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Inception Report

Joint European Union – Council of Europe Project “Strengthening the Capacities of Law Enforcement and Judiciary in the Fight against Corruption in Serbia” (PACS)

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www.coe.int/pacs

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<p>For any additional information please contact:</p> <p>Economic Crime Cooperation Unit Action against Crime Department Directorate General I, Council of Europe Tel: +381 11 71 555 12; Email: lado.lalicic@coe.int / www.coe.int/pacs</p>	<p>This document has been produced with the financial assistance of the European Union and the Council of Europe. The views expressed herein can in no way be taken to reflect the official opinion of the European Union or the Council of Europe.</p>
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EXECUTIVE SUMMARY

The Project 'Strengthening the capacities of law enforcement and judiciary in the fight against corruption in Serbia (PACS)' is a joint project of the European Union and the Council of Europe implemented between December 2012 and April 2015. The present report describes the project activities carried out during the inception phase (December 2012 – March 2013). It discusses the context that led to the initiation of the project and outlines the project expected results, activities and outputs. It lists the iterative process through which the project proposal passed; this included the development of a detailed workplan of activities which was discussed at the 1st Project's Steering Committee meeting of 22 March 2013.

The report also elaborates situation in the sector with regard to track record in investigating, prosecuting and adjudicating corruption offences that steered the identification and definition of two project expected results: first one that aims at strengthening the capacities of the relevant institutions in investigating, prosecuting and adjudicating the corruption related offences; and the second one aiming at strengthening capacities to fight corruption within judiciary and law enforcement agencies themselves.

The project also builds on relevant findings and recommendations of the Council of Europe Group of States against Corruption (GRECO) and European Union Progress Reports for Serbia. It would also take into account recent developments when it comes to institutional and legal reforms currently ongoing in the Republic of Serbia – most importantly, the National Anti-corruption Strategy (2013-2018), as well as the Strategy on Judicial Reform, whose draft versions have already been finalised.

In view of that, PACS project will, through its activities, seek further improvements in the Republic of Serbia in the field of combating corruption and capacity building and will seek synergy and compatibility with relevant measures foreseen by these strategic documents.

In addition, the Inception Report presents the draft workplan of activities in detail, addressing the key issues such as: objectives; approach taken; anticipated work to be undertaken; risk factors; and indicative timetable. It considers the delivery and management arrangements that will underpin the implementation of the project, and how the project will identify and brand itself. Finally, it considers overall risk and sustainability issues that may impact the effectiveness of the project objectives.

The Project Management Team and their Serbian counterparts have reviewed and assessed the project proposal against practical implementation issues. The inception period allowed the project logframe to be considered by a range of stakeholders, from state institutions listed as main beneficiaries of the project, to educational institutions such as judicial and police academies. The outcome is a draft workplan of activities that reflects the institutions' needs as well as concerns elaborated by relevant international organisations.

1. PROJECT SYNOPSIS

Project title	Strengthening the capacities of law enforcement and judiciary in the fight against corruption in Serbia (PACS)-Serbia
Duration	28 months
Budget/funding	EUR 1 183 748,06
Objectives of the action	<p>Overall objective To contribute to democracy and the rule of law through the implementation of institutional reforms aimed at preventing and combating corruption.</p> <p>Purpose To strengthen the capacities of law enforcement agencies and judiciary to detect, investigate, prosecute and adjudicate corruption cases.</p>
Expected Result 1	<p>Strengthened capacities to investigate and adjudicate corruption offences</p> <p>1.1 Risk analysis available assessing all legislative and organisational obstacles to efficient criminal investigations and proceedings and provide recommendations and assistance for improvement of internal procedures and tools (including information of public on results);</p> <p>1.2. Strengthened capacities of law enforcement and judiciary through multidisciplinary trainings and specialized courses to judiciary, prosecutorial services and law enforcement officers on corruption, economic crime cases, accounting and auditing; and through available training curricula of relevant institutions;</p> <p>1.3. Available newly introduced techniques (IT tools and possibly use of data base) and strategic capacities of prosecutorial services to investigate corruption and white collar crime;</p> <p>1.4. Specialised undercover agents those that use special investigative means (SIMs) from law enforcement structures in charge of cooperating with prosecutorial services;</p> <p>1.5 Increased public awareness and trained journalists on reports concerning allegations pertaining corruption cases and their adjudication;</p> <p>1.6 Setting up a benchmarking system in measuring progress and level of efficiency of tracking/handling of corruption/economic crime cases in the Serbian judiciary and law enforcement system.</p>
Expected Result 2	<p>Strengthened capacities to fight corruption within the justice sector</p> <p>2.1. Available risk analysis and recommendations on the current situation with regard to possibilities and actual extent of corruption within the judiciary, prosecution and law enforcement;</p> <p>2.2. Introduced ethical rules/implementation guidelines and with regards Judicial, Prosecutorial and Law Enforcement Codes of Conduct/Ethics to organisational aspects (including selection/appointment procedures);</p> <p>2.3. Available opinions and advice on implementation to the High Judicial Council and State Prosecutors Council with regard to disciplinary rules and measures against ethical violations from judges and prosecutors when construed as corruptive practices/allegations;</p> <p>2.4. Trained judges, prosecutors, and law enforcement officers on aspects of detecting corruption and controlling conflict of interests within those structures.</p>
Counterparts	Ministry of Justice and Public Administration (MoJ); Ministry of Interior, High Judicial Council, State Prosecutorial Council, The Republican Prosecutor's Office, Courts, Judicial Academy, Police Academy
Implementation	Council of Europe (Economic Crime Cooperation Unit, DG I)

2. BACKGROUND

2.1 Overall Situation in the Country with Regard to Anti-corruption

Corruption remains a severe threat for the development of democracy and the rule of law in the Republic of Serbia. It affects the economic progress, proper functioning of institutions and influences the respect of human rights.

Authorities of the Republic of Serbia consider corruption as 'one of the most serious problems in the country', thus fight against corruption has been set as one of its key priorities.

Serbia signed and subsequently ratified several important international instruments in the anti-corruption area:

- the Council of Europe's Criminal Law Convention on Corruption - ETS 173 (ratified on 18 December 2002 and entered into force on 1 April 2003);
- the Additional Protocol to the Criminal Law Convention - ETS 191 (ratified on 9 January 2008 and entered into force on 1 May 2008);
- the Council of Europe's Civil Law Convention on Corruption - ETS 174 (ratified on 9 January 2008, entered into force on 1 May 2008);
- the United Nations Convention Against Corruption - UNCAC (ratified on 20 December 2005).

Serbia joined the Council of Europe Group of States against Corruption (GRECO)¹ in April 2003. Serbia passed three rounds of GRECO evaluations, and all Evaluation and Compliance Reports have been made public.

The most recent GRECO report - Compliance Report for the Third Evaluation Round (adopted in October 2012) was officially released in March 2013.

As far as it concerns **UNCAC**, Serbia is currently participating in the Implementation Review Process. In this regard, a self-assessment check list was completed and submitted to the UNODC for review while the draft evaluation report is expected to be sent to the Serbian authorities in the upcoming months.

2.2 Situation in the Sector

Following the ratification of the international anti-corruption instruments, intensive legislative and institutional activities have been implemented in Serbia.

The **National Anti-corruption Strategy** was adopted by the Serbian National Assembly in December of 2005. The Strategy has 7 chapters that include measures to be taken in the areas of governance, judiciary and police, public administration, commercial system, public finances, media and nongovernmental sector. The measures foreseen in the Strategy are mainly preventive in nature.

In December of 2006, Serbia adopted the **Action Plan** for the Implementation of the National Anti-Corruption Strategy and created *an Implementation Commission of the National Anti-Corruption Strategy and the Recommendations of GRECO* as a body in charge for overseeing the implementing of the measures contained in the Action Plan.

¹ www.coe.int/greco

The Law on the Anti-corruption Agency was adopted in 2008. The Law introduces the Agency as an independent body accountable to the Serbian Parliament.

With the establishment of the **Anti-Corruption Agency** on 1 January 2010, the Implementation Commission, in charge to monitor the implementation of the Action Plan, ceased to exist. The Agency overtook the mandate to monitor the implementation of the Action plan. The Agency coordinates the submission of the reports by relevant institutions in charge for the implementation of the Strategy. The annual report on the implementation of measures from the Strategy is published on the Agency's web page as annex to the Annual Report of the Agency. However, it became apparent that monitoring of the Action Plan implementation was more or less technical work carried out by the Agency given that the non-implementation of the Action Plan measures by the relevant state authorities and responsible persons within them did not assume any liability. As a consequence, and as concluded by the Anti-Corruption Agency in its Annual reports for 2010 and 2011, many recommendations remained unfulfilled.² Another shortage of the Strategy, as noted by the Agency, was its concept and the fact that it was not drafted as a holistic document (*inter alia* it didn't tackle two areas of concern for Serbian citizens such as corruption in education and health sectors).

Six years since the Adoption of the Strategy, the Ministry of Justice and Public Administration has initiated, in spring 2011, the preparation of a new Anti-corruption Strategy and Action plan. In mid-March 2013 the final draft Strategy³ was presented to experts' community and public. Moreover, the Ministry of Justice and Public Administration published the draft Strategy on their web and called for public debate that included all relevant stakeholders. The Government intends to finalise and propose to the Parliament the adoption of the Strategy by the end of April 2013.

With regard to other legislative developments in the field of anti-corruption in period from 2008 to 2012 Serbia has passed some other important laws aimed at preventing and combating corruption and economic crime, namely:

- Law on Seizure and Confiscation of the Proceeds from Crime;
- Law on the Liability of Legal Entities for Criminal Offences;
- Law on the Judicial Academy;
- Criminal Procedure Code;
- Civil Procedure Code;
- Law on Advocacy;
- Law on Notaries;
- Law on enforcement of judgements;
- Law on Amendments to the Law on Civil Service;
- Law on Prevention of Money Laundering and Terrorism Financing;
- Law on Financing of Political Activities;
- Law on amendments to the Criminal Code;
- Public Procurement Law.

The legislative reform resulted in introduction of new investigative procedures that significantly affected the roles of prosecutors - the new Criminal Procedure Code (CPC) that was adopted in September 2011 introduces the prosecutorial investigation thus giving a prosecutor more active role in the criminal proceedings. The new CPC's implementation for War Crimes and Organized Crime jurisdictions started on 15 January 2012, while for other courts and prosecutors' offices it will start being implemented as of 1 October 2013. According to the data from the Prosecutor for Organized Crime, the implementation of the new CPC has already shown significant results particularly in the conclusion of the plea bargain agreements – while 3 agreements were concluded in 2010 and 10 in

² www.acas.rs

³ <http://www.mpravde.gov.rs/cr/articles/borba-protiv-korupcije/>

2011, the number of these agreements increased to 58 in 2012. Yet the forthcoming period will show to what extent the legislation reform affected the suppression of corruption/economic crime and organised crime.

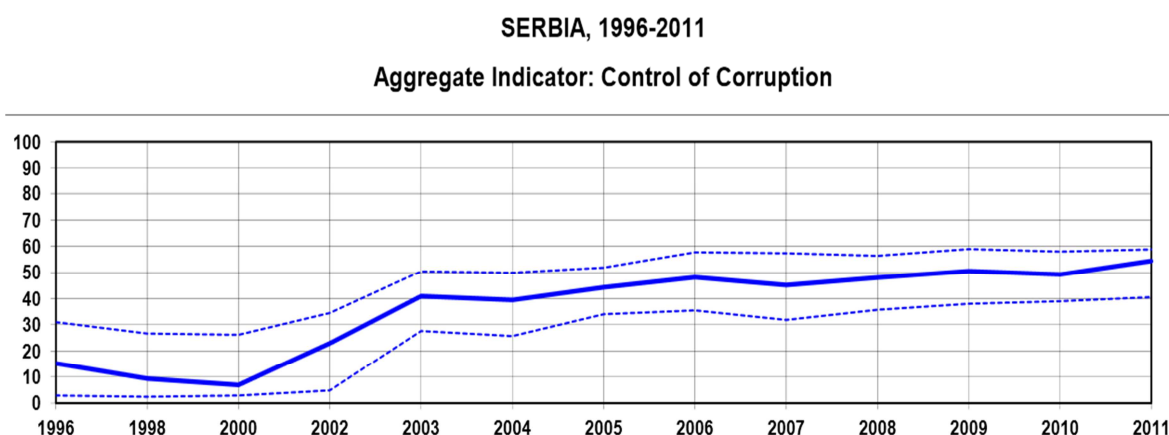
Another field of reform in past years was the judicial system. The reform process was based on the **National Judicial Reform Strategy**, adopted by the Serbian National Assembly in May 2006. Its basic objective was to restore public trust in the judicial system of the Republic of Serbia by establishing the rule of law and legal certainty. However, the reform process was severely affected by the reappointment procedures for judges and prosecutors. This process received a lot of criticism from the public, professional groups and international community – among others GRECO⁴ – pointing out that the level of transparency was not satisfactory and that the process itself undermined the independence of the judiciary. EU, together with OSCE and CoE, was also closely monitoring this process.

Being aware of the obvious shortages that such reform produced, the Ministry of Justice and Public Administration initiated the development/revision of the Strategy. The Multi Donor Trust Fund for Justice Sector Support assisted the drafting/revision process of the National Judicial Reform Strategy for the period 2012 – 2017. The revised Strategy is expected to address deficiencies of the previous reform and strengthen independence and efficiency of the judicial system. As it was the case with the Anti-corruption Strategy, the revised **National Judicial Reform Strategy** was made public and the public debate, discussing the proposed draft text, was held on 20 March 2013.

2.3 Situation in the Sector – Perception of Corruption

The perception of corruption in Serbia is still considerably high.

According to World Bank's Worldwide Governance Indicators, Serbia's control of corruption has shown improvement between 2000 and 2006, but ever since has slowed down and remained more or less around 50%, with a rising tendency, though:



(Source: World Bank, <http://info.worldbank.org/governance/wgi/pdf/c246.pdf>)

⁴ Joint First and Second Evaluation Rounds, Addendum to the Compliance Report on the Republic of Serbia adopted by GRECO at its 47th Plenary Meeting (Strasbourg, 7-11 June 2010): "Likewise, while important efforts have been made to restructure the judiciary in order to rationalise its functioning and generally improve its efficiency, it remains crucial to keep under close review the measures underway to achieve the intended reform of the judiciary, so that the independence and transparency of the process are at all times preserved".

Transparency International's (TI) Corruption Perceptions Index (CPI) shows improvement since 2003; however, the country still ranks comparatively low at 80th position in 2012, which is the lowest ranking among former Yugoslav republics.

Year	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Rating	2.3	2.7	2.8	3.0	3.4	3.4	3.5	3.5	3.3	3.9

(Source: TI, <http://www.transparency.org/cpi2012/>)

Freedom House's Nations in Transit Ratings shows a steady decline in the field of corruption, with the remark that „In the Balkans, critical reforms stalled in nearly all countries in 2011“:

Year	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Rating	6.25	5.25	5.00	5.00	5.00	4.75	4.50	4.50	4.5	4.5	4.25	4.25

(Source: <http://www.freedomhouse.org>)

When it comes to the investigation and adjudication of corruption current statistical data suggest that detecting/reporting, investigating, prosecuting and adjudicating corruption cases is still a challenge for the prosecution and the judiciary.

According to a rough estimate based on data from a recent "Corruption Benchmarking Survey" - 5th round, carried out by UNDP/TNS Medium Gallup in June 2012 approximately 800 000 adults in Serbia have paid a bribe.

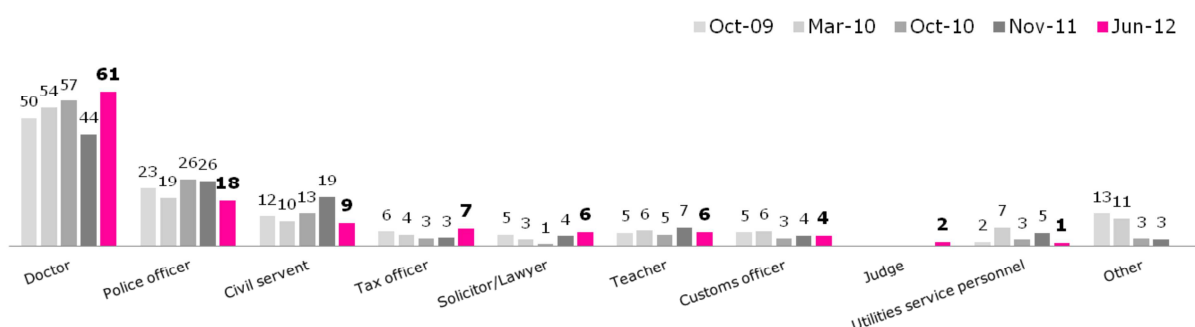
However, the UNDP produced another report/survey on corruption in December 2012 (6th round), this time prepared by the agency CeSID, unlike the previous five rounds when TNS Medium Gallup did the research. For that reason, results might not be fully comparable – since methodology used was not identical. The CeSID report reads that the percentage of population having paid a bribe recently dropped to a half in six months period.

Population		app. total 7.2 million – adults 5.7 million
Part of population having paid a bribe recently	TNS Medium Gallup – June 2012	14% (of adults): app. 800 000
	CeSID – December 2012	8% (of adults): app. 456 000

(Source: www.undp.org.rs/)

Compared with other sectors, such as health, judiciary and prosecution rank relatively low as far as bribery is concerned:

ONLY RESPONDENTS WHO PAID A BRIBE: Who got paid? MULTIPLE ANSWERS



(Source: www.undp.org.rs/)

However, a rough estimate of the number of bribes occurring in the judiciary calculated from the results of the surveys is still comparatively high:

Population	app. total 7.2 million – adults 5.7 million	
	TNS Medium Gallup (June 2012)	CeSID (December 2012)
Number of bribes given to judges recently	2% = app. 16 000	5% = app. 22 750

The surveys show that the legal sector ranks high among different areas in terms of corruption:

To what extent do you perceive the following sectors in this country to be affected by corruption?	Top Score (Significantly + Extremely)	
	TNS Medium Gallup (June 2012)	CeSID (December 2012)
Political parties	77%	72%
Health system	74%	69%
Government	69%	47%
Judges	69%	64%
Prosecutors	67%	63%
Customs	66%	52%
Parliament /legislature	65%	44%
City/administration	64%	51%
Police	64%	56%
Attorneys/Lawyers	62%	60%
Education	55%	40%
Media	55%	49%
International aid and donor projects implementation	51%	38%
Bank, financial sector	50%	38%
Tax office	49%	46%
President	47%	24%
Land utilisation/Cadastre	45%	36%
Business/private sector	45%	41%

Local administration – registry and permit service (civil registry)	35%	48%
NGOs	42%	27%
Utilities service (telephone, electricity, water supply)	36%	35%
The military	32%	13%
Religious bodies	30%	22%

(Source: www.undp.org.rs/)

In its conclusions the TNS Medium Gallup survey from June 2012 states that *‘the Government, judges, prosecutors and customs have a bad reputation among citizens: two thirds perceive them as being significantly or extremely corrupt. Parliament, city administration, police and lawyers are also in an unenviable position, with more than 60% of people perceiving them as corrupt...’*

....those who paid bribes most commonly offered it themselves to avoid problems with the authorities or to receive a service (73%), while 33% of respondents say that the bribe was requested. In this round there is a decrease of directly sought bribes in comparison to the previous round (37% in November 2011).’

The survey states that *‘according to Serbian citizens, the police (47%) and the government (46%) should be leading the fight against corruption. Judiciary organizations are mentioned third and the Anti-corruption Agency fourth by 13% of citizens. Only 11% of respondents believed citizen groups or movements should lead this fight, while all other potential leaders received less than 10% each of the respondents’ vote.’*

When it comes to the perception of corruption within the law enforcement structures, this survey found that only 11% of those who experienced corruption would report it to the law enforcement agencies thus confirming low confidence of citizens in these institutions.

With regard to future steps in improving the anti-corruption efforts *‘the citizens suggest that the new government should be more determined in investigating cases of corruption (41%) and they suggest helping the courts to effectively prosecute crimes (13%).’*

Further to that, the CESID survey held in December 2012, confirmed some of the findings of the previous surveys’ rounds and emphasised that *‘the findings on the incidence of corruption by sectors are very similar to those of previous years. Citizens believe that corruption occurs most often in health care, judiciary and police. Politicians and political parties are outside of all categories.*

The results are similar when interviewees who said they had direct (or indirect) contact with corruption are asked the following question: who are the people you gave a bribe to in the previous three months? Only 45 interviewees said they gave bribes in the previous three months, so the listed numbers can be misleading when determining the range of corruption in certain professions.

There is an obvious pattern that follows previous research cycles, showing that bribes are most often given to doctors (25%), police (19%), public administration and teachers/professors (9%).’

However, in its conclusion, the survey noted that *‘the finding, as well as findings from other studies conducted by CeSID, show that there is a gradual revival of trust in the legislative and executive powers in Serbia.’*

Overall, the low number of detected and reported cases calls for assessing possible means of improvement in detection and reporting procedures for corruption offences. Similar might be true for the investigation and prosecution of corruption cases - of the reported cases, an average of about a third is being prosecuted and adjudicated.

Practitioners in courts and prosecution point out that the major problems are enforcement of laws and building quality evidence against corruption related offenders. The reality in so far has been that for the prosecution building up a “corruption case” is still proving to be a challenge as it is for the judiciary

to accept and verdict it. There is a need for a thorough analysis and use of current data base/s in order to assess the situation. Furthermore, improved methodology and quality of data collected through statistics will provide a clearer picture of the effects of changes in policies and legislation.

Statistics of the Republican Public Prosecution for Criminal Offences related to Corruption Offences for year 2012 read as follows:

Criminal Offence	Year	Total Investigated	Total Indicted	Sentences			Acquitted	Total of judgments
				Imprisonment	Fined	Suspended		
Abuse of office Article 359 of the Criminal Code (CC)	2012	4134	2011	271	30	187	329	830
Embezzlement Article 364 CC	2012	503	342	54	1	25	43	278
Soliciting and Accepting Bribes Art. 367 CC	2012	99	66	42	1	5	3	51
Bribery Art 368 CC	2012	71	153	10	0	4	8	36

Detailed tables with statistical data for 2011 and 2012 of the Republic Prosecutor's Office for Criminal Offences related to corruption offences are available in Annex 2 to this report.

3. INTERNATIONAL POLICY CONSIDERATION

3.1 GRECO

Since 2003 – when Serbia joined the Council of Europe Group of States against Corruption (GRECO), three evaluation rounds were completed and evaluation and compliance reports were adopted and published⁵.

The most recent – 3rd evaluation was completed in October 2010 – and resulted in the report that noted certain inconsistency in the criminal legislation. In this report GRECO addressed 15 recommendations to Serbia - 5 pertaining to Incriminations and 10 pertaining to the financing of political parties. In October 2012, on GRECO's 57th plenary session, the Third Round Compliance Report for Serbia was adopted. Following the authorization by the Serbian Government (28 February 2013), the report was made public and posted on the web sites of the Ministry of Justice and Public Administration of Serbia and GRECO. The report concluded that 5 recommendations dealing with

⁵ http://www.coe.int/t/dghl/monitoring/greco/documents/index_en.asp

Incriminations remained unfulfilled, while all 10 recommendations dealing with the financing of political parties were considered as fully implemented.

GRECO addressed the following recommendations to Serbia in respect of Incriminations:

- *to take the legislative measures necessary to ensure that the offence of active and passive bribery in the public sector covers all acts/omissions in the exercise of the functions of a public official, whether or not within the scope of the official's competence (recommendation i);*
- *to take the necessary legislative measures in order to ensure that foreign arbitrators and jurors are explicitly covered by the bribery provisions of the Criminal Code in conformity with the Additional Protocol to the Criminal Law Convention on Corruption (ETS 191) (recommendation ii);*
- *to clarify in an appropriate manner that legislation concerning bribery in the private sector covers the full range of persons who direct or work for – in any capacity – private sector entities (recommendation iii);*
- *to abolish the requirement of dual criminality with respect to the offences of bribery and trading in influence committed abroad; (ii) to establish jurisdiction over acts of corruption committed abroad by foreigners, but involving officials of international organizations, members of international parliamentary assemblies and officials of international courts who are, at the same time, Serbian nationals (recommendation iv);*
- *to abolish the possibility provided by the special defense of effective regret, pursuant to Article 368 (6) of the Criminal Code, to return the bribe to the bribe-giver who has reported the offence before it is uncovered (recommendation v).*

As a consequence, Serbian authorities prepared and adopted the amendments to the Criminal Code in December 2012. The new amendments aimed at addressing the above referred recommendations. In view of that, the Serbian authorities will inform GRECO on the steps taken to implement unfulfilled recommendations by 30 April 2014 when Addendum to the 3rd Round Compliance report is expected to be submitted.

Earlier to that, in June 2010 GRECO issued an Addendum to the Compliance report concerning the joint 1st and 2nd Evaluation Rounds for the Republic of Serbia. The Addendum appraises the implementation of 12 recommendations that remained unfulfilled (as concluded in the Compliance report for the joint 1st and 2nd Evaluation Rounds from June 2008).

In the conclusion of the Addendum, GRECO states that 20 out of 25 recommendations have been implemented or dealt with in a satisfactory manner while 5 are assessed as partially implemented. These 5 partially implemented recommendations are the following:

Recommendation ii.

GRECO recommended that ways should be found to render the procedure for appointing and promoting judges and prosecutors more transparent, in order to foster the public's confidence in the complete independence of prosecutors and judges from any improper political influence and their impartiality in exercising their functions.

Recommendation xii.

GRECO recommended to keep under careful review the range of reporting institutions, pursue enhanced training initiatives to increase awareness of suspicious transaction reporting and monitor progress. GRECO also recommends that guidelines be issued containing money laundering indicators, for all obliged entities.

Recommendation xxi.

GRECO recommended to ensure that civil servants who report suspicions of corruption in public administration in good faith (whistleblowers) are adequately protected from retaliation when they report their suspicions.

Recommendation xxii.

GRECO recommended to limit licenses and permits to those that are indispensable, to reduce the turnaround time required for obtaining them and to encourage the compilation and editing of guidelines both for civil servants handling licenses and permits and for the general public.

Recommendation xxiv.

GRECO recommended encouraging private auditors, accountants and other advisory professionals to report suspicions of corruption to the public prosecutor and to organise training on the detection and reporting of corruption.

3.2 UNCAC

Being a member state to **UNCAC**, Serbia is currently participating in the Implementation Review Process. In view of this, self-assessment check list was completed in 2012 and submitted to the UNODC for further review by the experts. Subsequently, Serbia hosted a country visit of UNCAC experts/evaluators in order to present its activities aimed at strengthening the implementation of UNCAC provisions. It is expected that the draft report for Serbia will be prepared and sent to the Serbian authorities in the upcoming period.

3.3 European Commission

The European Commission's **Serbia 2012 Progress Report** on the Enlargement Strategy and Main Challenges states and lists the following considerations and concerns:

"Serbia has made little progress in the fight against corruption. Progress was made mainly regarding enforcement of the legislation. [...] Implementation of the legal framework to fight corruption has continued. However, a new Anti-Corruption Strategy and Action Plan are still pending. Stronger political direction, more effective inter-agency coordination and a proactive approach in investigating and prosecuting corruption are needed."

"Legal predictability and enforcement of court decisions remain weak. Corruption and unclear property rights continue to hamper economic activities."

"The High Judicial Council (HJC) and the State Prosecutorial Council (SPC) took over the administration of the budget of courts and prosecution services in March 2012. However, the legal framework still leaves room for undue political influence over the judiciary."

Serbia has made moderate progress in the area of police cooperation and the fight against organized crime, "however, organized crime still remains a serious concern in Serbia. Final convictions remain rare."

The European Commission's **Multi-annual Indicative Planning Document (MIPD)** for 2011-2013 states that "...The reform of the judicial system in Serbia follows a national strategy but the appointment of judges and prosecutors is not fully transparent yet. This puts into question the independence of the judiciary and reform should continue. Shortcomings in the fight against corruption and organized crime persist and the relevant authorities need further strengthening. Corruption is prevalent in many areas of the country and is a serious problem. Public procurement, privatization and public expenditure are particularly affected."...while stating as one of its Sector

Objectives of EU support the “Strengthened capacity of law enforcement bodies and higher final conviction rates in areas such as corruption and organized crime”, finally the MIPD emphasis that “Tangible results and a credible track record in the fight against corruption are important elements for moving forward in the stages of the EU accession process.”

With regard to the functioning of the judiciary, “little progress was made, mostly in enforcing new legislation aimed at improving the efficiency of the judicial system. The review of reappointments of judges and prosecutors did not correct the existing shortcomings and was overturned by the Constitutional Court who ordered the reinstatement of all judges and prosecutors that had appealed their non-reappointment.”

4. BENEFICIARIES AND PARTIES

The main beneficiary is the Ministry of Justice and Public Administration. Other beneficiaries include:

- Ministry of Interior
- Supreme Court of Cassation
- High Judicial Council
- Basic, Higher and Appellate Courts
- Republic Public Prosecutor’s Office
- State Prosecutorial Council
- Judicial Academy
- Academy of Criminalistics and Police studies.

In addition to this, target groups are:

- Administration for prevention of money laundering
- Anti-corruption Council
- Anti-corruption Agency
- State Audit Institution
- Journalists and media

Following parliamentary elections held in May 2012, the new Law on Ministries was adopted and some organizational changes in the functioning of state authorities were introduced. The **Ministry of Justice** was reformed and became **the Ministry of Justice and Public Administration**. One of its important competences is to oversee the procedures, methodology and standards for keeping statistical data in cooperation with the High Judicial Council and the State Prosecutorial Council.

The two independent judicial authorities established in 2008 - **High Judicial Council** and **State Prosecutorial Council** are responsible for defining total number of positions in their sectors as well as for the election, appointment, promotion, dismissal and disciplinary measures concerning judges, prosecutors and deputy prosecutors respectively.

Both Councils should have Disciplinary Prosecutors and Disciplinary Commission. High Judicial Council set up disciplinary authorities in December 2010 while State Prosecutorial Council has not yet done that.

The role of the High Judicial Council and State Prosecutorial Council is significant in respect to the re-appointment procedure for judges and prosecutors that is under way from 2009 and represents one of the most sensitive segments of the reform of the judiciary. In July 2012 the Constitutional Court rendered Decisions on adoption of appeals of 122 unelected prosecutors and deputy prosecutors and 194 unelected judges. The Constitutional Court overturned the decision of the High Judicial Council on rejecting the complainants' objections filed against decisions that their judicial duties ceased. The

same Decision ordered the High Judicial Council to conduct the election of the complainants within 60 days. Therefore, in period September - December 2012, the High Judicial Council adopted four decisions on election of judges that resulted in election of 577 judges.

Article 11 of the Law on Organization of Courts (adopted in 2008) states that the **judicial authority** is vested in courts of general and special jurisdictions. Courts of general jurisdiction are basic courts, high courts, appellate courts and the Supreme Court of Cassation (the highest instance court in Serbia), while courts of special jurisdiction are commercial courts, the Commercial Appellate Court, minor offences Courts, the High Minor Offences Court, and the Administrative Court (became operational in January 2010).

In early 2013 the High Judicial Council underwent certain changes in its composition – including here the change of its President - the National Assembly decided on dismissal of the President of the Supreme Court of Cassation who is also the President of the High Judicial Council. The new acting president was appointed in February 2013.

Particularly important for the efficient functioning of courts in Serbia is the establishment of the **new court network** that is defined by the Law on Seats of Courts and Prosecutor's Offices adopted in 2008 when court units were introduced into the Serbian court system. The review of the court network remains one of the most important steps for the proper functioning of courts and entire judiciary. Major imbalances in the workload of judges persist between courts, particularly between those in Belgrade and other courts.

In 2012 the State Prosecutorial Council rendered the Decisions on election of deputy public prosecutors. The total of 119 deputy public prosecutors were elected and allocated to different public prosecutorial offices.

The organization of the **Prosecution** was also subject to changes following the establishment of the new network system of courts – the reform resulted in setting up of basic, higher and appellate prosecutorial offices. In the Republic of Serbia, there are the Republic Public Prosecutor's Office, 30 District Prosecutor's Offices, 109 Municipal Public Prosecutor's Offices and 4 Appellate Public Prosecutor's Offices. It is important to mention that the anti-corruption regional departments were established in Belgrade, Kragujevac, Niš and Novi Sad as the result of organizational changes aimed at enhancing capacities in combating corruption.

Within the Ministry of Interior – **the Directorate of Police**, three organizational units at different levels are competent for the fight against corruption: the Criminal Investigation Directorate (CID); and within the CID the Service for the Fight against Organised Crime (SFAOC). Within the SFAOC, as a part of the Financial Organised Crime Suppression Department, the Corruption Suppression Section (hereafter CSS) was established in 2005. The Ministry of Interior organizational unit competent for internal oversight of police work is the Internal Affairs Division (IAD), which position and role are defined by the Police Law, adopted in November 2005.

Beside the previously mentioned competences concerning the implementation, coordination and monitoring of the National Anti-corruption Strategy, the **Anti-corruption Agency** is also in charge for keeping the register of property and income of public officials, developing integrity plans guidelines for private and public entities, and carrying out tasks as foreseen by the Law on Financing of Political Activities. In 2012 some changes occurred within the Agency - the previous director of the Agency was dismissed by the Agency's Board and the new director was elected in January 2013.

The **Anti-corruption Council** continued its work as an advisory body of the Government. The Anti-Corruption Council remained focus on raising public awareness on high-profile corruption related criminal cases. The Council noticed that there has been little progress in the investigation and

prosecution of corruption cases, with the number of final convictions remaining low. In December 2012 the Government appointed two new members of the Council.

The **Judicial Academy** was established by the Law in 2009 with the task of providing initial and continuous training for judges and prosecutors. The Academy replaced the former Judicial Training Centre (established by MoJ and the Judges' Association of Serbia with the strong support from Council of Europe) and began operating in 2010 with strong support from the EU. Amendments of 2011 to the Law on Judicial Academy strengthened the merit based approach to recruitments. The Judicial Academy is competent for vocational training and continued professional development of judges, prosecutors and judicial staff.

With the aim to keep the contemporary training requirements and needs, the Government of the Republic of Serbia adopted a decision on 27 July 2006 establishing the **Academy of Criminalistics and Police Studies (ACPS)** as an independent higher education (university-level) establishment, with the aim of implementing academic and professional study curricula at all levels for the purposes of police education, as well as other forms of training and professional improvement which is relevant for criminal investigation police and security professions.

Overall, it seems that the public image of the justice system in Serbia still needs to be improved. This is considered partly as a result of the practices from the period when democracy and good governance were lacking, as well as a consequence of transitional period when reforms undertaken were not always resulting in the establishing of the better and more transparent system. In Serbia, as in many other countries in the region, justice has also been under – justified or unjustified – attacks from the media, partly due to insufficient training of journalists who were not able to understand the rationale of decisions and procedures. At the same time, other factors may have led to the same result. Therefore, in order to increase public trust in the judiciary and raise awareness of the public, the **journalist, media and the investigative journalism** become a very important tool in the process of the prevention of corruption.

5. OTHER CORRUPTION RELATED ONGOING PROJECTS IN SERBIA

Number of different technical assistance projects of relevance for fight against corruption and organized crime are still in their implementation phase or have been recently completed. PACS project is a member of the Informal Donor Group Meeting and its Sub-Group on Anticorruption where initiatives and activities by the key international organisations are discussed with the aim to avoid overlapping and duplications of actions in this field.

Below is the list and short description of the above-referred projects:

IPA 2007 “Improvement of efficiency and transparency of the judiciary system”, (2009 – 2011) with the key objective to shorten the length of court proceedings and to reduce the backlog of cases through the development of a case management system, including document handling and data collection. Also, it was aimed at building institutional capacity to better monitor the efficiency and transparency of the judicial system.

IPA 2008 “Fight against Corruption” (2010 – 2012) the project is aimed at supporting the operational functioning of the Agency for Fight against Corruption with an emphasis on establishing the integrated IT system with software for management of cases and complaints and with a focus on enhanced coordination amongst State bodies in charge for the fight against corruption. Implementing Agency for this project is **Human Dynamics**.

IPA 2010 “Project against Money Laundering and Terrorist Financing in Serbia” (MOLI-Serbia) aimed at improving the prevention and control of money laundering and terrorist financing, and other forms of economic and financial crime in Serbia, in line with European and other international standards. The project is being implemented by the **Council of Europe**.

IPA 2009 CAR: Project on Criminal Assets Recovery in Serbia (2010-2013) – a **Council of Europe** implemented project with the purpose to enhance the institutional capacity and efficient functioning of the Directorate for Management of Seized and Confiscated Assets at the Ministry of Justice and Public Administration, the Financial Investigation Unit of the Ministry of Interior as well as other key institutions involved in the search, seizure, management and confiscation of the proceeds from crime in the Republic of Serbia

IPA REGIONAL PROGRAMME “Fight against organized crime and corruption: Strengthening the Prosecutors’ Network” (2012-2014) - purpose of this project is to enhance the cross-border and international judicial cooperation and to improve the investigation and prosecution of cross-border crime - in particular organized crime and corruption. Implementing Agency for this project is **GIZ**.

“Improvement of Transparency and Efficiency” (Prosecutors and Penal system), (2012 – 2014) – the goal of this project is to contribute to the improvement of the efficiency of the prosecutorial and penal systems by introducing an efficient case management and statistical system.

Programme of Bilateral Assistance – Government of the Kingdom of Netherlands „Criminal Statistic – Specifying the format of databases on crime“. The project aims at improving the quality and usage of statistics in criminal matters in Serbia. The main beneficiaries are the Ministry of Justice and Public Administration and Ministry of Interior.

JRGA “Judicial Reform and Government Accountability” (2011 – 2016) Project is focused on strengthening the rule of law, the independence of the judiciary and the administration of the justice in Serbia, increasing public awareness of reforms in the judicial sector and strengthening the ability of the Serbian government, Independent Agencies and the civil society to prevent and fight corruption. The Project is implemented by the **USA National Center for State Courts**.

NORWEGIAN “Support to Anti – Corruption Agency in Fight against Corruption” (2010-2013) is a project focused on improving the professional knowledge and skills of the staff and interns of the Anti-Corruption Agency.

UNDP “Policy advice to the ACA” the project assisted in strengthening anti-corruption institutions by providing advisory in the process of drafting a new National Anticorruption Strategy.

GIZ “Legal reform” (2011 – 2018) Project will assist the formation of a legal and institutional framework through the implementation of legislation, distribution of the laws and legislative drafting process. Donor for this project is The German Federal Ministry for Economic Cooperation and Development (BMZ).

Organization for Security and Cooperation in Europe (OSCE) contributes to the improvement of Serbian anti-corruption activities, mainly in the process of harmonization of Serbian legislation with international anti-corruption standards and in capacity building process. OSCE puts particular emphasis in strengthening Serbian public procurement procedures.

6. ACTIVITIES IN THE INCEPTION PHASE

During the Inception phase the project managed to set up its team, meet all beneficiaries of the project, hold its first Steering Committee meeting and prepare detailed Workplan of activities.

The first joint meeting with the representatives of the project's beneficiaries was held on 23 January 2012. This meeting confirmed the counterparts' commitment to actively participate in the preparation of the detailed workplan of activities as well as to contribute with their own expertise once activities are carried out. It was agreed that PACS project team would meet all of them once again on bilateral basis and then prepare the draft workplan that would be further discussed and reviewed at the project's Steering Committee and the start up conference.

These bilateral meetings took place in late February and early March 2013 and resulted in preparation and design of the draft workplan of activities. The engagement, interest and involvement of a number of stakeholder institutions has been achieved. The following section of the report will elaborate the delivery of the workplan by the activities outlined. Each is discussed as follows:

- Introduction
- Approach taken
- Anticipated work to be undertaken
- Risk factors
- Tentative timeframe

6.1 Expected Result 1: Strengthened capacities to investigate and adjudicate corruption offences

Activity 1.1 Carry out risk analysis in order to assess regulatory and organisational obstacles to efficient criminal investigations and proceedings and provide recommendations for improvement of internal procedures, coordination between institutions which have jurisdiction on combating corruption (i.e., exchange of information and tools used to provide public information on those risk analysis results).

This Activity will be composed of 4 Actions: development of the Risk Analysis methodology; conducting Risk Analysis and provision of the final risk analysis report and recommendations; organization of one public event to announce and discuss the findings of the Risk Analysis; and publication of Risk Analysis report and its recommendations.

The activity will commence with preparation of the methodology that would subsequently be used by the national and international experts when conducting the analysis. The Risk Analysis process would include various activities such as meetings and interviews with police, prosecutors, judges, lawyers; revision of the legal framework, direct observations of the process, etc. Yet, the methodology, once finalized and approved by the stakeholders will elaborate each step to be undertaken including their tentative schedule. The risk analysis will be carried out by national and international experts, while its recommendations are expected to be implemented by the beneficiary institutions – primarily courts, prosecutor's offices and police. Ministry of Justice and Public Administration, being a key beneficiary of the project is expected to foster the implementation of the recommendation and coordinate inter-agency cooperation during this important exercise. Good synergy with relevant institutions and their full commitment seems essential in avoiding potential risks and obstacles in obtaining necessary data while conducting risk analysis.

Once analysis is completed, the project will hold a public debate with participation of judicial, prosecutorial, law enforcement, public administration, independent state agencies and media

representatives. Further to that, a publication - risk analysis and its recommendations - will be released and disseminated to all interested parties.

Tentative timetable for the implementation of this activity is: April 2013 for action preparation of the risk analysis methodology; September 2013 - February 2014 for action conducting of the risk analysis, May 2014 for organization of the public event to discuss the risk analysis findings and recommendations; and July 2014 for publishing and dissemination of the risk analysis final report and its recommendations.

Activity 1.2

Prepare and provide multidisciplinary trainings and specialized courses to judiciary, prosecutorial services and law enforcement officers on corruption, economic crime cases, accounting and auditing; assist implementation of trainings into the training curricula of relevant institutions

Within the framework of this activity ten actions have been planned:

- one facts finding mission by international experts aimed at gathering inputs for preparing the training curricula;
- creation and meeting(s) of the Working Group composed of national and international experts to discuss training needs;
- finalisation of the curricula;
- preparing of the training manual that would be used for the trainings;
- organisation of two specialised training courses for trainers; and
- four cascade trainings conducted by the new trainers.

Apart from judges, prosecutors and police officers, these activities will involve representatives of other relevant institutions in detecting corruption: State Audit Institution and Administration for Prevention of Money Laundering.

The curricula as well as the training materials/manual will be developed and shared with Judicial Academy and Academy of Criminalistics and Police Studies.

The role and commitment of these academic institutions are considered crucial for sustainability of this activity and usage of its deliverables once project is over.

Tentative timetable for the implementation of this activity is: May 2013 - July 2013 for actions aimed at finalizing the training curricula; September 2013 for finalization of the training manual; February - July 2014 for completion of two specialized trainings and follow up cascade trainings.

Activity 1.3

Introduce new techniques (IT tools and possibly use of data base) and strategic capacities of prosecutorial services to investigate corruption and white collar crime.

Given the complexity of this activity and taking into account that IT system has not yet been set with the prosecutors' offices, the project will aim at identifying potential areas where use of IT tools in investigating the economic and white collar crime could be improved. In view of that an expertise on the existing system and its possible improvements will be provided by the project. The expert's findings will be then discussed with the representatives of the prosecutorial offices. The project will also hold one training event on usage of the IT tools in investigating corruption and white collar crime.

Tentative timetable for the implementation of this activity is: October 2014 for completion of the expertise on the IT system and November 2014 for the organisation of the training.

Activity 1.4

Provide specialized training for undercover agents in charge of cooperating with prosecutorial services and law enforcements aimed at collecting evidence by inter alia use of special investigative means (e.g. controlled deliveries, surveillance).

This activity will introduce new curricula for undercover agents – a special investigative mean that has been used to very limited extent in the Republic of Serbia. In view of that, similar actions will be undertaken as for the Activity 1.2 when it comes to finalization of the curricula: a Working Group composed of national and international experts will be established with the task to finalise the curricula. The undercover agents will then have one in-country training and one study visit in the jurisdictions with similar legal framework and good practice in this field.

Tentative timetable for the implementation of this activity is: February - June 2014.

Activity 1.5

Organize awareness rising and training workshops for journalists and civil servants in view of reporting on corruption cases and their adjudication, as well as investigative journalism; assist implementation of trainings into the training curricula of relevant institutions.

Bearing in mind obvious problems when it comes to media campaigns against individuals, justice system, or political parties allegedly involved in the corruption affairs, the project will design and prepare special training programmes and training materials for civil servants and for journalists on good practices in reporting on corruption cases and investigative journalism. The activity will commence with preparation of the training materials and will be followed by one awareness raising event and three trainings. Last but not least, once trainings are completed, the project will publish the training materials. The modalities/good practice from other joint EU/CoE project 'Criminal Asset Recovery' where trainings for journalists on asset recovery reporting were held, will be applied here and the trainings will be organized in different regions with the aim to provide trainings to local media as well.

Tentative timetable for the implementation of this activity is: February - January 2014 for preparation of the training materials; March – July 2014 for organization of the awareness raising event and three trainings; and October 2014 for publishing of the training materials.

Activity 1.6

Setting up a benchmarking system in measuring progress and level of efficiency of tracking/handling of corruption/economic crime cases in the Serbian judiciary and law enforcement system. The benchmarking system will be carried out throughout the process of implementation of the project and delivered at the end of the project in order to allow all target and beneficiary groups to provide inputs and data in building up the system which is expected to be used by the Serbian authorities as of the end of the project.

Possibly the most challenging activity under Expected Result 1 aims at creating the reliable methodology which would enable Serbian authorities to create statistics that would enable proper follow up of the progress in investigating, prosecuting and adjudicating the corruption and economic crime. The activity will include six different actions and will be implemented throughout entire lifetime of the project:

- a facts finding mission of the team of international experts to assess state of play concerning the current system of statistics;

- provision of a Technical/Policy Advice Paper on setting up the reliable record keeping methodology/statistics on corruption/economic crime cases;
- organisation of a workshop to discuss the proposed record keeping methodology;
- finalisation of the Technical Paper/Policy Advice on setting up the reliable record keeping methodology/statistics on corruption/economic crime cases following the comments and suggestions received from the stakeholders;
- organisation of the second workshop to discuss the implementation of this methodology;
- the publication of the final version of the methodology and its dissemination to all beneficiary institutions and target groups of this activity – Ministry of Justice and Public Administration, High Judicial Council, State Prosecutors Council, Supreme Court of Cassation, other courts and prosecutorial offices, Ministry of Interior, State Audit Institutions, Administration for Prevention of Money Laundering and other interested state entities.

Inputs from all beneficiaries are considered to be essential for success in implementing this activity, as well as their willingness to apply the methodology once it is finalised.

Tentative timetable for the implementation of this activity is: April 2013 for completion of the facts finding mission; June 2013 for provision of the Technical Paper/Policy Advice; September 2013 for organization of the 1st workshop to discuss the Technical paper/Policy Advice; October 2013 for finalization of the Technical Paper/Policy Advice; June 2014 for organization of a second workshop to discuss the implementation of the new methodology; and December 2014 publication of the Technical Paper/Policy Advice.

6.2 Expected Result 2: Strengthened capacities to fight corruption within the justice sector

Activity 2.1

Carry out risk analysis on the current situation with regard to possibilities and actual extent of corruption within the judiciary, prosecution and law enforcement and provide recommendations.

Similarly to Activity 1.1, the Activity 2.1 will involve risk analysis – however, this analysis will focus on corruption prone areas within the judiciary, prosecution and law enforcement. The analysis will also be conducted in line with methodology prepared and will include active participation of beneficiaries and other partners in the project. Upon the preparation of the Risk Analysis report and its recommendations, a public event will be organised in order to discuss the report and recommendations made with a view on how their implementation will be directed. This activity will finally result in the publication of the Risk Analysis and its recommendations that will be circulated to all beneficiary institutions and target groups of this activity. As for the Activity 1.1, the commitment of judicial, prosecutorial and law enforcement structures to anticipate the problems identified are of key concern for successful completion of this activity.

Tentative timetable for the implementation of this activity is: May 2013 for completion of the Risk Analysis methodology; September 2013 - February 2014 for conducting the Risk Analysis; April 2014 for organization of a public event to announce and discuss Risk Analysis findings and recommendations; and July 2014 for publication of the Risk Analysis report and recommendations.

Activity 2.2

Assist with implementing recommendations from risk analysis, especially with regards to introducing ethical rules and with regards to organisational aspects (including selection/appointment procedures in the judiciary).

Following the completion of Risk Analysis (activity 2.1) the project will, together with its counterparts, identify several areas where technical assistance could be provided. Therefore, complete list of

actions within the framework of this activity will be determined once the risk analysis is completed. More than that, the project will provide expert opinion on existing ethical rules and internal rules of procedures in judiciary, as well as expert assistance in revising/amending these rules.

Tentative timetable for the implementation of this activity is: September 2014 - January 2015.

Activity 2.3

Provide legal opinions and advice to the High Judicial Council and State Prosecutorial Council with regard to disciplinary rules and measures against ethical violations from judges and prosecutors when construed as corruptive practices/allegations and assist implementation.

Meetings that the project team held with relevant counterparts (High Judicial Council and State Prosecutorial Council) have proven that the strengthening of the role of the disciplinary prosecutors is one of their key priorities in the area covered by the Activity 2.3. Thus, the project will implement three different actions: provision of the expert opinion on current legal framework that regulates the role and competences of the disciplinary prosecutor; one in-country training for disciplinary prosecutors and one study visit in the jurisdiction with similar legal framework and good practice in this field.

Tentative timetable for the implementation of this activity is: October 2013 for provision of the expert opinion on current legal framework that regulates the role and competences of the disciplinary prosecutor; and September - October 2014 for organization of a training and study visit.

Activity 2.4

Provide training for Judges, Prosecutors and Law Enforcement on aspects of detecting corruption and controlling conflict of interests within the structures; assist implementation of trainings in the framework of the training curricula of relevant institutions.

This activity will include preparation and design of the training curricula for judges, prosecutors and law enforcement in detecting corruption and controlling conflict of interests within their structures. The follow up actions will include specialized training course for trainers. Once this is finalized the new trainers will hold six cascade trainings for their peers in different regions in Serbia.

Training curricula, as well as the training materials will be developed in cooperation with key academic institutions – Judicial Academy and the Academy of Criminalistics and Police Studies.

Tentative timetable for the implementation of this activity is: May – July 2014 for finalization of the training curricula; September 2014 for specialized training course for trainers and from October 2014 – February 2015 for completion of six cascade trainings.

Overall, the workplan intends to draw on national and international expertise to provide assistance on the strategic anti-corruption reforms, provision of risk analyses, benchmarking of progress in suppressing corruption, conducting of specific trainings and revision of legal norms in line with international standards and good practices. In all of these areas the engagement of civil society will be pursued where possible, while the local know how would be strengthened through the engagement of national experts, thus enabling sustainability of project deliverables.

Detail workplan of activities and its calendar are enclosed in Annex 1 to this report.

6.3 First Steering Committee meeting

Steering Committee Membership/Participation

The Steering Committee of PACS project consists of the following institutions that have designated a permanent member to represent their institution during the Project implementation:

- (1) Ministry of Justice and Public Administration
- (2) Ministry of Interior
- (3) Republic Public Prosecutor's Office
- (4) State Prosecutorial Council
- (5) High Judicial Council
- (6) Supreme Court of Cassation
- (7) Academy of Criminalistics and Police Studies
- (8) Judicial Academy
- (9) European Union Delegation
- (10) Council of Europe.

The Steering Committee will also involve other relevant authorities as observers:

- (11) Ministry of Finance and Economy
- (12) Anti-Corruption Council
- (13) Anti-Corruption Agency
- (14) European Integration Office, Government of the Republic of Serbia
- (15) State Audit Institution.

The Steering Committee meetings will also involve other relevant authorities related to project results and activities. It is co-chaired by the main beneficiary institution (Ministry of Justice and Public Administration), European Union Delegation and Council of Europe.

Steering Committee Responsibilities

The Steering Committee of PACS project will take strategic decisions and supervise the proper implementation of the project. During its meetings and deliberations, the SC will address the major problems that might occur during the project implementation. The responsibilities of the Steering Committee are the following:

- a) To monitor the implementation of the project and discussing its achievements;
- b) To approve work plans and progress reports, including the inception and the final one;
- c) To assess emerging issues for sound project implementation and approve the resulting guidelines for the Project Management;
- d) To jointly discuss any critical points, risks or bottlenecks of project implementation and to propose and discuss remedies in case of problems;
- e) To ensure close co-operation among the relevant ministries and institutions;
- f) To closely coordinate with other EU projects related to this field and with other relevant donors' projects to promote synergies and integration;
- g) To approve the necessary departures from the original Terms of Reference or Workplan;
- h) To approve specifications for procurement and procurement plans;
- i) To recommend strategic approach to project-related issues;

Steering Committee Meetings and Calendar

The Steering Committee will be called to meet at the beginning of the project and **at least once every three months** and whenever such a need arises. In addition to the three-monthly SC meetings, representatives of the EU Delegation and the Council of Europe will meet **on monthly basis** to discuss urgent issues to be addressed. The following is the tentative Calendar of Regular SC Meetings in accordance to the Contribution Agreement signed between Council of Europe and the European Union.

Steering Committee Meetings Tentative Schedule
1st Steering Committee
22 March 2013
2nd Steering Committee
June 2013
3rd Steering Committee
September 2013
4th Steering Committee
December 2013
5th Steering Committee
March 2014
6th Steering Committee
June 2014
7th Steering Committee
September 2014
8th Steering Committee
December 2014
9th Steering Committee
March 2015

Summary of the Minutes of the First Steering Committee Meeting

Following the preparation of the draft workplan and calendar of activities, the project held its first Steering Committee meeting on 22 March 2013. The meeting discussed these drafts documents and proposed certain changes to be included. Overall, the members of the Steering Committee supported the presented draft workplan and also agreed on outline of the startup conference that was scheduled to take place in April 2013.

After the introductory remarks and the formal opening of the meeting, the project's expected results and the draft workplan of activities were presented to the members of the Steering committee. Subsequently, the panel discussion was opened and the members of the Steering Committee (SC) were invited to provide their comments and suggestions on draft workplan.

All the participants expressed their positive opinion towards the key goals and proposed activities of the PACS project. Representative of the Ministry of Interior's Criminal Investigation Directorate had useful suggestion with regard to the activities proposed - to include the Analytics Directorate as a key representative of the Ministry of Interior in activities 1.2, 1.3, 1.6.

Furthermore, the comments provided by the EU Delegation prior to the meeting and concerning the timeframe for carrying out the risk assessment under the Expected Result 1 were discussed. EUD suggested revising the timeframe and implementing this activity in period September/December 2013 instead of January/April 2014.

The draft Steering Committee Terms of Reference (ToR) were also presented at the meeting. EUD representative recommended one change in the ToR – namely, it was suggested that the SC meetings should be held every three months instead of every six months as originally foreseen. It was agreed that the SC members would take this suggestion into account and decide before the next SC meeting.

The last issue addressed at the meeting was the content and level of participation at the PACS Start-up Conference. The representatives of the relevant institutions agreed to check the availability of their officials so that the final agreement on the conference date could be reached in week of 25 March 2013.

It was concluded that the next regular meeting of the SC will take place in June 2013. The exact date will be subsequently confirmed.

7. IMPLEMENTATION ARRANGEMENTS

7.1 Setting up of the Project team

During the inception phase, the Council of Europe organised two types of recruitments procedures: one for the selection of the Project Advisor, and other one for selection of the Senior Project Officer and two Project Assistants. Vacancy positions were announced in December 2012 in accordance with the organisations' rules and procedures.

The selection procedures resulted in appointment of Mr Lado Lalicic as a Project Advisor, Ms Milica Djunic as a Senior Project Officer and Ms Biljana Markovic and Ms Marija Arandjelovic as Project Assistance. The project team became fully operational as of 4 March 2013.

The Project Team is based in the Council of Europe Office in Belgrade and also directly reports to the Economic Crime Cooperation Unit and other relevant structures in the Council of Europe Headquarters.

7.2 Reporting

The following reports will be submitted to the EUD and national authorities in Serbia:

All Reports must be approved by the Contracting Authority as stipulated in the applicable General Conditions or superseding provisions.

Below is the table elaborating reporting procedures for PACS project:

Nature/Content	Type	Reporting Period	Recipients
Inception Report	The inception report will contain an update of the AC situation in Serbia, a detailed work plan and the names of the Project Team members. In its elaboration, the Logical Framework Approach shall be followed linking the project objectives to expected results and the activities needed in order to achieve the results. It will contain the proposed detailed composition of the	At the end of the inception phase (after 3 three months) Final version within 2 weeks of the Start-up event.	Submitted to: MoJ EU Delegation Adopted at the Start-up event

English and Serbian Versions	Steering Committee. The inception report will outline the management structure of the project clearly describing the responsibilities of the main players as well as the decision-making process and information flow between the project participants. It will also cover the project activities and progress made in the inception phase. Final version should incorporate any comments of MoJ and members of the Steering Committee.		CC: external monitor
Brief monthly Report English Versions	The report will list in detail the activities undertaken and assess the progress towards achievement of project objectives. This update will stress particularly the achievement of results. 2 pages maximum.	To be submitted by the 5 th day of every upcoming month	Submitted to: MoJ EU Delegation CC: external monitor
Annual Progress Reports English Versions	These reports will list more in detail the activities undertaken and assess the progress toward achievement of project objectives. The update will stress particularly the achievement of results and identify also potential risks during the forehead implementation period. Update of the country situation will also be included, supported by case statistics.	To be submitted every 12 months not later than 30 days after the end of the reporting period in English. Accompanying further pre-financing payment request when and as foreseen under the Special Conditions. The first report will cover the quarter starting after the period covered by the inception report. Serbian version 6 weeks after the adoption of the English text.	Submitted to: MoJ EU Delegation Approved by the Steering Committee CC: external monitor
Final Report (Narrative and Financial) English and Serbian Versions	The final report should follow the inception report format and include an in-depth assessment of project implementation results and the level of achievement of the objectives. The final report will be complemented by an evaluation of the impact of the project aimed at identifying the impact and the achievements of the project at the end of it. The Final Report and the Evaluation Report will contain lesson learnt and recommendations to be followed up by the beneficiary. The report will be finalised after incorporation of any	Not later than 6 months after the end of the project implementation period and accompanying final payment request	Submitted to: MoJ EU Delegation Outline approved by the Closing Conference CC: external monitor

	comments from the MoJ and members of the Steering Committee.		
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Monthly reports will be considered approved and final if within 15 days of their submission to each party when there have been no comments or objections/recommendations for changes. Inception, Progress and Final reports will be considered accepted and final if no comments are received within 30 days of their submission to the EUD and within 15 days of their submission to the Steering Committee.

Financial reports shall be produced whenever payment is requested from the contracting authority and at the end of the project. Their structure shall be the same as that of the budget.

7.3 Evaluation

The contracting authority will monitor the project according to standard EU procedures. Project monitoring and evaluation will be based on periodic assessment of progress on delivery of specified project results and towards achievement of project objectives.

In addition, as part of standard Council of Europe implementation procedures, the project activities will be monitored and evaluated at several levels, as described above. In particular:

at the political level: the project activities will be monitored within the framework of Council of Europe's usual monitoring procedures concerning the implementation of commitments entered into at the moment of accession. In particular, the Programme will draw on the monitoring procedures of the Parliamentary Assembly of the Council of Europe, the Committee of Ministers;

at policy level: the project activities will be monitored by the Project Steering Committee and by the Result Oriented Monitoring (ROM) commissioned by EUD in Belgrade;

at technical level: the Council of Europe will commission an external evaluation of the project three months prior to its scheduled end. The evaluators will be selected in consultation with the EU Delegation. The external evaluation will provide an assessment of the overall project progress from its start until the end against the objectives and indicators of achievement, as well as its overall impact, by addressing i. a. the following points:

- Results and impact produced;
- Efficiency/effectiveness of implementation;
- Assumptions/influence of external factors;
- Sustainability potential;
- Relationship with other projects/donor actions;
- Conclusions and implications for future projects.

7.4 Visibility

In accordance with the EU Visibility Guidelines⁶ the Project ensures the visibility of EU's contribution at all stages of its activities. The EU logo and disclaimer that actions are carried out "with funding from the European Union" are appropriately displayed and acknowledged during the activities, on printing materials and information sharing occasions.

At the separate section of the Council of Europe Economic Crime Cooperation Unit website (www.coe.int/corruption) there is the segment exclusively dedicated to the PACS project (www.coe.int/pacs). News, upcoming events, relevant project deliverables (e.g. project workplan, expert opinions, policy advice papers, publications, etc.) and other links of relevance to the project are

⁶ They are contained also in the "Communication and Visibility Manual for EU External Action", available at the EU website

available through this web site. Moreover, the project has its own web-page as a part of the web site of the Council of Europe Office in Belgrade (<http://www.coe.org.rs>).

Project developed its visibility strategy that further elaborates the actions and tools aimed at increasing its visibility. The visibility strategy is enclosed in Annex 3 to this report.

7.5. Assumptions and risks

Assumptions

It is assumed that Project stakeholders, and in particular the key institutions of Serbia are committed to the achievement of this Project's results, willing and able to enhance co-operation and co-ordination with each other. The political risk involved in this project is not considered to be high at the time of reporting. However, it is advised to keep track of three risks previously identified in the project's Description of Action.

Risks

Lack of political support

Proposed response: This risk is relatively high in the light of previous experience; however since the beginning of the project strong political support has been demonstrated by the Serbian institutions. This was confirmed at the PACS Start-up conference through the key note speech delivered by the Serbian Deputy Prime Minister in presence of the European Commissioner for Enlargement and European Neighbourhood Policies and the Council of Europe officials.

Even if this risk occurs, it should not have significant impact on the achievements of the expected results. Adoption of certain legislation or rules by the Parliament or Government cannot be influenced by the project management and indeed does not require any technical assistance. Moreover, Expected Results 1 and 2 will mainly focus on existing legislation and bylaws. Solid legislative grounds for the operation against corruption and economic crime system have been already created. However, particularly important is the adoption of the new National Anti-corruption Strategy and its Action Plan which is expected to define many actions that shall be compatible, if not fully similar, with the activities of the PACS project – this mostly refers to the different training programmes foreseen by the project's workplan. In view of that, PACS is expected to directly assist the implementation of the new Strategy and its Action Plan.

Lack of political stability

Proposed response: This risk is also relatively high in the light of previous experience; however it is not likely to influence the results. If it materialises it may delay certain processes within the project or make its work more difficult but within the scope of flexibility built in the project and through ensuring professional management the project team shall be able to cope with any negative influence. The project addressing one of the policy priorities such as fighting corruption in the country and thus enhancing its way to European integration guarantees that any adverse effects would only be of temporary and manageable nature.

Lack of co-ordination and of co-operative approach by stakeholders

Proposed response: Experience from previous projects allows perceiving this risk as moderate and unlikely to prevent the project from achieving its results. Co-operation of stakeholders under other projects in the area of economic crime (such as PACO Serbia, CAR and MOLI Serbia) has been very good. The good practice of such cooperation was confirmed during the project's first Steering Committee meeting when all beneficiaries have appointed, without any delays, their permanent representatives to this decision making body.

However, the problems could still arise with regard to the absorption capacities of the main beneficiaries. As noted, in recent years as well as during the implementation period of the PACS project, a number of anti-corruption technical assistance programmes have been in place. Although the overlapping of the actions are happening only occasionally, the experience shows that institutions involved usually appoint the same representatives to attend almost all international projects' activities. This brings another risk which is mainly reflected in the limited outreach of the project activities.

Overall, this risk may negatively impact and possibly jeopardise the ownership of the project's results. Bearing this in mind, PACS project will aim at organising its activities in a way which would ensure proper participation of the beneficiaries' representatives – this includes the activities that will require the participation of those based in Belgrade as well of those from the different regions in Serbia.

7.6. Sustainability

One of the main themes addressed during the inception phase was to ensure that the project remains focussed on local perceptions of needs and ways of addressing them. While the project allows for the collection and collation of international good practice, the intention is to work toward devising and developing the local expertise.

Given that most of the training will be provided to national and local audiences, the project is highly geared to using local short term experts to devise and develop relevant training material thus ensuring that the balance of the project focus and input will reflect local needs.

7.7. Gender equality

Women are represented in national and local public administration and judiciary. However, the project will take measures to ensure that its activities and outputs will meet the needs of both women and men. Each project activity will aim at ensuring the equal participation of men and women. In view of that proper reporting will be prepared on exact percentage of women participation in each activity.

8. CONCLUSIONS

Following the completion the detailed and timetabled Workplan of activities and setting up of the project team, the inception phase of the project is considered closed. The project has the express support of the main beneficiaries thus the implementation of the activities is expected to be smooth.

The first activities of the project are now underway. These are primarily concerned with initial preparation of the risk analysis methodology and analysis of the current system of statistics on investigation, prosecution and adjudication of the corruption/economic crime cases.

9. ANNEXES

Annex 1 – Draft Workplan and Calendar of Activities

Annex 2 – Statistics on investigation, prosecution and adjudication of the corruption related offences in Serbia for 2011 and 2012

Annex 3 – Visibility Strategy of the Project

2588 - Strengthening the Capacities of Law Enforcement and judiciary in the Fight against Corruption in Serbia (PACS)

				2013												2014												2015						
Overall objective	Objectively Verifiable indicators OVI(s)	Sources of verification	Total cost																															
To contribute to democracy and the rule of law through the implementation of institutional reforms aimed at preventing and combating corruption.	* Clear contribution of introduced systems to decrease the level of corruption through strengthened capacities to fight corruption; * Progress in Serbia’s compliance with European anti-corruption standards recorded in comparison with the initial phase.	* EU Annual Progress Report; * GRECO reports; * Official statistics of key institutions; * Country reports/surveys on corruption show improvement of situation.					1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4
Project Purpose	Objectively Verifiable indicators OVI(s)	Sources of verification	Assumptions																															
To strengthen the capacities of law enforcement agencies and judiciary to detect, investigate, prosecute and adjudicate corruption cases.	* Increased number of corruption related cases reported, investigated, prosecuted and adjudicated (pending the adoption of standardised reporting methodology, both basic counting units – cases and suspects to be used), taking into consideration seriousness (all levels of corruption) and diversity (different sectors and fields) ; * At least 50% of recommendations from risk analysis implemented (i.e., out of those identified, the number of those prioritised and addressed) and extent to which they are implemented (e.g., full compliance, partial compliance, non-compliance); * Capacity of AC stakeholders increased through high quality custom made trainings; * Track record on typology and related number of cases in different stages of criminal procedure.	* Project progress and activity reports; * GRECO reports; * Official statistics of key institutions.	* Political will to prevent corruption continues to exist; * Political will exists in all beneficiary institutions.	1.183.748,06 €																														
Expected Result No. 1	Objectively Verifiable indicators OVI(s)	Sources of verification	Assumptions	Benchmarks	Cost																													
Strengthened capacities to investigate and adjudicate corruption offences	* Minimum 50% of recommendations from risk analysis implemented and the extent to which they are implemented specified (full compliance, partial compliance, non-compliance);	* Monthly/progress reports;	* Political will to prevent corruption continues to exist;																															
	* At least five legislative and institutional obstacles to efficient detection, investigation, prosecution and adjudication of corruption offenses identified and addressed;	* Project deliverables (technical papers);	* Political will exists in all beneficiary institutions.																															
	* Improved methodology and quality of statistical data;	* Government / ministry policy decisions;																																
	* Increased number (compared to baseline) of reported, investigated, prosecuted and adjudicated cases (pending the adoption of standardised reporting methodology, both basic counting units - cases and suspects to be used), taking into consideration seriousness (all levels of corruption) and diversity (sectors and fields) subsequent identification of main bottlenecks in the system;	* GRECO reports;																																
	* Increased capacity of trainees due to implemented trainings, minimum 15 trainings and 10% of all beneficiaries trained;																																	
	* Sufficient number of trainees available for identified needs, roughly estimated at 30 amongst different beneficiaries;																																	
	* Judges, prosecutors and police officers and long-term training plan in place;																																	
	* Benchmarking system available at the end of the project.																																	
	Activities	Inputs/Actions	Deliverables	Beneficiary Institutions	Target groups	Means	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4
Activity 1.1 Carry out risk analysis in order to asses regulatory and organisational obstacles to efficient criminal investigations and proceedings and provide recommendations for improvement of internal procedures, coordination between institutions which have jurisdiction on combating corruption (i.e., exchange of information and tools used to provide public information on those risk analysis results).	1.1.1	Development of the Risk Analysis methodology	Technical Paper/Risk Analysis Methodology	MoJPA, Mol, HJC, SPC, SCC, RPPO, courts, prosecutor's offices, ACA	judiciary, prosecution, law enforcement, public	* 5 days of international STC																												
	1.1.2	Conducting Risk Analysis and provision of the final report and recommendations	Technical Paper/Risk Analysis Report and Recommendations	MoJPA, Mol, HJC, SPC, SCC, RPPO, courts, prosecutor's offices, ACA	judiciary, prosecution, law enforcement, public	* 15 days of international STC * 10 days of national STC * cost of research																												
	1.1.3	Public event to announce and discouss the Risk Analysis final report and recommendations	Public Event	MoJPA, Mol, HJC, SPC, SCC, RPPO, courts, prosecutor's offices, ACA	judiciary, prosecution, law enforcement, public, journalists, media	* 2 days international STC * 3 day national STC * cost of visibility event																												
	1.1.4	Publication of Risk Analysis final report and recommendations	One Publication	MoJPA, Mol, HJC, SPC, SCC, RPPO, courts, prosecutor's offices, ACA	judiciary, prosecution, law enforcement, public, journalists	* cost of 1 publication																												
Activities	Inputs/Actions	Deliverables	Beneficiary Institutions	Target groups	Means	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	
Activity 1.2 Prepare and provide multidisciplinary training and specialized courses to judiciary, prosecutorial services and law enforcement officers on corruption, economic crime cases, accounting and auditing; assist implementation of training into the training curricula of relevant institutions.	1.2.1	One fact finding mission of international experts aimed at gathering input for preparing training curricula	Technical Paper/Assessment Report	Mol, HJC, SPC, SCC, RPPO, courts, prosecutor's offices, JA, MoJPA, ACPS, SAI, ACA, ACC, APML	judiciary, prosecution, law enforcement, public administration	* 5 days of international STC																												
	1.2.2	Creation and meeting of the Working Group composed of international and national experts to discuss training needs	List of WG members; WG meeting report	Mol, HJC, SPC, SCC, RPPO, courts, prosecutor's offices, JA, MoJPA, ACPS, SAI, ACA, ACC, APML	judiciary, prosecution, law enforcement, public administration	* 2 days of international STC * 2 days of national STC																												

[illegible]

conflict of interests within the structures; assist implementation of training in the framework of the training curricula of relevant institutions.

[illegible]

ACA - Anti-corruption Agency
ACC - Anti-corruption Council
ACPS - Academy of Criminalistics and Police Studies
AJUS - Association of Independent Journalists of Serbia
APML - Administration for Prevention of Money Laundering
CoE - Council of Europe
EUD - European Union Delegation
GRECO - Council of Europe Group of States against Corruption
HJC - High Judicial Council
JA - Judicial Academy
MoJPA - Ministry of Justice and Public Administration
Mol - Ministry of Interior
RSO - Republic Statistical Office
RPPD - Republic Public Prosecutorial Office
SCC - Supreme Court of Cassation
SAI - State Audit Institution
SPC - State Prosecutorial Council

SUMMARY TABLE OF CRIMINAL ACTS AGAINST THE ECONOMY AND OFFICIAL DUTIES KCT-3

covering period from 01.01.2011. to 31.12.2011.

Article of the Criminal Code	Criminal charge								Submitters of criminal charges						Investigation		
	unsolved from the previous period	newly admitted	rejected	from that (columno 4) in accordance with art 18 CC	motion to indict	indictment	unsolved charges in Public Prosecution		police	other state bodies	injured party	initiative of Public Prosecutor	others	Total	unsolved from the previous period	requested in the reporting period	suspended
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
I. Criminal offences against economy - Chapter 22																	
Counterfeiting Money	58	153	20		37	1	2	32	147	3	2	1		153	87	90	15
Forgery and Misuse of Credit Cards	38	186	8		14	13	3	25	153	17	16		2	186	120	138	17
Issuing of Uncovered Checks and Use of Uncovered Credit Cards	579	732	182		117	8	65	613	341	34	293	9	37	732	343	183	20
Tax Evasion	1560	2338	176		631	13	96	1753	664	1667	9	5	5	2338	1871	843	88
Money laundering	3	44	1					6	44					44	12	34	1
Illegal Trade	168	298	39		168		9	189	296	11	2	2		298	34	4	8
Other Criminal offences against economy	966	1702	460	1	467	10	53	1225	1065	197	351	19	16	1702	570	187	64
Total under I	3372	5453	886	1	1434	45	228	3843	2710	1929	673	36	60	5453	3037	1479	213
II. Criminal offences against official duty - Chapter 33																	
Abuse of office	2980	4667	1381	1	626	42	174	3146	3230	519	743	42	192	4667	2867	1454	213
Abuse of law by the judge, public prosecutor and deputy public prosecutor	258	1217	1050		6	3	31	213	43	7	1056		121	1217	11	2	
Embezzlement	1133	639	576	1	162	14	28	769	441	57	130	10	13	639	279	152	25
Acceoting bribe	24	106	19			2	2	24	81	2	15		8	106	56	75	11
Giving bribe	29	159	9		91	3		50	134	10	8	4	4	159	50	24	10
Trading in influence art 366 CC	3	35	3		7			10	29	2	3	1		35		15	
Other Criminal offences against offical duties	213	296	151		75	3	7	197	183	27	68	8	21	296	96	18	9
Total under II	4640	7119	3189	2	967	67	242	4409	4141	624	2023	65	359	7119	3359	1740	268
Total : I + II	8012	12572	4075	3	2401	112	470	8252	6851	2553	2696	101	419	12572	6396	3219	481

											Virst instance verdicts											
		accused persons after investigation	Indictement				number of defendants against who the first instance verdict was not rendered	Criminal act committed		Convictions										Suspension of proceedings after the indictment	liberating	rejective
cessation	uncompleted at the end of the reporting period		relation of the defendant to the injured party					in the reporting period	previously	jail	fine	community service	revocation of driver's licence	Caution		security measure	exempt from sanction	Total	Fine imposed as accessory to the main sanction			
			official person	responsible person	external persons	total (22-24)								probation	judicial admonition							
18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40
1	79	73	28	11	53	92	179	52	39	37	16			54		1		108	18	7	16	3
2	177	56	13	10	52	75	110	25	39	27	2			53		1		83	11	2		2
10	353	117	10	36	134	180	414	66	85	21	31	1		99				152	5	17	15	21
26	2096	403	198	678	171	1047	1435	396	472	88	25	2		335		1	1	452	194	96	113	61
	40	3		2	1	3	3	1	1	1								1				
	17	7		31	103	134	230	80	61	10	29	3		83				125	1	23	21	3
10	481	166	78	397	195	643	947	245	325	60	24			322	1		1	408	103	95	101	61
49	3243	825	327	1165	709	2174	3318	865	1022	244	127	6		946	1	3	2	1329	332	240	266	151
36	2801	1010	548	1012	118	1678	2667	495	1277	235	12			449			6	702	8	104	222	84
	10	1	2	6	2	10	11	35	55					1				1		2		
3	279	112	86	147	55	288	430	71	130	37	1			161		1	2	202	1	21	33	9
	27	87	65	20	4	89	141	38	23	37	2			7				46	1	2	8	1
2	30	32	6	5	115	126	82	42	72	7				19			1	27	8			
	7	5	5	5	2	12	8	7		2				1				3				
1	84	13	28	36	27	91	264	40	38	4	4			47				55	2	27	17	17
42	3238	1260	740	1231	323	2294	3603	728	1595	322	19			685		1	9	1036	20	156	280	111
91	6481	2085	1067	2396	1032	4468	6921	1593	2617	566	146	6		1631	1	4	11	2365	352	396	546	262

Security measures			Confiscation of proceeds	Appeal of the Public Prosecutor					custody over 3 days	charges solved in another manner	Investigations solved in another manner	Charges assigned to the jurisdiction of another prosecution	Charges assigned to the jurisdiction of another prosecution
ban on practising particular profession, activity or duty	Confiscation of objects	Confiscation of proceeds		total vested	to the sentence	accepted	to the sentence (column 47)	refused					
41	42	43	44	45	46	47	48	49	50	51	52	53	54
	29		2	46	25	3	4	15	31	29	9		
	10	5	1	16	15	5	6	6	12	23	6	1	
			5	33	16	14	5	9	1	143	26	1	
14	3	1	5	209	111	37	16	55	5	386	101	9	
				1	1				9	6	2	1	
	25		2	36	6	6	2	15	15	57	6	2	
10	99		15	200	109	34	36	47	47	266	36	12	
24	166	6	30	541	283	99	69	147	120	910	186	26	
14	4	20	22	554	275	92	52	129	214	824	261	62	
										170	2	99	
4	3	1	6	77	30	22	10	14	15	71	12	128	
1	4	6	3	65	33	9	5	17	37	8	6	10	
	5			19	18			6	22	11		1	
						1		3	4	3	3		
2			2	34	13	4	3	6	4	58	7	4	
21	16	27	33	749	369	128	70	175	296	1145	291	304	
45	182	33	63	1290	652	227	139	322	416	2055	477	330	

SUMMARY TABLE OF CRIMINAL ACTS AGAINST THE ECONOMY AND OFFICIAL DUTIES

covering period from 01.01.2012. to 31.12.2012.

Article of the Criminal Code	Criminal charge								Submitters of criminal charges						Investigation						Indictement				number of defendants against who the first instance verdict was not rendered	Criminal act committed			
	unsolved from the previous period	newly admitted	rejected	from that (columnno 4) in accordance with art 18 CC	motion to indict	indictment	unsolved charges in Public Prosecution		unsolved charges in other bodies	police	other state bodies	injured party	initiative of Public Prosecutor	others	Total	unsolved from the previous period	requested in the reporting period	suspended	cessation		uncompleted at the end of the reporting period	accused persons after investigation	relation of the defendant to the injured party				in the reporting period	previously	
																							official person	responsible person		external persons			total (22-24)
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28		
I. Criminal offences against economy - Chapter 22																													
Counterfeiting Money - article 223	35	191	16		29	1	8	47	162	13	5	3	8	191	79	104	12		100	69	5	17	77	99	226	105	36		
Forgery and Misuse of Credit Cards - article 225	40	156	5		5	21	1	31	141	13	1		1	156	159	108	7	5	143	101	10	29	88	127	214	61	77		
Issuing of Uncovered Checks and Use of Uncovered Credit Cards - article 228	643	439	201	1	124	4	45	432	159	21	229	13	17	439	362	151	60	23	296	125	24	34	195	253	438	171	199		
Tax Evasion - article 229	1827	2101	370		687	34	111	1611	841	1186	35	16	23	2101	1933	820	105	30	1712	643	147	892	325	1364	1675	620	1079		
Smuggling - article 230	83	163	45		88	4	3	76	155	8				163	22	9	3		14	13	1	1	103	105	122	111	31		
Money laundering - article 231	6	48	4					1	44	1	2		1	48	37	41			39	20		3	17	20	21	31	14		
Causing Bankruptcy - article 235	5	44	8		3		1	25	18	1	22		3	44	1		1					3		3	16	11	6		
Abuse of Authority in Economy - article 238	666	984	298		209	13	17	741	568	98	259	28	31	984	231	165	32	9	249	81	26	202	75	303	541	327	300		
Illegal Production - article 242	3	12	1		7			5	12					12		1			1		1		6	7	18	3	5		
Illegal Trade - article 243	195	389	52		273	2	4	193	262	13	91	11	12	389	25	13	1		18	19	107	12	175	294	253	141	74		
Other Criminal offences against economy - Chapter 22	536	492	194		141	5	16	519	270	123	65	10	24	492	238	64	25	2	153	88	53	126	55	234	553	210	170		
Total under I	4039	5019	1194	1	1566	84	206	3681	2632	1477	709	81	120	5019	3087	1476	246	69	2725	1159	374	1319	1116	2809	4077	1791	1991		
II. Criminal offences against official duty - Chapter 33																													
Abuse of office - article 359	3287	4222	1338	1	800	71	98	3127	2867	421	695	60	179	4222	2769	1365	249	44	2569	1060	880	1018	113	2011	3213	1155	1326		
Abuse of law by the judge, public prosecutor and deputy public prosecutor - article 360	250	1159	1069				29	187	4	2	981		172	1159	20	1			8	9	9			9	6	128	47		
Embezzlement - article 364	806	694	300		224	8	8	591	451	90	98	19	36	694	273	230	32	3	331	110	126	155	61	342	639	215	257		
Trading in influence - article 366	6	37	5		4	6		14	27	2	5		3	37	1	5			4	2	4	3	5	12	18	9	16		
Acceoting bribe - article 367	27	128	43			3	3	19	78	6	19	1	24	128	21	78	2	2	29	63	43	20	3	66	126	31	23		
Giving bribe - article 368	51	106	15		19	16		34	81	6			19	106	14	57	16	1	16	37	4	4	65	153	92	35	27		
Other Criminal offences against official duty - Chapter 33	179	354	126		68	3	10	256	219	21	65	19	30	354	127	29	25	1	98	31	48	26	28	102	266	108	50		
Total under II	4606	6700	2896	1	1115	107	148	4228	3727	548	1863	99	463	6700	3225	1765	324	51	3055	1312	1091	1169	274	2534	4360	1681	1747		
Total : I + II	8645	11719	4090	2	2681	191	354	7909	6359	2025	2572	180	583	11719	6312	3241	570	120	5780	2471	1465	2488	1390	5343	8437	3472	3738		

First instance verdicts																									
Convictions										Suspension of proceedings after the indictment	liberating	rejective	Security measures				Appeal of the Public Prosecutor					custody over 3 days	charges solved in another manner	Investigations solved in another manner	Charges assigned to the jurisdiction of another prosecution
jail	fine	community service	revocation of driver's licence	Caution		security measure	exempt from sanction	Total	Fine imposed as accessory to the main sanction				ban on practising particular profession, activity or duty	Confiscation of objects	Confiscation of proceeds	Confiscation of proceeds	total vested	to the sentence	accepted	to the sentence (column 47)	refused				
29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54
53	13			26		1	2	95	18	20	15	6	2	30	1	2	40	23	11	5	16	23	21	2	6
41	7			53		3		104	29	5	3	2		4	1		37	18	5	2	11	12	25	11	7
42	11			120			1	174	1	42	18	6			23		41	9	19	8	16	5	125	9	4
64	29	1		242		6		342	207	147	175	93	17	9	8	3	241	102	60	21	91	19	295	263	18
10	4			71				85	59	54	23	36		58		2	43	9	9	2	19	19	21	1	22
2								2	1		1			1		1					1	21	8	19	7
2				2				4		1		2					8		3	1	2		12		8
17	2			110				129	5	44	68	18	2		15	6	78	27	11	5	31	14	207	25	15
	3			5				8		1				1			5	3			2	1	1		
5	34	1		69				109	8	16	27	110		22	2	5	51	18	6	4	12	11	47		10
19	6	1		114	1			141	29	33	52	15	18	7	2	2	71	19	9	2	28		89	34	1
255	109	3		812	1	10	3	1193	357	363	382	288	39	132	52	21	615	228	133	50	229	125	853	364	106
271	30			506	1	1	21	830	23	187	329	109	17	1	42	85	728	279	147	58	205	198	710	212	77
4				2				6		1	1	3					8		1		4	1	123	4	
54	1			222			1	278	3	25	43	28	5	5	19	4	112	60	18	10	51	15	139	27	10
5				7				12		1		1		1	2		4	1	2			1	9		1
42	1			7			1	51		5	3	7	4	2	8	5	55	44	10	8	21	41	9	3	3
10				25		1		36		4	8	18		2	1		18	10	3	2	7	11	16	1	2
7	3			39				49	1	14	20	8	1	1	1	1	33	6	9	5	3	1	41	1	1
393	35			808	1	2	23	1262	27	237	404	174	27	12	73	95	958	400	190	83	291	268	1047	248	94
648	144	3		1620	2	12	26	2455	384	600	786	462	66	144	125	116	1573	628	323	133	520	393	1900	612	200

Visibility Strategy

Project on strengthening the capacities of law enforcement and judiciary in the fight against corruption in Serbia (PACS-Serbia)

I. Project Name

The project name title is “Project on strengthening the capacities of law enforcement and judiciary in the fight against corruption in Serbia”.

The joint Council of Europe – European Union project is funded by EU (89.29%), Council of Europe (10.71%) as stipulated in the European Union Contribution Agreement with an International Organisation – CRIS NO 2012/302-053.

The project aims at contributing to democracy and the rule of law through the implementation of institutional reforms aimed at preventing and combating corruption. The purpose of the project is to strengthen the capacities of law enforcement agencies and judiciary to detect, investigate, prosecute and adjudicate corruption cases, as well as to strengthen capacities to fight corruption within the justice sector.

II. Project Communications

Beneficiaries

The main beneficiary of the project on the Serbian side is:

- Ministry of Justice and Public Administration.

Other project's partners include:

- Ministry of Interior
- Supreme Court of Cassation
- High Judicial Council
- Basic, Higher and Appellate Courts
- Republic Public Prosecutorial Office
- State Prosecutorial Council
- Judicial Academy
- Academy of Criminalistics and Police studies.

Communication materials

The program materials and communications are used to explain and promote the project to the beneficiary country, namely to the beneficiaries and citizens in general. These communications include (but are not limited to) the following:

- ⇒ publications;
- ⇒ reports;
- ⇒ research results,
- ⇒ studies,
- ⇒ evaluations,
- ⇒ brochures,
- ⇒ leaflets,
- ⇒ informational and promotional materials (e.g. stationeries used during different project events);

- ⇒ posters;
- ⇒ banners;
- ⇒ advertisements/announcements (non-administrative) about program events/activities;

At the separate section of the Council of Europe Economic Crime website (www.coe.int/corruption) there is the segment exclusively dedicated to the PACS project. News, upcoming events, relevant project deliverables (e.g. project description, project workplan, activities, expert opinions, policy advice papers) and other links of relevance to anti-corruption (www.coe.int/pacs) are available through this web site. The cover page of PACS website is attached in Annex 1 to this strategy.

Project message

The main project message is to support and facilitate the efforts of Serbian counterparts in strengthening judiciary and law enforcement for conducting criminal investigation and proceedings in corruption cases and for suppressing corruption within the justice sector.

III. Project Publicity

The project is announced and promoted publicly to beneficiary country citizens.

Prior to any event that is considered to be an event with participation of high level representatives, the main project partners (EUD, CoE and Ministry of Justice and Public Administration) have to agree on the content of the press release/media advisory or any public notification note related to the activity.

The official project documents shall be published in accordance with the format foreseen by the Visibility Guide for European Union / Council of Europe Joint Programmes' visual identity. This concerns press releases/media advisories; technical papers; agendas for conferences/seminars/trainings, publications and other project deliverables. With reference to this, please see Annex 2.

IV. Acknowledgements

The Ministry of Justice and Public Administration is the main project partner from the Serbian side. Thus their logo can be inserted in the official format of the project document according to the Visibility Guide mentioned above.

For certain activities, partnership with some other institutions (as listed under 'other beneficiaries') are part of the project workplan. In each of these activities, agencies logos can also be inserted in the document according to the same Visibility Guide.


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Action against economic crime



Funded
by the European Union
and the Council of Europe



Implemented
by the Council of Europe

PACS-Serbia - Strengthening the capacities of law enforcement and judiciary in the fight against corruption in Serbia

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[Ministry of Justice of Serbia](#)
[EU Delegation to Serbia](#)
[CoE Office, Belgrade, Serbia](#)

[PACS-Project](#)

NEWS...

Coming up soon:

Start-up conference
(Belgrade, Serbia 26 April 2013)

Strengthening the capacities of the judiciary and law enforcement agencies in Serbia in fighting corruption and other topical issues will be addressed at the start up conference of the PACS project. The keynote speeches will be delivered by Mr Aleksandar Vučić, First Deputy Prime Minister, H.E. Mr Vincent Degert, Ambassador of the European Union Delegation in Serbia, Ms Antje Rothmund, Head of the Council of Europe Office in Belgrade, and Mr Janko Lazarević, Deputy President of the Supreme Court of Cassation. The Conference will be held on 26 April 2013, in hotel *Metropol Palace* in Belgrade.