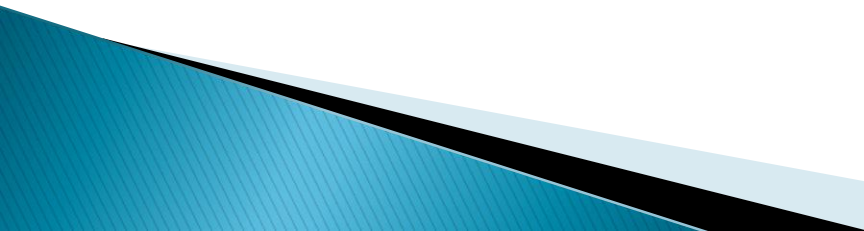
Reduced corruption pressure?



Policies

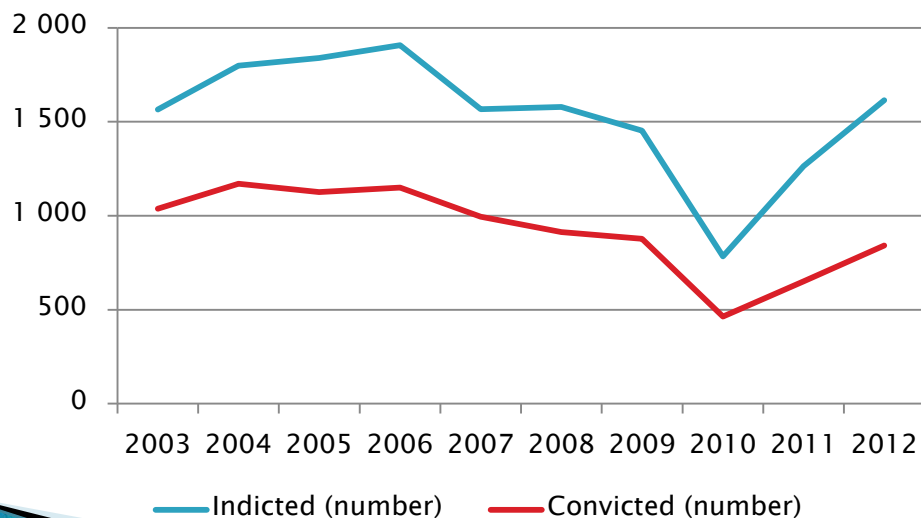
- ▶ Recently adopted (2013) new Anticorruption Strategy and Action Plan
- ▶ Most of the relevant regulatory framework and institutions in place
 - Anticorruption agency
 - Party financing
 - Conflict of interest
 - Record of assets
 - Access to information
 - State audit institution
- ▶ Penal Code seems too broad, especially “abuse of authority”

Law enforcement

- ▶ Fight against corruption is one of the main proclaimed goals of new government
 - Four former ministers and several leading businessmen indicted, no convictions yet
 - ▶ Still appears ad hoc and politically motivated
 - ▶ PM announces arrests and investigations
 - ▶ Strange role of the media, mostly covering former governments scandals
 - ▶ However, some exceptions exist (Director of Deposit Insurance Agency)
 - ▶ Law on Organization and Authorities of Public Institutions in Combating Organised Crime, Corruption and Other Serious Crimes
 - Special police unit, prosecution and courts
 - SIEPA case is interesting
- 

Judiciary

- ▶ One of the major problems in Serbia
- ▶ Failed reforms and a need to “reform the reforms”
- ▶ Specialized prosecutor’s office for organized crime
- ▶ Historical trend (general corruption related cases and in judiciary)



Year	Indicted	Convicted	Conviction rate
2010	30	2	6.7%
2011	67	1	1.5%
2012	91	1	1.1%

Corruption and economy

- ▶ Low level of economic freedoms and poor business environment
- ▶ Role of privatization
 - State owned companies
 - State owned banks
 - About 1 bn EUR budget cost of failed state owned banks
- ▶ Budgeting process closed and intransparent
- ▶ Who is actually procuring G&S?

Year	State bodies %	Public enterprizes %	Public institutions %	Municipalities %
2003	26	59	11	4
2004	20	57	14	9
2005	17	56	22	5
2006	15	65	12	8
2007	16	63	12	9
2008	23	57	13	7
2009	19	54	17	10
2010	19	59	14	8
2011	15	60	14	11
2012	13	69	13	5

Corruption and economy

- ▶ Public procurement well regulated in theory, but:
 - Special law to assist construction industry during crisis
 - Bilateral international financing and construction agreements
 - China, Russia, Azerbaijan
- ▶ Unclear regulatory environment, such as tax policy

Discussion

- ▶ What should be the role of media and how to treat government leaks?
 - ▶ Social media censorship
 - ▶ Fight against corruption as a political tool
 - Serbia a good example
 - ▶ In many cases corruption is just the indicator of the problem (eg. nn health sector – Pirot example)
 - Bureaucracy is afraid to do anything
 - ▶ EU pressure
- 