



REPUBLIC OF SERBIA
ANTI-CORRUPTION
AGENCY

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Corruption Risk Assessment in Serbia

Results and efficiency

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LEGAL FRAMEWORK

Law on Anti-corruption Agency (Article 59)

Integrity plan shall be adopted by state bodies and organizations, territorial autonomy bodies and local state bodies, public services and public companies (4483 entities) in accordance with the guidelines developed by the Anti-corruption Agency.

Public entities are obliged to submit a report on the implementation of the integrity plan at the request of the Agency, within 15 days of receiving the request.

THE ROLE OF THE AGENCY

To make and publish

the guidelines for development and implementation of the integrity plan
the assessments of integrity

To monitor

the adoption and implementation of integrity plans

What has been done so far ?

The Agency has:

made and published “The guidelines for the development and implementation of the IP” in October 2010

developed 69 draft i.e. model IPs,

adjusted to various types of institutions

developed software application for the IP

sent the user names and passwords for accessing

the application for integrity plan development to

the email addresses of 4483 public entities

By the end of March 2013, 2121 public entities in Serbia have developed integrity plans.

From January 2014 the Agency has visited 50 public entity in order to assess the quality of self-risk assessment and integrity plans.

In 2015 the Agency will start to monitor implementation of the integrity plans as well as initiate new three-year cycle of development and adoption of integrity plans.

Lessons learned about the process of self-assessment

For large number of public entities (especially for heads of institutions) the fact that there are no sanctions resulted in their disregarding of the whole process.

In sectors where corresponding Ministries invited public institutions to join the process of developing integrity plans, percentage of public entities, having done so, was significantly higher comparing to those sectors where relevant Ministries did not actively support the process.

Regular contacts (seminars, consultations, raising awareness) between the Agency and public institutions during the process of integrity plans development have led to increased number of institutions that became part of this process.

Lessons learned about the quality of self-assessment

The quality of self-assessment depended on support of head/director/manager of an institution.

It also depended on managerial capacities (knowledge, skills) of civil servants and public officials that were managing the process of self-evaluation and IP's adoption.

Public entities that have already introduced ISO standards, financial management and control have conducted objective and comprehensive self-assessment and developed good IPs.

Public entities that have had external help from NGOs, international organizations, experts, etc. have done much better self-assessment .

How effective can be integrity plan as a tool for building institutional and personal integrity and corruption prevention?

In case that both management and employees understand significance and benefit of the process and if the process is performed not only for the purpose of complying with the formal legal obligation, integrity plan can be effective tool for reinforcing both personal and institutional integrity, good management as well as corruption prevention. In addition to that, quality of the process and an integrity plan would be enhanced if the quality of self-assessment was subject to external monitoring and evaluation.

Results of monitoring of self-risk assessment in public entities

Methodology:

- Agency conducted “on-spot” assessment, with various techniques of data collection: interviews with managers and employees, insight into internal documents and regulation, checking web sites, cross-checking with other data sources (state audit reports, corruption complaints submitted to Agency, media reports etc.)
- Main advantage of applied methodology – evidence based, with limited possibility of avoiding answers on:
 - 1) how integrity plan was developed and
 - 2) does integrity plan objectively reflects on how institution is functioning

Results of monitoring of self-risk assessment in public entities

- Based on applied methodology, monitoring is not only way to determine to what extent public entities were dedicated to objective and unbiased corruption risk self-assessment, but also this process is a type of independent, external *corruption risk assessment* in public entities.

Results of monitoring of self-risk assessment in public entities

1. Wherever some area remains unregulated or unrecognized as important on highest level of legal system (for example, lack of laws) or regulation is insufficient or unclear, particular institutions were not *encouraged, willing* or *aware* of importance of preventing internal corruption risks in such areas.
- Example: most of the public entities in their integrity plans objectively recognized low level of achievements in adopting and implementing internal integrity and ethics policies. Why?
 - “Conflict of interest of civil servants is already regulated in law, why should we adopt any internal regulation on that?”, regardless the fact that law does not provide adequate recognition and managing conflict of interest in different and specific areas of public sector.
 - “There is no law on whistleblower protection, are we “allowed” and how can we internally regulate this issue?”

Results of monitoring of self-risk assessment in public entities

But, as complementary to previous finding...

2. Wherever “good” and “aware” manager recognize such area as significant for corruption prevention and did something to introduce any internal regulation in “unregulated” area, institution express better performances in governing

- Example: Adoption of internal code of conduct, with precise managing of civil servants’ conflict of interest in *specific* type of institution (such as health care, social care, educations etc.) raise possibility to avoid this manifestation of corruption.
- “Although it is not obliged to adopt internal code of conduct for employees, it is not forbidden to adopt it, as well”.
- Important for improving performances of those institutions that passed this stage of governing in next period is to pay attention on *quality* and *comprehensiveness* of internal regulation.

Results of monitoring of self-risk assessment in public entities

3. Lack of internal strategic planning decreasing certainty and predictability in important areas for conducting institutions' competences and increasing corruption risks.

- Very few entities adopted high-quality, measurable and applicable strategic plans, that can decrease discretion power of managers and civil servants on how to react in dealing with daily issues.
- Example: Budget planning is mostly done "spontaneously", "as we did it all previous years", without need analysis and strategic goals as corner stone. In the same time, budget spending is not rarely matter of managers assessment what is needed in that moment, which can be "contaminated" by corruption motives.
- *Very important: Institutions still does not recognize dependence between strategic planning and corruption prevention, so this can be part of raising awareness process.*

Results of monitoring of self-risk assessment in public entities

4. Institution performed very different achievements in area of transparency and very different attitudes toward how and why is transparency important for preventing corruption.

- Same type of institutions published very different scope of information about their work, especially those information that are not legally obliged to be published, i.e. when decision on will something be publicly available is "in the house"
- Example: Spending public funds (donations for civil sector or public procurement): while someone only published documents that are obliged to do it (public call and final decision), other (but very few) published all "intermediate" documents, such as criteria, minutes from meeting where decision was made etc.
- Reasons for this difference: intention for concealing and/or absence of awareness
- The more transparency, the less corruption risks;

Results of monitoring of self-risk assessment in public entities

5. Lack of procedures and criteria for decision making in some areas led to very high corruption risk.

- Example: HR - employment procedure.

Public sector indicate very different achievements in this area; while some type of institutions applying transparent procedures, with strong and clear employment criteria, other have very limited level of regulation in this process, which cause high corruption risks.

Corruption risks in this area is initiated by insufficient law provisions - in some institutions, this initial position is upgraded by "bad governance", in some other, this position is overcame by good and transparent internal procedures.

- Although working position in public sector is specific form of public resource (especially in long-lasting economic crisis), abuse of this resource have to be treated much more seriously.

Results of monitoring of self-risk assessment in public entities

6. Informational technologies (IT) as strong tool for both technical and substantive preventing some of the corruption risks.
- Institution that recognized introduction of “impersonal” mechanisms for dealing with their competences show lower risk for occurring corruption, caused by direct contact between citizens and public servants.
 - Example: automatically distributed requests for construction permits in local self governments or distribution of lawsuits among judges in courts decrease corruption risk in these areas.

Next steps ...

- Agency will monitor implementation of the integrity plans, i.e. did and how identified risks in integrity plans were overcome, what are the quality of implemented measures etc.;
- This will also be one of the instruments for external corruption risk assessment, that is evidence based.

Encouragement...

- In each area of functioning of public entity that is covered by integrity plan (management, public procurement, finances, ethics and integrity, HR...) as well as in each type of public sector institution (ministry, school, hospital, prison...) assessment discovered examples of good practice that can be promoted.
- Agency through its reports for each monitored institution refers to identified examples of good practice, in order to create necessary awareness on fact that improvements are possible and how they can be achieved;
- Objective and unbiased recognition of own gaps in managing, through self-assessment of corruption risk and adoption of integrity plans is first step in that improvement.

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