

Funded
by the European Union
and the Council of Europe



COUNCIL OF EUROPE



Implemented
by the Council of Europe

Joint European Union – Council of Europe Project

“Strengthening the Capacities of Law Enforcement and Judiciary in the Fight against Corruption in Serbia” (PACS)

www.coe.int/pacs

Second Progress Report

ECCU-PACS SERBIA-eng-TP16-2014

Project title	“Strengthening the Capacities of Law Enforcement and Judiciary in the Fight against Corruption in Serbia” (PACS)
Reference number	IPA 2011 – CRIS No. 2012/302-053
Project starting date	15 December 2012
Project duration	15 December – 15 April 2015 (28 months)
Implementation	Economic Crime and Cooperation Unit, Action against Crime Department – DGI, Council of Europe
Project budget	1,183,748.06 Euros
Date of report	10 February 2015
Reporting period	15 December 2013 – 31 December 2014

Table of Contents

ABBREVIATIONS	3
1. DESCRIPTION	4
1.1 Contact person	4
1.2 Name of Partners in the Action	4
1.3 Title of the Action	4
1.4 Contract number	4
1.5 Start Date and End Date of the Reporting Period	4
1.6 Target country: Republic of Serbia	4
1.7 Project Beneficiaries	4
1.8 Project Objective, Purpose and Expected Results	4
2. EXECUTIVE SUMMARY	6
3. CURRENT STATUS: COUNTRY SITUATION AND INTERNATIONAL POLICY CONCERNS	7
3.1 Country situation/Anti-corruption policy	8
4. 15 DECEMBER 2013 - 15 DECEMBER 2014: ACTIVITIES AND INDICATORS FULFILLMENT	13
4.1 Implemented activities	13
4.2 Indicator fulfilment	23
5. COOPERATION WITH OTHER STAKEHOLDERS	26
5.1 Counterparts and beneficiaries	26
5.2 Third parties	26
6. EVALUATION AND MONITORING	27
7. PROJECT ACHIEVEMENTS, CONCLUSIONS AND RISKS	28
7.1 Achievements	28
7.2 Conclusions	29
7.3 Risks	29
8. VISIBILITY	30
9. LIST OF ANNEXES	31

<p>For any additional information please contact: Economic Crime and Cooperation Unit Action against Crime Department Directorate General I, Council of Europe Tel: +381 11 71 555 12; Email: lado.lalicic@coe.int; maia.mamulashvili@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>
--	---

ABBREVIATIONS

ACPS - Academy of Criminalistics and Police Studies

CoE - Council of Europe

CPC – Criminal Procedure Code

CPI – Transparency International Corruption Perception Index

GIZ - Deutsche Gesellschaft für Internationale Zusammenarbeit (German Agency for International Cooperation)

ECtHR – European Court of Human Rights

EUD - European Union Delegation

GRECO - Council of Europe Group of States against Corruption

HJC - High Judicial Council

JA - Judicial Academy

MoJ - Ministry of Justice

MoI - Ministry of Interior

OSCE - Organization for Security and Co-operation in Europe

OVI – Objectively Verifiable Indicator

PACS – Project “Strengthening the Capacities of Law Enforcement and Judiciary in the Fight against Corruption in Serbia”

ROM – Result oriented monitoring

RPPO - Republic Public Prosecutorial Office

SCC - Supreme Court of Cassation

SPC - State Prosecutorial Council

ToR – Terms of Reference

VC - Venice Commission

1. DESCRIPTION

1.1 Contact person

Ivan Koedjikov, Head of Action against Crime Department, Information Society and Action against Crime Directorate, Directorate General Human Rights and Rule of Law, Council of Europe

1.2 Name of Partners in the Action

Council of Europe and European Union

1.3 Title of the Action

Strengthening the Capacities of Law Enforcement and Judiciary in the Fight against Corruption in Serbia (PACS)

1.4 Contract number

IPA 2011 CRIS 2012/302-053

1.5 Start Date and End Date of the Reporting Period

15 December 2013– 15 December 2014 (total project duration 28 months)

1.6 Target country: Republic of Serbia

1.7 Project Beneficiaries

Ministry of Justice (MoJ); Ministry of Interior (MoI); Supreme Court of Cassation (SCC); High Judicial Council (HJC); Basic, Higher and Appellate Courts; Republic Public Prosecutor's Office (RPPPO); State Prosecutorial Council (SPC); Judicial Academy (JA); Academy of Criminalistics and Police studies (ACPS).

1.8 Project Objective, Purpose and Expected Results

Overall objective

To contribute to democracy and the rule of law through the implementation of institutional reforms aimed at preventing and combating corruption.

Purpose

To strengthen the capacities of law enforcement agencies and judiciary to detect, investigate, prosecute and adjudicate corruption cases.

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

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);

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;

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;

1.4. Specialised undercover agents those that use special investigative means (SIMs) from law enforcement structures in charge of cooperating with prosecutorial services;

1.5 Increased public awareness and trained journalists on reports concerning allegations pertaining corruption cases and their adjudication;

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.

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

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;

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);

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;

2.4. Trained judges, prosecutors, and law enforcement officers on aspects of detecting corruption and controlling conflict of interests within those structures.

2. EXECUTIVE SUMMARY

This report covers the second year of the project's implementation period. It summarises the issues addressed in the context of the anti-corruption efforts of the judiciary and law enforcement authorities. Moreover, it seeks to address key matters concerning project activities implemented and their direct or indirect impact on strengthening the capacities of relevant institutions in combating corruption.

During the reporting period, the project focused on finalising and promoting corruption risk analyses and capacity building through different training programmes. In total, ten activities involving twenty-eight actions were carried out, as envisaged by the workplan.

Three risk analyses were completed. Their findings, recommendations and follow-up actions by the respective authorities are further elaborated in this report.

Other achievements concern:

- Completion of PACS training programmes for police, judiciary and prosecution on investigation, prosecution and adjudication of corruption and economic crime;
- Provision of training curriculum and follow up on specialised trainings for undercover agents;
- Delivery of trainings for journalists on investigative journalism and reporting on corruption followed by the preparation of the practitioners' manual;
- Introduction of PACS recommendations to the Ministry of Justice Working Group for unified record keeping and statistics of corruption and economic crime;
- Provision of training for disciplinary bodies of the High Judicial Council and State Prosecutorial Council;
- Completion of training curricula and training of trainers programme for judges, prosecutors and police officers on ethics, integrity and prevention of corruption within their structures.
- Completion of expert assistance in finalising the Law on Whistleblowers Protection.

Throughout the reporting period the beneficiaries actively supported the project activities. Recommendations tabled in different project deliverables were either incorporated into official policy or are under consideration to be implemented by the different state entities. These considerations are incorporated in the follow-up chapters of this report.

The progress made in the implementation of the project was positively assessed by the second Result-Oriented Monitoring (ROM) mission carried out in October 2014.

The project continues to pay special attention to the visibility of its actions and results.

Last but not least, the fourth Steering Committee meeting unanimously supported the no-cost extension of the project. Next Steering Committee will, therefore, discuss the workplan for the extension period, which is expected to last until 31 January 2016 (the actual implementation of activities will take place from 15 April to 31 December 2015, while January 2016 will be used for closing the project and preparing final report).

Project data and statistics:

Expected Result	Number of activities	Number of actions	Participants	Gender ratio
1¹	6	20	204	M:52% F:48%
2	4	8	207	M:55% F:45%
SC meetings	2		14	M:60% F:40%
Total (without SC mtgs)	10	28	410²	M:56% F:44%

¹ Activity which included expert assistance in drafting the Law on Whistleblowers Protection, being specific activity carried out upon the request of the MoJ has been included into this table under Expected Result 1.

² Several persons took part in various activities, therefore the total number of participants is lower than the simple sum in the field 'Total'. The result in total gender ratio differs from the results in the same column for the same reason.

3 CURRENT STATUS: COUNTRY SITUATION AND INTERNATIONAL POLICY CONCERNS

3.1 Country situation/Anti-corruption policy

The Inception and the First Progress Reports referred to the anti-corruption policy in Serbia, responsible public entities for its enforcement and concrete reforms undertaken in period December 2012 - December 2013.

This report, therefore, elaborates and assesses changes that have taken place since January 2014.

- **Corruption perception and surveys' findings**

Corruption is still perceived to be widespread in Serbia.

In 2014, several surveys on corruption perception in Serbia were carried out. "Perception of content of chapters 23 and 24 of the Serbian EU negotiation process"³ conducted in 2014 by Ipsos Strategic Marketing Agency and Beta Agency (as a part of the EU founded project *Argus – all seeing media eye observing chapters 23-24*), indicated that almost $\frac{3}{4}$ of the population considers so-called 'high level corruption' (in political and business areas) as a much greater problem than the so called 'low level corruption' (in hospitals, schools, law enforcement services, etc.). The survey also showed that the priority areas in need of improvement were: the funding of political parties (17%), asset declaration control (12%) and criminal proceedings of corruption cases before the court. With regard to the judiciary, the survey shows that 84% of population believes that the judiciary is inefficient, 83% considers the judiciary to be under political influence and/or under other interest groups interests, while 82% thinks that the judiciary lacks impartiality. Overall, 71% of the population does not have confidence in the judicial system.

Transparency International Corruption Perception Index (CPI) for 2014 shows a decline in the position of Serbia on the global countries list from 72nd (2013) to 78th. The index decreased to 41, while in 2013 it was set at 42 i. Although the index still places Serbia among countries where corruption is widespread, it needs to be noted that the methodology for CPI only includes the opinion of those taking part in the surveys and does not take into account any other facts (e.g. number of prosecutions, convictions, reforms carried out, etc.).

- **The new National Anti-corruption strategy and its Action plan (2013-2018)**

Since the implementation of the Strategy and Action Plan has been initiated, certain changes in coordination of the implementation have been made. The new inter-ministerial mechanism called 'Coordination Body', headed by the Prime Minister, was established in August 2014. Each entity responsible for the implementation of the Action Plan appointed a contact person to collect timely information which concerns implementation of activities, communication and exchange of experience with other parties involved in the process.

However, the division of responsibilities between the Ministry of Justice, Anti-corruption Council and Anti-corruption Agency in monitoring the implementation of the new

³ <http://www.mc.rs/percepcija-sadrzaja-poglavlja-23-i-24-pregovora-za.4.html?eventId=9334>

strategic documents still remains to be clarified. So far, only the Anti-corruption Agency prepared a monitoring report evaluating the measures implemented and performance according to indicators. This report, as noted in the First PACS Progress Report, was released in December 2013. In addition, the implementation of a number of measures set by the Action Plan did not correspond to the foreseen timeframe, thus resulting in postponements of certain reforms. The establishment of an adequate system of responsibilities for such postponements therefore seems to be a key step towards improvement of the implementation process.

- **Action plan on Chapter 23 of the EU negotiation process**

Further to the publication of the Screening Report on Chapter 23 of the Serbia – EU negotiation process, an Action Plan defining measures, their indicators, timeframes, implementation status and financial resources that concern commitments in the areas of judiciary, anti-corruption and fundamental rights, was developed. The first draft of this Action Plan was released in August 2014. Expert community, NGOs and all other interested parties had an opportunity to comment on this draft and propose amendments. Consequently, the second draft Action Plan was prepared in December 2014 and published on the Ministry of Justice website⁴. It remains to be seen how the European Commission will assess this draft.

- **Judiciary**

Although the Commission for the Implementation of the new National Judicial Reform Strategy and Action Plan (2013-2018) has had regular meetings, there were numerous delays in implementing its measures. Therefore, the revised Action Plan, envisaging new timeframe for certain activities, was adopted in April 2014.

The High Judicial Council (HJC) and the State Prosecutorial Council (SPC) adopted (in July and May 2014 respectively) performance evaluation rules for judges and prosecutors. Moreover, the SPC appointed the members of its Ethical board and adopted the Code of Ethics in June 2014.

The Law on Judges and the Law on Public Prosecution were amended in June 2014. The amendments provide that the High Judicial and the State Prosecutorial Councils will propose only one candidate for each judicial and/or prosecutorial post before the Parliament, instead of three as was previously the case.

The Constitutional Court declared unconstitutional the provisions of the Law on the Judicial Academy which stipulates that the *'High Judicial and the State Prosecutorial Councils could propose only graduates of the Academy's initial training as candidates for first election to judicial office.'* However, it yet remains to be seen how the transitional measures will be defined and to what extent the amendments to the Law on Judicial Academy will regulate this important issue.

In April 2014, the Anti-corruption Council submitted to the Government its Report on Judicial Reform containing detailed analysis of several key areas: the independence of the judiciary, financial situation in the judiciary, competences, system of responsibilities, efficiency, access to justice and transparency of its work. The report, that critically

⁴ <http://www.mpravde.gov.rs/tekst/7715/drugi-nacrt-akcionog-plana-za-poglavlje-23.php>

assessed the current state of play, asserted that *“the situation has deteriorated, as greater interference by the executive power with the work of judicial institutions has been observed.”* The Council also proposed eight recommendations for improvement. In addition, the Addendum to this report (released in December 2014) unfavourably assessed the legislative reforms in this field, with particular emphasis on deficiencies in the current legal framework, functioning of public notaries and private bailiffs. The Addendum also noted the importance of the recommendations defined in the PACS *Assessment of Risks of Poor Conduct and Corruption in the Serbian Judiciary and Prosecution (ECCU-PACS SERBIA-eng-TP11-2014)* and called on authorities to implement them.

The efficiency of justice was significantly affected by the lawyers’ strike organised by the Serbian Bar Association. The strike commenced in September 2014 and is still ongoing. Bar Association members demand a reduction of the tax and restoration of the same authorities to lawyers, which they had prior to the introduction of public notaries’ offices. Several rounds of negotiations between them and the Minister of Justice have not as of yet resulted in mutual agreement.

Last but not least, draft amendments to the laws on High Judicial Council (HJC) and on State Prosecutorial Council (SPC), were prepared and sent to Venice Commission (VC) for opinion. In October 2014, the opinions were published⁵. Although both drafts were assessed as a positive step undertaken by the Serbian authorities, concerns remained with regard to subsequent implementation of new provisions. The VC noted that *due to the fact that their implementation is limited by the problematic provisions on the HJC/SPC in the current Constitution*, the amendments risk to be ineffective in further judicial reform process.

In particular for the SPC, it will be important that the amendments to the Constitution reduce the disproportionate role of the National Assembly in the appointments of SPC members, while changes to the draft Law on HJC *raise serious concern due to their potential of undermining the stability and independence of the HJC in the long run.*

- **Whistle-blowers**

Following the assistance provided by the project (in 2013 and 2014) and as foreseen by the Anti-corruption Strategy and Action Plan, the Law on Whistleblowers Protection was adopted by the Parliament in November 2014. More details on the drafting process and compliance of this piece of legislation with the CoE standard are elaborated in subsequent chapters of this report.

- **Financing of political parties**

Following the parliamentary elections held in March 2014, the Anti-Corruption Agency issued a detailed report on political parties financing. The report has been published on Agency’s web-site⁶ and is accessible to all interested parties.

⁵ <http://www.venice.coe.int/webforms/documents/?opinion=777&year=all>
<http://www.venice.coe.int/webforms/documents/?opinion=776&year=all>

⁶ http://www.acas.rs/sr_lat/component/content/article/1119-predstavljjen-izvestaj-o-finansiranju-u-2014.html

3.2 International policy concerns

- **GRECO**

The most recent GRECO Third Evaluation Round, completed in October 2010, addressed five recommendations concerning incriminations (Theme I) and ten recommendations concerning transparency of party funding (Theme II). The subsequent compliance report, adopted in October 2012, concluded that the recommendations under Theme I remained unfulfilled, while all ten recommendations under Theme II were implemented satisfactorily. In line with GRECO procedures, Serbian authorities submitted their Second Situation Report in 2014 with additional information on actions undertaken. This report stated that the Criminal Code was amended in December 2012 with an aim to address GRECO's recommendations and it entered into force in April 2013. Consequently, the Second Compliance Report on Serbia, adopted in October 2014 by GRECO plenary, concluded that vis-à-vis incriminations, Serbia has satisfactorily implemented four recommendations, while one has been partly implemented - *"Concerning the criminalisation of corruption offences, the Criminal Code amendments address virtually all issues raised by GRECO, notably the abolishment of dual criminality for the offences covered by the Criminal Law Convention (ETS 173) and its Additional Protocol and the defence of effective regret, as well as expanding the range of persons covered in the relevant bribery offences to encompass all public officials, whether acting or omitting to act within or in relation to their duties, including foreign arbitrators and jurors (bribery in the public sector), as well as categories of persons working in/for private legal entities (bribery in the private sector). GRECO is not unequivocally convinced that the law provisions on jurisdiction over corruption offences fully meet all possible situations covered by the Convention."* As a final point, GRECO noted that *"corruption continues to be prevailing concern in Serbia ...It is crucial that the relevant institutions entrusted with anticorruption responsibilities are provided with adequate resources and powers to effectively fulfil their tasks."*⁷

Further to the completion of the Third Evaluation Round, GRECO delegation paid an official visit to Serbia within the framework of the 4th evaluation round, focusing on corruption prevention in respect of members of the parliament, judges and prosecutors. During the visit, the delegation was briefed by the project team and held meetings with the state authorities, representatives of the judiciary, regulatory bodies and civil society. The evaluation report is expected to be discussed and adopted at GRECO plenary in June 2015.

- **EU PROGRESS REPORT**

The European Commission's Serbia 2014 Progress Report on the Enlargement Strategy and Main Challenges 2014-2015⁸ states and lists the following considerations and concerns in the area of judiciary and anti-corruption:

"Limited progress was made in the area of the judiciary and fundamental rights. As regards judicial reform, intensive legislative activities took place. Appraisal rules for judges and prosecutors were adopted. An important number of Court presidents were appointed on a permanent basis. Implementation of the national judicial reform strategy is at an early stage and requires effective and reliable monitoring and coordination mechanisms."

⁷[http://www.coe.int/t/dghl/monitoring/greco/evaluations/round3/GrecoRC3\(2014\)15_Second_Serbia_EN.pdf](http://www.coe.int/t/dghl/monitoring/greco/evaluations/round3/GrecoRC3(2014)15_Second_Serbia_EN.pdf)

⁸ http://ec.europa.eu/enlargement/pdf/key_documents/2014/20140108-serbia-progress-report_en.pdf

Significant efforts are needed to enhance the constitutional and legal framework for the independence, accountability, efficiency and quality of the judiciary. Clear measures conducive to a more predictable and sustainable judicial environment and career of magistrates remain to be adopted and fully enforced. The disciplinary system needs to be substantially reinforced.

Despite strong political impetus to fight corruption, corruption remains prevalent in many areas and continues to be a serious cause of concern. The implementation of the strategy on the fight against corruption has not yet yielded concrete results. The ratio of convictions remains low. Recent strengthening of institutional coordination and leadership, including the setting-up of a monitoring mechanism, has yet to produce effective results. Attention needs to be paid to providing the Anti-Corruption Agency and the Anti-Corruption Council with sufficient resources and to following up their recommendations. The legal framework for whistle-blower protection and conflicts of interest still needs to be amended.”

4. 15 DECEMBER 2013 - 15 DECEMBER 2014: ACTIVITIES AND INDICATORS FULFILLMENT

4.1 Implemented activities

During the reporting period, nine activities were conducted in accordance with the Workplan.

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)
Actions	<p><u>The risk analysis report was finalised and made public in April 2014</u> while the <u>conference</u> to discuss its recommendations and progress made was held on 3 June 2014.</p> <p>The report (Annex 1) included detailed analysis of international standards and Serbian legal framework; results and analysis of survey conducted among judges, prosecutors and lawyers on key obstacles in investigating, prosecuting and adjudicating corruption cases; analysis of sixteen cases completed before the court; and comparative analysis of the Croatian anti-corruption legal system and practices. Each section of the report contains a list of conclusions and potential risks. The report lists twenty consolidated recommendations.</p>
	<p>This analysis should be read in conjunction with the analysis of risks of poor conduct and corruption within judiciary (activity 2.1) and its findings. Obstacles to efficient criminal proceedings and corruption risks in the judiciary should be seen in the context of the entire law enforcement cycle: the prosecution and police are closely linked in investigating crime, and problems of misconduct in any of these entities are equally important for efficient suppression and prevention of crime.</p> <p><u>Conference</u> to discuss the report and its recommendations was held on 30 September 2014.</p>
Objectively verifiable indicators⁹	<ul style="list-style-type: none"> • Risk analysis completed and recommendations set; • Risk analysis report published, discussed with authorities and its recommendations addressed.
Progress	The report and its recommendations were officially presented and made available to respective working groups/task forces dealing with Criminal and Criminal Procedure Codes, and the Working Group discussing the Financial Investigations Strategy. At this stage, it cannot be assessed to which extent the recommendations are taken into account (e.g. full compliance, partial compliance, non-compliance) given their complex nature and, above all, directions in policy making

⁹ In this section of the report indicators concern activities, not the Expected Results

	by respective authorities and afore-mentioned Working Groups. Further analysis concerning incorporation of the recommendations in the official policy will be made in the project's final report.
Activity 1.2	Prepare and provide multidisciplinary trainings and specialised 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
Actions	<p>Based on training curriculum (ECCU-PACS SERBIA-eng-TP4-2013) finalised in August 2013, the project completed a series of specialised training programmes:</p> <ul style="list-style-type: none"> – <u>two training of trainers sessions</u> (February and March 2014) focused on investigation, prosecution and adjudication of corruption/economic crime cases, financial investigations, evaluation of evidence, use of special investigative means, case law of the European Court of Human Rights, detection of corruption through audit reports, assessment of financial evidence by prosecutors and judges, models and functioning of the joint investigative teams and comparative analysis of other European countries. Overall, 29 judges, prosecutors and police officers were certified as trainers. – <u>four follow-up trainings</u> for their peers were held in Belgrade, Nis, Novi Sad and Kragujevac (April - July 2014). In total, 80 judges, prosecutors and police officers took part in these trainings. Valuable training materials, produced and disseminated during the training of trainers programme, were also distributed to all participants. Training materials are attached in Annex 2 of this report.
Objectively¹⁰ verifiable indicators	<ul style="list-style-type: none"> • ToT programme completed and permanent training curriculum prepared; • Sufficient number of trainers available, roughly estimated at 30 among different beneficiaries; • Training materials delivered and disseminated to all participants.
Progress	Subsequent to fulfilment of the indicators listed above, selected trainers started preparing the practitioners' manual. This manual will provide relevant guidelines and instructions for investigation and prosecution of corruption/economic crime with a particular emphasis on the importance of audit reports in detecting these types of crime. The manual is expected to be finalised by April 2015.
Activity 1.4	Provide specialised training for undercover agents in charge of cooperating with prosecutorial services and law enforcement aimed at collecting evidence by, inter alia, use of special investigative means (e.g. controlled deliveries, surveillance)

¹⁰ These indicators refer to Expected Result 1 and shall take into account also training programme and trainings held under activity 1.4 and 1.5

Actions	<p>A <u>comprehensive training curriculum</u> for undercover agents was developed by the project and shared with the Serbian authorities in April 2014 (Annex 3). The training curriculum was based on the needs assessment which was carried in February 2014.</p> <p>The curriculum development was followed by <u>a thematic study visit to the Bavarian State Bureau for Criminal Investigations</u> in July 2014. Serbian undercover agents and their managers (so-called 'handlers') exchanged experience and gained knowledge on EU countries' standards concerning internal organisation, human resources, recruitment policy, training, distribution of tasks, case management, risks involved when working with informants, cooperation with Units from EU and non-EU member states, techniques for evidence gathering, backstopping, etc.</p> <p>Furthermore, <u>a specialised training of trainers targeting the management of the Unit, handlers and senior agents</u> was held in Belgrade on 15-18 September 2014. A number of issues were discussed during the training, such as cooperation with the prosecutor during the investigation, responsibility of handling officers and case officers, psychological and social skills of handlers, influence of work on their private life. Overall, the participants considered the training as very valuable and useful, as it provided a combination of theory, case studies and good practice on issues that are still considered challenging in their everyday work.</p>
Objectively verifiable indicators	<ul style="list-style-type: none"> • Needs assessment report completed; • The comprehensive curriculum for undercover agents delivered; • Thematic Study held; • Specialised training organised.
Progress	<p>Cooperation with the Unit for Undercover Agents of Serbian Police was more than efficient. Such cooperation resulted in smooth and successful implementation of the actions which covered all members of the unit, including its management. Training programme will continue to be applied for new members of the Unit.</p>
Activity 1.5	<p>Organise awareness raising 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</p>

Actions	<p>As a part of its activities targeting journalists and civil servants, the project carried out/prepared:</p> <ul style="list-style-type: none"> • <u>Awareness raising event</u> with participation of journalists, NGOs, Anti-corruption Agency representatives and civil servants (Belgrade, 14 April 2014). This event, that discussed the challenges, role and current state of play of investigative journalism in Serbia, was organised in cooperation with the Novi Sad School of Journalism. • <u>Specifically tailored training manual</u>. The manual includes sections on ethical standards for journalists, overview of the comparative practice, international standards, definition and key components of the investigative journalism, lists of potential challenges and ways to overcome them, practical examples/case studies and a glossary of legal terminology. The manual was distributed to all those who participated in the trainings. • <u>Two training sessions for journalists</u> on good practices in investigative journalism and reporting on corruption (Nis and Novi Sad, May-June 2014). Forty journalists, including those working for the leading electronic media (e.g. RTS and B92) took part in these trainings.
Objectively verifiable indicators	<ul style="list-style-type: none"> • Awareness raising event held; • Two trainings organised; • Training manual published.
Progress	<p>All actions related to this activity have been implemented. It needs to be noted that journalists demonstrated an outstanding level of active participation and showed clear commitment to further improve their knowledge and experience in this area. The project is of the view that enhancement of cooperation between journalist and responsible public authorities could significantly strengthen the overall anti-corruption efforts of the judiciary and police in Serbia.</p> <p>Publication of the training manual (attached as Annex 4 to this report) is underway and in early 2015 it will be distributed to all journalist associations in Serbia.</p>

Activity 1.6	<p>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</p>
Actions	<p>As foreseen by the Anti-corruption Action Plan (2013-2018), Serbian Ministry of Justice established a Working Group assigned to prepare the methodology for unified statistics of criminal cases. Given its previous efforts in this area, the project was given a leading role in providing expertise to the Working Group.</p> <p>Therefore, <u>PACS experts facilitated the 1st meeting of the Working Group</u> held in September 2014, Project deliverables (ECCU-PACS SERBIA-eng-TP3-2013) and its Annex - <i>MAP 1: Prototype of proposed data entry form (Annex 5)</i> and the methodology they propose were taken as a basis for determining how the future system should function. Although this step is a considerable one, some concerns still remain with the follow-up stage – interconnection of different IT systems in state institutions and deployment and training of staff who would be in charge to maintain the system.</p>
Objectively verifiable indicators	<ul style="list-style-type: none"> • Improved methodology and quality of statistical data; • 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.
Progress	<p>The overall activity and its goal directly correspond to measures 3.4.6.1 and 3.4.6.2 of the Serbian Anti-corruption Action Plan. The Working Group was set in September 2014 using PACS recommendations as basis for its work.</p> <p>As a direct response to indicators for this activity it can be stated that notable progress has been noticed with indictments for corruption and economic crime in 2014. However, this data has been prepared by the prosecutors only and it has not yet been standardised in a manner required by this indicator.</p>

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
Actions	<p>In addition to the risk analysis referred to under activity 1.1, the project completed the analyses of risks and actual extent of corruption within the institutions directly responsible for its suppression – judiciary, prosecution and law enforcement. As elaborated in the 1st Progress Report, separate reports were prepared for law enforcement on one, and for judiciary and prosecution on the other side.</p> <p><u>Risk Analysis within the Law Enforcement</u></p> <p>In April 2014 the <u>project finalised the Risk Analysis report</u> (attached as Annex 6) which identifies current state of play concerning risks of corruption and its forms within Serbian police. The analysis was not simply limited to the existence and risks of simplified corruption forms (e.g. bribery) but to a broader context in that sense - issues such as ethics and integrity, existence of nepotism, employment and career development processes, cronyism and any other similar practices were analysed. The main findings and set of fourteen recommendations - including their theoretical basis and how they could be implemented in practice - present the essence of this report.</p> <p><u>The report was publicly presented at the conference held on 3 June 2014 in Belgrade.</u> The conference provided an opportunity for discussions related to on-going reforms and future steps the Ministry of Interior would undertake in order to comply with recommendations concerned. The report was positively perceived, not only by the representatives of the Ministry of Interior, but also by civil society, international organisations and experts' community.</p> <p><u>Risk Analysis within Judiciary and Prosecution</u></p> <p><u>Risk analysis report on poor conduct and corruption within Serbian judiciary and prosecution</u> (see Annex 7) was also finalised in April 2014. The report identified factors that may lead to or increase the risks in this domain.</p> <p><u>In view of that, a conference to discuss both reports was held on 30 September 2014.</u> The conference also enabled judiciary representatives to present specific steps undertaken since the report was released (April 2014) and their compliance with the risk analysis recommendations.</p>

Objectively verifiable indicators	<ul style="list-style-type: none"> • Risk analyses reports completed and recommendations set; • Minimum 50% of recommendations from the risk analysis are implemented and the extent to which they are implemented is specified (full compliance, partial compliance, non-compliance); • At least three regulatory and institutional framework issues will be addressed in order to implement recommendations from the risk analysis (e.g. promoting ethical conduct, preventing conflict of interest and removing organisational obstacles to combating corruption).
Progress	<p>A number of recommendations tabled for police and prosecution has been implemented or their implementation is underway. While the implementation rate is above 50%, it is worth noting that not all recommendations are of the same importance. However, the ongoing reforms need to be reassessed on annual basis in order to evaluate if the achieved criteria are fully compliant or partially compliant.</p> <p>For the <u>police</u>, almost all recommendations are taken into account, and, for majority of them, the implementation is underway. In addition, the Ministry is interested to continue cooperation with PACS on specific recommendations (e.g. awareness raising on ethics, integrity, professionalism, 'lead by example', revision of police code of ethics, etc.). Therefore, this indicator, as far as police is concerned, could be considered as fulfilled.</p> <p>For <u>judiciary and prosecution</u>, it could be stated that, more than 50% of recommendations were implemented (full or partial compliance) or their implementation is underway. The evaluation on the recommendations implementation takes into account the comments on the risk analysis prepared by the State Prosecutorial Council (see Annex 8). Since the number of recommendations of this analysis corresponds to measures foreseen in the Judicial Reform Action Plan (2013 – 2018), another assessment on recommendations fulfilment will be done once the monitoring of this report is completed.</p>
Activity 2.2	Assist with implementing recommendations from risk analysis, especially with regards to introducing ethical rules
Actions	<p>Further to finalisation of risk analysis report and recommendations (ECCU-PACS SERBIA-eng-TP10-2014) and subsequent communication with the Ministry of Interior, it was decided that the project would <u>provide assistance in amending the police code of ethics</u>. This agreement was confirmed at the meeting which the project team held with the Ministry of Interior (MoI) officials in December 2014. Based on the findings of the risk analysis report, the project will prepare an in-depth analysis of the current code of ethics and its compliance with relevant standards and trends in this area.</p>

Objectively verifiable indicators	<ul style="list-style-type: none"> At least three regulatory and institutional framework issues will be addressed in order to implement recommendations from the risk analysis (e.g. promoting ethical conduct, preventing conflict of interest and removing organisational obstacles to combating corruption).
Progress	The expertise, detailing how this code should be amended as to fully comply with international standards and good practice, is expected to be finalised and sent to the Ministry of Interior in early February 2015. The MoI will then start drafting the amendments to this code.
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.
Actions	<p>In line with the assistance provided in 2013 (expert opinion on Rulebooks for disciplinary proceedings of HJC and SPC) the project held (in cooperation with the OSCE) <u>a training seminar for disciplinary prosecutors and members of the disciplinary commissions of the aforementioned councils</u> (Belgrade, 4-5 December 2014). The seminar discussed the ECtHR case law and on good practice of the countries in the region. The presentations mainly focused on the relationship between criminal and disciplinary proceedings, as well as techniques in evidence gathering.</p> <p>A total of 17 participants, including all disciplinary prosecutors and their deputies, took part in this training seminar.</p>
Objectively verifiable indicators	<ul style="list-style-type: none"> In country training held.
Progress	Capacity building for the disciplinary prosecutors and respective disciplinary commissions shall be evaluated in conjunction with other project activities aimed at strengthening the judicial capacities to resist corruption within its own ranks. This activity provided both – training and expertise on the existing rulebooks, therefore, served to further strengthen the capacities of this important branch of the judiciary. Next step includes organisation of a study visit for members of the disciplinary commissions of both – HJC and SPC.
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

Actions	<p>This activity includes several actions that were carried out in 2014:</p> <ul style="list-style-type: none"> • <u>Completion of the Training Curriculum on Integrity, Ethics and Prevention of Corruption/Misconduct for Judges and Prosecutors in Serbia</u> (see Annex 9). This document, that was specifically tailored for the professions concerned – judges and prosecutors, identifies gaps in the existing training framework with reference to the international standards and practice. It also makes specific recommendations on the structure and content of the training. • Based on Training Curriculum, the specialised course - <u>training of trainers for judges</u> – was held on 26-27 November 2014 in Belgrade, Serbia, while the <u>first training of trainers for prosecutors</u> took place in Belgrade on 2-3 December 2014. Two training sessions gathered 22 representatives of the respective beneficiary institutions. • Parallel to this and in line with recommendations of the risk analysis within law enforcement (activity 2.1), the project negotiated the possibility to use the European Police College (CEPOL) training curriculum on ethics and integrity for police structures in Serbia. The negotiations resulted in signing of the MoU between the Council of Europe and CEPOL on 11 December 2014. By signing this MoU, the Council of Europe is granted the permission to use CEPOL's Common Curriculum in each of its member states with the aim to facilitate international multi-disciplinary police cooperation. • <u>The CEPOL curriculum was presented to all Serbian police departments (including police trainers on ethics)</u> on 17 December 2014 at the conference held in Belgrade. It will serve as a basis for follow-up trainings on ethics and integrity, which the project will carry out in 2015.
Progress	<p>Judiciary: Twenty-two trainers (12 judges and 10 prosecutors) were certified following the completion of the training of trainers programme. Apart from that, the comprehensive training curriculum was completed by the project and was approved by the Judicial Academy as the official curriculum on conflict of interest, ethics, integrity and prevention of corruption among judges and prosecutors. Follow-up trainings are to be held in the period from January - April 2015.</p> <p>Police: Taking into account that a training programme for police trainers on ethics was held by the OSCE in 2012 and 2013, the project focused on introducing a permanent curriculum for continuous training in this area. Therefore, a follow-up training programme will be carried out in March 2015 based on CEPOL curriculum.</p>

Additional Activity as per request of the Ministry of Justice

As noted in the previous chapters of this report, PACS has continuously provided expert assistance in preparing the Law on Whistleblowers' Protection. This assistance included direct involvement of the experts in the meetings of the Working Group assigned to prepare this piece of legislation (April 2014) and subsequent assessments of the drafts produced by the Working Group in July 2014 (see Annex 7). This assessment concluded that the draft law conformed with the majority of principles outlined in the Recommendation CM/Rec(2014)7 of the Council of Europe's Committee of Ministers to Member States on the protection of whistleblowers.¹¹ The draft law, subsequent to its approval by the Government, was adopted by the Parliament in November 2014.

Project Steering Committee

During the reporting period two Steering Committee meetings were held. In accordance with its ToRs, the Steering Committee reviewed and assessed the progress made, while at its fourth meeting (held in October 2014) the no-cost extension of the project together with a tentative list of future activities was unanimously supported. The extension period will last from 15 April to 31 January 2016. A detailed workplan for the extension period will be prepared and approved by the fifth Steering Committee meeting scheduled to take place in March 2015.

Steering Committee meetings minutes and participants lists are attached in Annex 10.

Gender mainstreaming

Overall, during the reporting period the project implemented 28 actions of 8 project activities. 410 representatives of the beneficiary institutions participated in these actions – 229 male (55,85%) and 181 female (44,15%).

¹¹<https://wcd.coe.int/ViewDoc.jsp?id=2188855&Site=CM&BackColorInternet=C3C3C3&BackColorIntranet=EDB021&BackColorLogged=F5D383>

4.2 Indicator fulfilment

The indicators, as set out by the project's logical framework, mostly refer to the period following the implementation phase. Therefore, this report provides general assessment on how the activities implemented so far contributed or are expected to contribute to fulfilling the indicators.

Expected Result 1:

Indicator:

- *Minimum 50% of recommendations from risk analysis implemented and the extent to which they are implemented specified (full compliance, partial compliance, non-compliance);*
- *At least five legislative and institutional obstacles to efficient detection, investigation, prosecution and adjudication of corruption offenses identified and addressed;*

Current status:

These indicators refer mostly to risk analysis, which was carried out under activity 1.1 and finalised and published in April 2014. As already noted, at this stage, it is too early to determine to what extent the recommendations were implemented, as well as whose assessment would be valid in such an evaluation (i.e. evaluation by the project team, by the state authorities concerned or by a third party – e.g. independent evaluator). It should be noted that the report tabled 20 recommendations which were all taken into account by relevant policy makers (e.g. Working Group assigned to amend the Criminal Code and also the Working Group in charge of preparing the Strategy for Financial Investigations). The nature of recommendations and, therefore, the status of their implementation require an in-depth analysis of the statistical data since the report has been released, which is not possible at this stage. Overall, this indicator, being a long-term one, will require an evaluation once the reform of the criminal legislation is finalised and relevant policy (as suggested by the recommendations) is set. However, the risk analysis, data presented, risks identified and recommendations set provide an excellent tool to all those involved in the process to minimise obstacles to carrying out efficient criminal investigations and proceedings.

As far as the second indicator is concerned ('...at least five legislative and institutional obstacles are identified... and addressed'), almost all 20 recommendations set in the risk analysis report are taken into account by the relevant policy makers. It remains to be seen to what extent they will be addressed once these processes are completed.

Indicator:

- *Improved methodology and quality of statistical data;*
- *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.*

Current status: Although the statistics of different bodies (police, prosecutors, courts) show an increase in the number of corruption investigations in 2014, the unified methodology in tracking these cases and benchmarking has not been set yet. As noted in

the previous chapters, the Ministry of Justice Working Group has been established and the methodology has been prepared with PACS' assistance, however, IT tools and trained staff are not in place yet. Therefore, this indicator is partially fulfilled.

Indicator:

- *Increased capacity of trainees due to implemented trainings, minimum 15 trainings and 10% of all beneficiaries trained;*
- *Sufficient number of ToT trainees available for identified needs, roughly estimated at 30 amongst different beneficiaries;*
- *Judges, prosecutors and police officers and long-term training plan in place.*

Current status: Long-term training plan for judges, prosecutors and police on investigation, prosecution and adjudication of corruption/economic crime has been prepared and approved. This indicator is thereby fulfilled.

Training programme carried out by the project (activities 1.2, 1.3 and 1.4) ensured the fulfilment of other two indicators noted above:

- Activity 1.2 - 29 trainers were certified, who subsequently held trainings for more than 80 colleagues from all parts of the country;
- Activity 1.4 - 5 trainers were certified, while all other members of the Undercover Agents Unit (6 of them) passed the training course;
- Activity 1.5 - 40 journalists were trained;

Taking into account that the project produced some additional deliverables (e.g. provision of expert assistance in drafting the whistleblowers law, provision of a manual on investigative journalism) it can be concluded that the achievement of these indicators went beyond the requirements.

Indicator: *Benchmarking system available at the end of the project*

Current status: to be evaluated once the project is completed.

Expected Result 2

Indicator:

- *Minimum 50% of recommendations from risk analysis implemented and the extent to which they are implemented is specified (full compliance, partial compliance, non-compliance);*
- *At least three regulatory and institutional framework issues will be addressed in order to implement recommendations from risk analysis (e.g. promoting ethical conduct, preventing conflict of interest and removing organisational obstacles to combating corruption);*

Current status: The risk analyses – one targeting corruption within judiciary and other within law enforcement - were completed (April 2014) and published (In June and September 2014).

Both analyses set a number of recommendations (33 for judiciary and 14 recommendations for law enforcement).

Similarly as for the activity 1.1, it cannot be stated with utmost certainty which recommendations were fully or partially fulfilled due to the complex structure of each of

them. However, for the judiciary, more than 50% of recommendations were implemented (full or partial compliance) or their implementation is underway. This evaluation takes into account the responses on the risk analysis prepared by the State Prosecutorial Council (please see Annex 7A).

As for the law enforcement and as already noted in the chapter 'Activities and Indicators Fulfilment' almost all recommendations were taken into account by their policy makers. Some of them (e.g. setting up a risk register by the MoI) even go beyond the recommendations made. However, the implementation is still underway, thus at this stage, the degree of their fulfilment cannot be precisely determined.

Indicator: *Establishing methodology for collecting statistical data on internal corruption;*

Current status: This indicator is linked to activity 1.6 and shall be read in conjunction with the indicator set out there.

Indicator:

- *Increased capacity of trainees due to implemented trainings, minimum five trainings;*
- *Minimum 10 ToT trainees available for identified needs (i.e. depending on recommendations from risk analysis).*

Current status: Given that twenty two trainers (12 judges and 10 prosecutors) were certified and that comprehensive training curriculum was prepared (as already noted in the 'activities' chapter) - the second indicator was fulfilled while the other one will be fulfilled in the coming months.

5. COOPERATION WITH OTHER STAKEHOLDERS

Cooperation between the PACS project and the relevant state authorities in the implementation of the workplan has been outstanding.

5.1 Counterparts and beneficiaries

Cooperation and communication between the PACS project and its main counterpart, the Ministry of Justice, has been excellent during the reporting period. The MoJ has recognised PACS as an important mechanism for technical assistance not only in the process of the implementation of the new Anti-corruption Action Plan's measures but also in other areas, such as judicial reform and the implementation of the National Judicial Reform Strategy, whistleblowers protection, crime statistics and introduction of a crime reference number.

Cooperation with the Ministry of Interior has also been exceptionally appreciated. The Ministry cooperated fully and efficiently in the process of risk analysis and initiated a number of steps aimed at the implementation of the risk analysis recommendations. As a result of exceptional communication with the Ministry of Interior, a number of different training programmes, including different entities of the ministry (e.g. internal control; special department for combating organised crime; undercover agents unit, etc.), were carried out during the reporting period.

The level of cooperation with other beneficiaries – prosecutors' offices and courts has also been outstanding. The same applies to the High Judicial Council and the State Prosecutorial Council. Their active involvement in the implementation of the risk analysis (activity 2.1) and training of trainers (activities 1.2 and 2.4) confirms their full commitment to cooperate with the project.

Cooperation with the Judicial Academy was also very efficient. The Academy significantly contributed to project deliverables, such as the two curricula that were produced (activities 1.2 and 2.4), which were the basis for the follow-up training programmes.

Cooperation with the Academy of Criminalistics and Police Studies, the Anti-corruption Agency and the Anti-corruption Council has also been very good.

5.2 Third parties

PACS has been actively cooperating with other donors involved in anti-corruption reforms in Serbia. In particular, the communication and coordination with the OSCE, UNDP and the Anti-corruption team at the US Embassy resulted in successfully avoiding any overlapping of activities.

As elaborated above, one activity (2.3 - training for disciplinary prosecutors of the High Judicial and State Prosecutorial Councils) was jointly implemented with the OSCE.

PACS collaborated intensively with the Belgrade Center for Security Policy (BCSP), an NGO that also carried out a study on corruption risks within the police. Therefore, both reports – one prepared by PACS and other one prepared by BCSP, were presented at the joint event organised in June 2014.

The project continued its active cooperation with Transparency Serbia and other NGOs through various fora and bilateral communication.

6. EVALUATION AND MONITORING

The second Result Oriented Monitoring (ROM), aimed at providing external, objective and impartial feedback on the performance of the PACS project, was carried out in October 2014.

In line with the new approach for ROM evaluations, the assessment covered 3 projects. In addition to PACS, Support to the Rule of Law System in Serbia, Component II: Enforcement of Civil Claims (implemented by GIZ) and Multi-donor Trust Fund for the Justice Sector Support (implemented by World Bank), were subjects of the monitoring report.

The report was released in November 2014 and it granted a grade A ('very good') for relevance of the projects and their efficiency, while quality of their design, effectiveness, impact to date and sustainability received the mark B ('good'). PACS project was praised for:

- Highly efficient implementation with high quality outputs/deliverables (3 risk analyses, draft law on whistleblowers' protection, trainings and training material for police, judges and prosecutors, etc.)
- Sound project management including regular reporting on progress (monthly and progress reports, SC meetings and minutes, etc.) and careful control by the CoE of the utilisation of project funds resulting in savings that will be used for project extension
- Excellent cooperation and communication with project beneficiaries "indicating high appreciation for the project results but also performance above expectations. This example of partner collaboration could be disseminated further as a success story".
- Close follow up of donor activities to avoid overlapping and create synergies.

7. PROJECT ACHIEVEMENTS, CONCLUSIONS AND RISKS

7.1 Achievements

Project implementation has proceeded according to the workplan. Progress has been made towards achieving project results; assistance, as foreseen by the workplan, has been provided while significant efforts have yet to be undertaken by the main beneficiaries in order to ensure the proper and sustainable use of PACS deliverables.

Expected result 1: Strengthened capacities to investigate and adjudicate corruption offences

- PACS risk analysis on obstacles to efficient criminal investigations and proceedings sets out a number of recommendations whose implementation is either underway or under consideration by different entities and policy makers.
- The necessary tools for capacity-building for the judiciary, prosecutorial and law enforcement authorities on corruption and economic crime cases have been developed, including the comprehensive training programme and accompanying materials. Large number of police officers, judges and prosecutors passed the training course while the Judicial Academy benefited through the provision of the continuous training curriculum delivered by the project.
- Large scale trainings for journalists on investigative journalism and reporting of corruption were held and a training manual was prepared providing an in-depth analysis of good practice and international standards in this field.
- A methodological outline with policy advice to streamline statistics and benchmarking for corruption and economic crime cases has officially been selected as the basis for the future IT system to be set by the MoJ. Serious work remains to be done in IT field in order to make the system operational.

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

- Corruption risk analyses within the judiciary and law enforcement were completed and published. The final reports set out a total of 47 recommendations, out of which the majority is either implemented or their implementation is underway. Proper inclusion of these recommendations into relevant institutional policy enables Serbian authorities to further develop mechanisms aimed at preventing and tackling corruption within these sectors.
- Large scale 'training of trainers' sessions for prosecutors, judges and police officers on ethics, integrity, conflict of interest and prevention of corruption resulted in certification of trainers per each of the afore-mentioned professions. The follow-up training programme will enable these trainers to share knowledge with their peers. Further to that, the project prepared a continuous training curriculum for judges and prosecutor and handed it over to the Judicial Academy, thus enabling sustainability of this action once the project ends. As for the police curricula,

Council of Europe, through PACS project, set up cooperation with the EU Police College (CEPOL) and signed the MoU which enables CoE to use and apply CEPOL Common Curriculum on Police Ethics and Integrity (2014).

- Strengthening of the capacities of disciplinary prosecutors of the High Judicial and State Prosecutorial Councils continued with a training programme organised in cooperation with OSCE. In addition, PACS technical paper targeting compliance of the disciplinary prosecutors rulebooks delivered in October 2013 was largely applied when the rulebooks were amended (May 2014).

7.2 Conclusions

During the reporting period, the project has implemented a number of activities which substantially contributed to the achievement of both expected results.

Precise assessment concerning the indicators fulfilment has been elaborated above. However, it should be noted that the overall success of the project still depends on the absorption capacities of the beneficiary institutions, and their commitment to properly apply the recommendations provided. To that end, and with the aim to continue strengthening institutional capacities, the no-cost extension of the project was discussed and approved by the stakeholders. Therefore, apart from the actions already foreseen to be implemented by the project's workplan, further assistance will be provided in translating of some of the risk analyses recommendations into concrete actions, and in supporting the setting up of a reliable tracking system for criminal statistics.

7.3 Risks

Lack of co-ordination and follow-up actions by stakeholders

Support from the beneficiaries remains crucial for the successful delivery of PACS outputs. It has to be noted that throughout the reporting period, the beneficiaries fully cooperated and supported the implementation of the project activities. However, this positive trend needs to continue when it comes to the project extension period in order to fully achieve the expected results.

Cooperation among international projects has also improved during the reporting period, thus minimising the risk of overlap between the actions. Good examples of such practice (e.g. PACS cooperation with USAID JRGA programme during the process of drafting of the whistleblowers law; cooperation with the Belgrade Center for Security Policy and its programme A-Cop on the corruption risk analysis within law enforcement; and cooperation with OSCE on disciplinary prosecutors capacity building) are expected to continue in future in order to secure the maximum use of the technical assistance provided.

8. VISIBILITY

The project continued to pay special attention to the visibility of its actions. Project news, events and outputs/deliverables (e.g. expert opinions on legislative and other draft regulations and policy advice papers) are regularly reported on the Council of Europe Economic Crime Cooperation Unit website (<http://www.coe.int/corruption>) and the section which is exclusively dedicated to the PACS project (www.coe.int/pacs). 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>).

All project documents are prepared and 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; activity agendas publications and other project deliverables.

Two high level events (conferences to present the risk analyses reports in June and in September 2014) organised by the project were extensively reported on by major media outlets in the country.

In addition, the publication of four project deliverables - three corruption risk analyses reports and a manual on investigative journalism is underway and is expected to be finalised in early January 2015.

9. LIST OF ANNEXES

Annex 1 – Technical Paper – Risk Analysis on regulatory and organisational obstacles to efficient criminal investigations and proceedings (ECCU-PACS SERBIA-TP9-2014)

Annex 2 – Activity 1.2 – Training of Trainers – training materials.

Annex 3 – Technical Paper - Undercover Agents in Serbia – Overview of Legislation, Institutional Set up and Training Needs (ECCU-PACS SERBIA-eng-TP12-2014)

Annex 4 – Training Manual for Journalists

Annex 5 – MAP 1: Prototype of proposed data entry form (Annex to Technical Paper ECCU-PACS SERBIA-eng-TP3-2013)

Annex 6 – Technical Paper – Risk Analysis on the Current Situation with Regard to Possibilities and Actual Extent of Corruption within the Law Enforcement (ECCU-PACS SERBIA-eng-TP10-2014)

Annex 7 – Technical Paper – Assessment of Risks of Poor Conduct and Corruption in the Serbian Judiciary and Prosecution (ECCU-PACS SERBIA-eng-TP11-2014)

Annex 8 – Comments by the State Prosecutorial Council on PACS Assessment of Risks of Poor Conduct and Corruption in the Serbian Judiciary and Prosecution

Annex 9 – Technical Paper - Training for Serbian Judges and Prosecutors on Ethics and the Prevention and Detecting Corruption: Assessment and Recommendations (ECCU-PACS SERBIA-eng-TP14-2014)

Annex 10 – Technical Paper - Review of Final Version of Draft Law on Protection of Whistleblowers (ECCU-PACS SERBIA-eng-TP13-2014)

Annex 11 – Steering Committee meetings minutes and lists of participants