

## News by SELDI members

### **SELDI Workshop: State Capture: Drivers, Outcomes and Measurement**

The workshop gathered leading European and US anti-corruption and good governance experts to refine the definition of state capture and identify potential ways to measure the phenomenon, including in particular sectors, such as energy, banking, telecommunications, etc. The main focus of discussion was put on ways to provide practical metrics of the risks and impact of state capture in transition countries - new member states, candidate, and prospective EU candidate countries.

**SELDI, 3 December 2015.**



Photo: SELDI

### **Macedonia: Corruption is Not Something to be Reconciled**



Photo: MCIC

The platform of civil society organizations fighting corruption, including the SELDI partner MCIC, held a press conference on the occasion of the International Day Against Corruption. "We call to all actors in society: elected and appointed officials, civil society organizations, media, private sector, trade unions and all of us as individuals to act proactively in combating corruption," said a statement of the Platform.

**MCIC, 9 December 2015.**

### **Montenegro: Press release: The Agency for Prevention of Corruption will Not Have Enough Resources**

The Agency director reduced the already insufficient budget of the Agency for Prevention of Corruption with more than 100 000 euro. This shows that priority activities and expenses for the first year of operation of this body are being determined unrealistically and irrationally. It is clear that the current approach and the delay in filling vacancies, will significantly postpone the operability of the Agency, which is a priority of Montenegro in the negotiations process and only the first step in establishing a new framework for the prevention of corruption.

**IA, 19 November 2015.**

### **Bosnia and Herzegovina: Chiefs of Meat Grilling Empire Accused of Massive Tax Fraud**



Photo: Tax Fraud RAI

A court in Sarajevo ordered into pretrial detention two owners of a popular restaurant chain, arrested earlier this week for allegedly evading more than US\$ 3 million in taxes. According to Federal Television (FTV), a government-owned broadcaster, prosecutors said employees at the restaurants were instructed not to hand out receipts to customers unless they asked for them. FTV reports that one witness told investigators that tax authorities would be presented only 60 to 70 percent of Mrkva's revenue. According to Bosnian state television (BHRT), Mrkva and Capin were put into pretrial custody due to the risk that they could affect the trial or abscond.

**SEE, 4 December 2015.**

### **Montenegro Charges Ex-Mayor of Scandal-Hit Resort**

Montenegro's prosecution charged the ex-mayor of the resort of Budva and nine other top officials and businessmen in a high-profile, multi-million-euro corruption case. All those accused in the high-profile corruption case have not commented on the prosecution charges so far. Radjenovic and several other local officials were arrested in August, in a case that centers on illegal construction work carried out at Jaz Beach and the TQ Plaza building in 2007 and 2008. They are suspected of using their positions for the benefit of a private company and of costing the municipal budget more than two million euro over the Jaz Beach project alone.

**RAI, 2 December 2015.**

## **Anti-Corruption News from the SEE Region**

### **Macedonia: Newly Formed Special Prosecution Launches its First Two Corruption Cases**

The first two cases launched by the newly formed Macedonian special prosecution unit will focus on Prime Minister Nikola Gruevski and former top members of his cabinet. Macedonia's special prosecution, headed by the newly appointed Katica Janeva, began work in November with the task of investigating the cases that arose from a high-level political scandal earlier this year in which the ruling party VMRO DPMNE was accused of wiretapping more than 20,000 citizens. A series of the alleged wiretap recordings were released by opposition leader Zoran Zaev throughout spring, sparking political tensions that saw thousands turn out to protest in the streets of the capital Skopje in May. **SEE, 02 December 2015.**

### **Serbian Farmers Say Land Law 'Encourages Corruption'**

Serbian farmers are campaigning for the withdrawal of draft legislation on agricultural land, claiming it would give the authorities unchecked powers to lease farmland to favoured investors. Most critics of the new draft have targeted Article 7, which says that 30 per cent of state land in each municipality will be leased out for 30 years on the basis of an investment plan which will be evaluated by a committee set up by the Agriculture Minister. Former Economy Minister Sasa Radulovic, the leader of a political movement called Enough is Enough, told BIRN that this gives the government arbitrary power to decide who can have the land. **RAI, 26 November 2015.**

## **Upcoming Events**

### **Balkan Partnerships: Strengthening the Region's Ties**

Balkan nations face an array of domestic and external challenges as they grapple with the sudden arrival of refugees using the region to head northwards. In the framework of this European Policy Summit, Friends of Europe and the European Office of the Konrad-Adenauer-Stiftung try addressing issues affecting the Balkans for over a decade, enabling senior policymakers from the region to share their concerns and ideas with EU and member state policymakers. One of such concerns would certainly include regional corruption issues and how they impede the economic growth. **Friends of Europe, 16 February 2016, Brussels.**

### **Leadership Module 1 Programme: Strategic Leadership, Good Governance and Policy Formulation**

The Regional School of Public Administration in partnership with the British Council is launching a 5-month intensive Regional Public Administration Capacity Building Program, which is to be delivered between November 2015 and March 2016. The program aims at building capacities of the public administrations of the Western Balkan countries through improving institutional leadership, good governance environment and developing professional skills of the civil servants of ReSPA Members and Kosovo. The project will be funded by the UK Government through the British Embassy Podgorica. **Regional School of Public Administration/British Council, November 2015 - March 2016, Podgorica.**

### Volume 3: Government Favouritism in Europe

This report, elaborated with the support of several SELDI members, is entirely based on objective indicators and offers both quantitative and qualitative assessments of the linkage between political corruption and organised crime using statistics on spending, procurement contract data and judicial data. The methodology used in the analysis of particularism of public resource distribution is applicable to any other country where procurement data can be made available and opens the door to a better understanding and reform of both systemic corruption and political finance. **ANTICORRP.**

### Beyond the Tipping Point: Anti-Corruption Works. Governance Works Better

The Romanian Academic Society, an SELDI member, contributed to the elaboration of the *Beyond the Tipping Point: Anti-Corruption Works. Governance Works Better* report. The report is grounded on the idea that poor governance, not corruption, is Romania's greatest problem, as it encourages corruption, which, in turn, decreases the quality of governance, creating a vicious cycle. As such, punitive measures for combatting corruption are welcome but far from sufficient for achieving a clean, functional and efficient system. These must be complemented by prevention mechanisms to ensure integrity and efficiency in public institutions. **Romanian Academic Society.**

### Uncovering High-Level Corruption: Cross-National Corruption Proxies Using Government Contracting Data

Measuring high-level corruption and government favouritism has been the object of extensive scholarly and policy interest with relatively little progress in the last decade. In order to address the lack of reliable indicators, this article develops two objective proxy measures of high-level corruption in public procurement: single bidding in competitive markets and a composite score of tendering 'red flags'. **Government Transparency Institute and digiwhist.eu.**

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