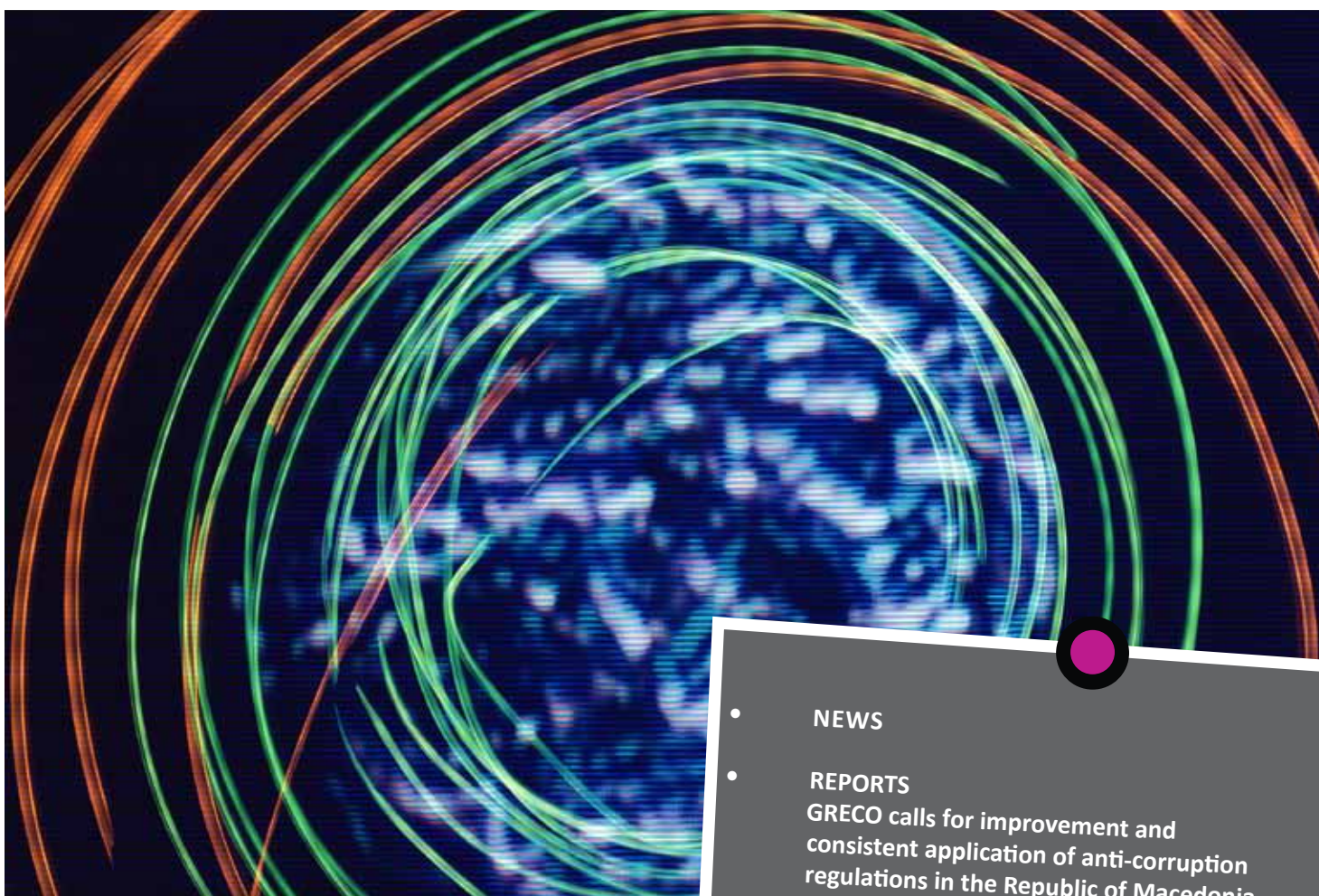


NO. 7 year I july 2010

# MAK

MONTHLY ANTICORRUPTION MAGAZINE



- **NEWS**
- **REPORTS**  
GRECO calls for improvement and consistent application of anti-corruption regulations in the Republic of Macedonia
- **ANALYSIS**  
Is the Balkans willing to eradicate corruption?
- **CITIZEN PARTICIPATION**  
Centers for Citizens in favor of better transparency

# About the monthly edition



The Center for Civil Communications was established in April 2005 as a nongovernmental, nonparty, and nonprofit association of citizens. In the past five years we have been working every day on narrowing the room for corruption in Macedonia and promoting the principles of “good governance”, both on central and local level. We are focused on implementing two types of mutually related activities: monitoring and revealing corruption practices, and, on the basis of this, recommending measures and policies for narrowing the room for corruption and enhancing the ability of the journalists and the special role of the media in the fight against corruption in the country.

In the course of our everyday work, we and the experts we cooperate with arrive at numerous information regarding corruption and anticorruption practices in our country, as well as the countries in the region and the world. By publishing this monthly newsletter on anticorruption and “good governance” we want to share this information with the wider public, primarily with the representatives of the public administration, whom we consider the most responsible for the fight against corruption and establishing and respecting the principles of “good governance”.

At the same time, we offer expert analyses, which can serve as sources of ideas and examples for improving the current state with the corruption in Macedonia.

We are open for suggestions and we want you to send us your opinions, ideas, and attitudes on anticorruption topics as well as practices of “good governance”, as well as point to us corruptive practices and generally the existence of a room for corruption. This will serve us as a basis for further articulation of those practices and problems, as well as help in conducting our future anticorruption activities.

Corruption is one of the greatest evils in Macedonia, which degrades the development and the progress of the economy, society, and the people who live in it, disrupts the competition and the free operation of the firms on the market, disables the governance of the true values in life and in the work, forces the young, educated people to leave the country and enables illegal benefits and enrichment of state officials at the expense of impoverishing the other people and destroying and abusing the public goods.

Therefore, by pointing the corruption practices and offering ideas, good examples, and solutions from the country and abroad, we feel that this monthly newsletter will ultimately contribute to decreasing the corruption in the country and enhancing the “good governance”.

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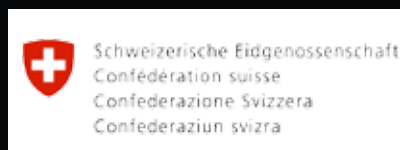
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## IN THIS ISSUE

Several non-governmental in Serbia have decided to 'whistle' against corruption. They have launched a special web portal that offers opportunity to citizens to report corruption, namely to blow the whistle, while journalists engaged in this project will further investigate these reports and alarm the public. Although active for less than two months the portal 'pistaljka.rs' has already achieved results.

Very often the United Nations (UN) and its senior officials are also part of corruption scandals or at least of such allegations. The head of internal audit department resigned, accusing the UN Secretary General for lack of transparency and accountability.

In neighboring Kosovo one of the serious corruption affairs resulted in a detention of the National Bank governor, while in Bulgaria the leader of ethnic Turks living in this country will go on trial over possible conflict of interests during his service within the mandate of the previous government.

Corruption has been flourishing in the Western Balkan countries. Latest reports of relevant institutions say the combat against corruption in the Balkan countries is only declarative, thus presenting an obstacle on their road to the European Union membership. On this occasion our regular analysts Vanja Mihajlova gives a cross section of combating the corruption in the neighboring countries in an attempt to answer the question whether they are willing to deal with this problem.

In the meantime, the third Round Evaluation Report on Macedonia of the Council of Europe's Group of States against Corruption (GRECO) notifies lack of effective application of the party funding regulations and urges for certain legal improvements in terms of corruption criminalization. The report focuses on two significant topics: criminalization of the corruption and transparency in funding of the political parties, and offers 13 recommendations for improving the situation.

The issue also reviews the work of the Centers for Citizens in Macedonia, set up in four municipalities in the eastern part of the country to monitor and improve the work of local administration. The idea is for citizens to freely file their remarks, suggestions for the functioning of the local administration, which afterwards are being sent to the local government units, and their actions upon them have been constantly monitored. This issue gives more detailed review about the functioning of the centers in Stip and Vinica.

Finally, we offer you a story from India about a non-governmental organization, which by concrete numbers and analyses, shows how corruption has been 'eating' the meals of schoolchildren in one of the poorest countries in the world. Namely, sacks of rice for the students' meals come down from 50 to 20-30 kg on their road to the schools. The difference is actually the price of corruption!

Once again we hope that the information and analyses will stimulate you to take concrete steps in favor of consistent application of the principles of 'good governance' and serve you as guidelines to more transparent, responsible working.



NO. 7 year I

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## WHISTLE – ANTI-CORRUPTION WEB PORTAL

BELGRADE, 29 July (B92, Tanjug, RTS) – ‘Pistaljka’ (or Whistle) - a web portal that offers opportunity to citizens to report corruption while remaining protected from retaliation has been promoted in Belgrade. The website’s editor Vladimir Radomirovic says the portal will serve to those who dare to blow the whistle and report alleged corruption. “Citizens will report corruption, while journalists working on the portal will review the received information. We shall also engage lawyers, legal experts and give full support to people who are ready to report corruption,” Radomirovic says. The portal, he says, will also launch media campaign to exert pressure on relevant institutions to do something in this respect. It will be enough, he says, if citizens just point to some document they consider is proving corruption activities, and in line with the Law on Free Access to Information, the portal’s team of journalists will ask for these documents to be submitted to



them. The portal’s communication will be under the protection of SSL (Secure Socket Layer) certificate, which ensures secure transactions between the web servers and browsers, namely full secrecy of the message contents. However, the whistle blowers are recommended not to report corruption from their workplace but from home or public computers.

The portal is a joint project of three NGOs – Migration Research Center, Journalism Center ‘Utopia’ and ‘Media Praksa’ (Media Practice).

## KOSOVO CENTRAL BANK CHIEF ARRESTED IN CORRUPTION PROBE

Kosovo police have arrested the territory’s central bank governor Hashim Rexhepi in an anti-corruption investigation. The EU’s rule of law mission (Eulex) said the probe concerned suspected bribes, tax evasion, influence-peddling and money laundering. Eulex said Mr Rexhepi was among four suspects whose homes were searched.

The Kosovo police also searched the Central Bank of Kosovo and a private company.

The EU has some 1,900 law enforcement officials deployed across Kosovo to strengthen law and order, in the Eulex mission launched in December 2008. They have the power to take on cases that the local judiciary and police find difficult to handle. On Thursday UN judges in The Hague ruled that Kosovo’s declaration of secession from Serbia in 2008 was not illegal. Friday’s operation in Pristina follows other high-profile searches by Eulex and Kosovan police. In April, the offices of Kosovo’s Transport Minister, Fatmir Limaj, were raided as part of a probe into the construction of a major highway. Earlier this month, four companies suspected of fraud over the issuing of a mobile phone licence were also searched.

Kosovo is at a critical stage in its attempts for wider recognition as an independent state, the BBC’s Balkans correspondent Mark Lowen reports. To achieve that international recognition Pristina knows it has to present itself as a more functional government, able to combat the corruption and organised crime that have flourished in Kosovo since the war of the 1990s, our correspondent says.



## TOP UN ANTI-CORRUPTION OFFICIAL STEPS DOWN

The top official at the United Nations tasked with rooting out corruption at the agency stepped down on Wednesday at the end of her five-year term, according to the Associated Press. No successor to the official, Inga-Britt Ahlenius, has been named, which leaves a leadership vacuum at her unit, the Office of Internal Oversight Services. Ahlenius' departure means only one in the top four jobs at the U.N. watchdog office is filled. American and U.N. officials expressed frustration with the openings, telling the AP it could leave the agency vulnerable to another scandal like the \$1.8 billion bilked from the U.N.-run oil-for-food program in Iraq, which was terminated in 2003. But even the oil-for-food investigations hit roadblocks at the agency. A separate task force set up to investigate the oil-for-food program was dissolved in 2008, when some governments protested its findings. The General Assembly told the U.N. to transfer the task force's caseload to the Internal Oversight Office's investigation division, but the agency has cut back on the investigations, according to the AP.

The office's investigators were told not to follow up on inquiries launched by the task force, according to the newswire. The investigators also were told not to open cases concerning financial fraud or corruption involving U.N. vendors or former staff. Even though the oil-for-food task force urged the U.N. to turn over evidence to local prosecutors, the agency only referred one major case outside the U.N.



## BULGARIA ETHNIC TURKS LEADER FACES COURT OVER EMBEZZLEMENT ALLEGATIONS

The latest embezzlement allegations against Ahmed Dogan (pictured) have been widely considered to be a litmus test for the government's willingness to fight high-level corruption. Bulgaria's Supreme Administrative Court will be approached over conflict of interests allegations against ethnic Turkish leader Ahmed Dogan, a parliamentary body decided on Friday.

Ahmed Dogan has been involved in large-scale political corruption schemes, has breached the conflict of interests provisions and has served private interests, says the report that the parliamentary commission for corruption fight and conflict of interests approved and will send to the supreme court. "I am ready to be held responsible if my actions help to bring to justice those who have committed atrocities. The truth is that Ahmed Dogan has been bossing the show for twenty years already," the chairman of the commission Dimo Gyaurov from the right-wing Blue Coalition, commented. Dogan, leader of the ethnic Turkish party Movement for Rights and Freedoms (DPS), which was a member of the former three-way government, allegedly pocketed BGN 1,5 M as a consultant of four large-scale hydroelectricity projects, funded by the state - 'Tsankov Kamak', 'Dospat', 'Gorna Arda' and 'Tundzha' Dam. The scandal erupted in May after a visit of Prime Minister Boyko Borisov to the site of the hydroelectric power plant 'Tsankov Kamak', where he revealed that a huge hike in the initial price has been discovered. The money for the hydro power plant „Tsankov Kamak“, from where Dogan took the sky-high payment as an "expert", were paid by the state-owned



National Electricity Distribution Company, left in tatters after the ruling of the previous cabinet. The parliamentary commission for corruption fight and conflict of interests convened on Friday a day after its meeting failed as two of its members surprisingly did not show up, triggering rumours of behind-the-scene moves aimed to rescue Ahmed Dogan. In a bid to disperse the suspicions Prime Minister Boyko Borisov demanded that the commission convenes urgently and deliver its ruling on Friday. The new center-right government of Bulgaria was elected on an anti-corruption mandate last July and on the promise to bring to justice those involved in huge-scale corruption schemes. The latest embezzlement allegations against Ahmed Dogan have been widely considered to be a litmus test for the government's willingness to do so in practice. If found guilty, Dogan faces a fine from BGN 1000 to BGN 3000. The supreme court may also deprive him of the payment that he received as an expert.

## GRECO CALLS FOR IMPROVEMENT AND CONSISTENT APPLICATION OF ANTI-CORRUPTION REGULATIONS IN THE REPUBLIC OF MACEDONIA



The Council of Europe's Group of States against Corruption (GRECO) has issued the third Round Evaluation Report on Macedonia, notifying lack of effective application of the party funding regulations and urges for certain legal improvements in terms of corruption criminalization. The report focuses on two significant topics: criminalization of the corruption and an application of the transparency principle in the funding of political parties.

In regard to the party funding transparency, GRECO says that despite the fact that Macedonia has well-developed legal frame, which incorporates many strong characteristics, there is a lack of efficient application of the party funding regulations in practice. GRECO says the problem is a result of the extreme factionalism and complete inefficiency of the system for external supervision.

Hence possible violations of party funding regulations are not a subject of criminal investigation and ultimately remain unpunished. It is also essential for the credibility of the system the costs' limits of electoral campaigns to be respected in practice, especially by an introduction of an appropriate financial referential period during these campaigns, and to ensure that the goods and services, provided by discount prices, are clearly identified and justified.

In regard to criminalizing the corruption, GRECO says that after reforming, the Criminal Code of Macedonia in general complies with the relevant provisions of the Council of Europe's Criminal Law Convention on Corruption. Nevertheless, GRECO identifies some aspects of (Macedonia's) law that do not meet the standards, including certain shortcomings in relation to the criminal offence, trading in influence, narrower range of possible perpetrators of the private sector bribery and the requirement of double criminality for criminal offences of corruption, perpetrated abroad. In addition, it underlines that the possibility provided by the special defense of effective regret to exempt the bribe-giver, who declares the offence before it is uncovered, should be reviewed in order to limit its abuse.

The GRECO report also includes 13 recommendations for Macedonia, whose realization is to be evaluated in the second half of 2011.



### Recommendations from GRECO for Macedonia:

1. To take the legislative measures necessary to ensure that the offences of active and passive bribery in the public sector cover all acts/ omissions in the exercise of the functions of a public official, whether within the scope of the official's duties or not (paragraph 67);

2. To reformulate the offence of bribery of foreign public officials contained in Article 357 (6) of the Criminal Code with the relevant provisions pertaining to the bribery of domestic public officials, in accordance with Article 5 of the Criminal Law Convention on Corruption (ETS 173) (paragraph 68);
3. To make it clear to practitioners that active and passive bribery of domestic and foreign arbitrators are covered by reference to the concept of public official as construed under Article 122 of the Criminal Code (paragraph 69);
4. To ensure that legislation concerning bribery in the private sector covers in an unequivocal manner the full range of persons who direct or work for – in any capacity – private sector entities (paragraph 70);
5. To (i) criminalise active trading in influence as a principal offence; (ii) review the provision on passive trading in influence to unambiguously cover a) the request or the acceptance of the offer or the promise of an undue advantage by the influence peddler; b) the direct and indirect commission of the offence; and c) those instances where the advantage is not intended for the briber him/herself but for a third party (paragraph 71);
6. To (i) abolish the requirement of dual criminality with respect to the offences of bribery and trading in influence committed abroad; (ii) establish jurisdiction over offences of bribery and trading in influence committed abroad by domestic public officials and members of domestic public assemblies of “the former Yugoslav Republic of Macedonia” who are not nationals; and (iii) establish jurisdiction over acts of corruption committed abroad by foreigners, but involving officials of international organisations, members of international parliamentary assemblies, judges or officials of international courts who are, at the same time, nationals of “the former Yugoslav Republic of Macedonia”(paragraph 73);
7. To analyse and accordingly revise the automatic – and mandatorily total – exemption from punishment granted to perpetrators of active bribery in the public and in the private sector who report to law enforcement authorities, and to abolish the mandatory restitution of the bribe to the bribe-giver in such cases (paragraph 74);
8. Introduce clear provisions determining the commencement of an election campaign in view of the obligation to keep campaign accounts and campaign 21 financial reports; and (ii) to extend the financial reference period applicable to election campaigns so that the financial activity during this period is accurately and comprehensively recorded (paragraph 89);
9. to amend the Electoral Code in order to ensure that goods and services granted to election campaign organisers at discounted prices are properly identified and accounted for at their market value, as donations, in order to ensure that the rules on donation ceilings are not circumvented (paragraph 91);
10. To increase the transparency of the accounts and activities of entities related, directly or indirectly, to political parties, or otherwise under their control, and to include, as appropriate, the accounts of such entities in the accounts of political parties (paragraph 92);
11. To ensure that all political parties are adequately informed and advised (e.g. through the provision of training/guidelines) on the applicable political funding regulations, particularly as regards their accounting aspects (paragraph 93);
12. To provide a leading independent body assisted, if appropriate, by other authorities, with a mandate and adequate powers and resources to carry out a proactive and effective supervision, investigation and enforcement of political financing regulations (paragraph 97);
13. To ensure that the mechanism by which sanctions are imposed for violations of the rules on political funding works effectively in practice, and (ii) to ensure, in particular, that the sanction of loss of public funding by political parties and election campaign organisers can be applied in practice (paragraph 101).



# IS THE BALKANS WILLING TO ERADICATE CORRUPTION?



If there is something that may be defined as the largest common denominator of the Western Balkan countries then it certainly is the high level of corruption, as well as 'the strong commitment of the authorities to efficient fight for its eradication'. The combat against corruption is the highlight of electoral campaigns of all political parties, one that is forgotten once the victory is announced and the scent of power, particularly of money, is felt. Then the fight against corruption turns into pure demagoguery or 'farce'. The corruption has been often emphasized as a vulnerable sphere of the Western Balkan countries and considered the key issue that requires special attention for the benefit of the states' further economic and social development on their road to the European Union. Thus, it is quite natural that the corruption is defined as one of the most serious obstacles to the countries' EU integration, while the efficient combat against this evil as one of the main prerequisites for turning their EU aspirations into reality. The high level of corruption is also putting the EU, its democratic, economic development at risk if one day the Western Balkan countries become its members, particularly after the bad experience with Romania and Bulgaria.

The European Commission (EC) keeps underlying this problem in its annual reports on the progress of candidate countries in meeting the required EU membership criteria. The 2009 EC reports for these countries say that 'the corruption still presents

a serious problem', that 'it is wide spread' and 'prevails in many spheres', 'remains at high level', that 'public procurement, granting of licenses, privatization are among vulnerable spheres' and that 'the overtaken obligation of the authorities to fight corruption is not realized in practice'. The countries are recommended to work harder on 'strengthening the administration capacities for combating corruption', 'efficient implementation of the anti-corruption legislation', 'the provisions on the conflict of interests', as well as on 'systematic, strategic approach, transparency and accountability of the relevant institutions'.

But in spite of these firm EC requests there has been no more serious approach to and real will for eradicating the corruption in the Western Balkan countries thus far, except a declarative statement that 'we shall act in line with the EC recommendations'.

## Surveys on the level of corruption

Various surveys on the level of corruption in the Western Balkans just confirm the above mentioned remarks of the EC. The last such survey of the Gallup agency, issued in June of 2010, says vast majority of citizens consider the corruption is 'increasing' in the region within both public and private sector. The survey discloses that more of two thirds of respondents view the corruption as 'devastating' and 'wide spread' in the governmental institutions and the business world.

The survey says the level of perceived corruption is highest in Croatia (92%), followed by Serbia (91%), Bosnia and Herzegovina (90%) -- higher ratio in comparison with 2006, with exception of Macedonia



and Albania. The perception of corruption within the government is the highest in Kosovo (84%) and B&H (81%), and lowest in Montenegro – only 49% of the respondents believe the corruption is widespread with the governmental institutions. Alarming are the results showing that over 25% of the respondents in B&H and Kosovo claimed to be victims of organized crime in their everyday life. Over 50% of the respondents in Albania said last year they had to offer bribe or gift in order to solve some problem, in comparison to 8% in Croatia. The Gallup Director for Europe says the level of citizens' trust in the government and judicial institutions is crucial for their perceptions. He says that citizens who have confidence in politicians are less affected by the economic crisis – regardless of their property status. Some experts of the German Institute for International and Security Affairs consider that the period of 'lawlessness' in the Balkans from 1991 to 2001, when violence and criminal activities prevailed and created a new sector of so-called 'prohibited economy', has generated a high level of corruption. They also consider that from today's perspective the international community's economic sanctions, imposed on former Yugoslavia, were extremely counterproductive, as they generated organized crime and corruption.

Meeting of the EU accession criteria is perceived as a chance for improving the situation with the organized crime and corruption. There is also a warning, saying that some of the Western Balkan countries do not rush to join the European family and hence the promises for reforms and meeting of the EC recommendation need greater credibility – insistence on results, not empty promises. Kosovo is considered to be a real problem in the region, due to the high birth rate and the large number of unemployed young people. Some experts suggest EU to lower the level of corruption and organized crime in Kosovo by opening its borders for labor force.

The 2009 Freedom House report also confirms that the corruption remains urgent problem, which requires special treatment, saying that there are no improvements in comparison with 2008. The Global Corruption Barometer's results have shown that over 32% of the respondents in Albania, Kosovo and Macedonia, and between 18-31% in Serbia paid bribe in order to acquire certain service. All of these data show that although the countries of the region have adopted national anti-corruption strategies and action plans and have taken certain steps to advance the institutional

capacity and legislation, there is a lack of practical implementation, sustainability of these policies and firm governments' commitment to substantial advancing of the combat against corruption.

## Kosovo

During the last few months Kosovo has been hit by a corruption scandal, involving senior government officials - Transport Minister Fatmir Limaj is facing charges of money laundering, organized crime, fraud in office and soliciting bribes. The chairman of the Public Procurement Commission and six other government officials are also under the European Union's rule of law mission in Kosovo (EULEX) investigation for corruption. The corruption probe is related to road tenders issued between 2007 and 2009. What came as a surprise to the international representatives was the angry reaction of Kosovo Prime Minister Thaci and Parliament Speaker Jakup Krasniqi, who blamed EULEX for the raids, calling them a „show“. The only support has come from the country's president. Hence, members of the international missions to Kosovo are not convinced that the judiciary will be able to sentence these corruption scandals over their doubts in the existence of true will for fighting corruption.

## Albania

This year USAID survey says that the corruption in Albania remains at high level. The public corruption perception and experience remain at extremely high level. 91.8% of the respondents think that corruption among public officials is either 'widespread' or 'somewhat widespread'. Religious leaders, the President, the military, the media, public school teachers and NGO leaders continue to be perceived as the least corrupt, while custom officials, tax officials, ministers, MPs and doctors as the most corrupt institutions and groups. Overall, the Albanian public has a negative perception of the contribution that different institutions have made in the fight against corruption. Media is the only institution that is perceived to help in the fight against corruption, scoring over 50% on the scale from 0-100, namely 61.4%. All the other institutions and groups are evaluated below the mid-point scale. The High Inspectorate for the Declaration and Audit of Assets, religious leaders and courts are seen as the least helpful in the fight against corruption. Albanian citizens' trust in institutions continues to

be very low. Only the military is rated with a score above 50 points, while political parties are the least trusted institutions in 2010. What remains is the high percent of citizens that do not trust in the judiciary (64,1%). The health sector still remains the one most quoted for bribery. In 2010, 33.5% of respondents declared to have offered a bribe to a doctor or a nurse.

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### Bosnia and Herzegovina

The legal system reforms simply fail in Bosnia and Herzegovina (B&H) due to corruption, say experts of the Prague Security Studies Institute. It is assumed that the country's accession to the European Union will contribute to its political, legal and economic stabilization, and hence to declining of the corruption. Bringing the country closer to the EU will establish the rule of law and overcome the 'democratic deficit', which is a fruitful ground for corruption. In order to inform the public on harmful consequences of the corruption, the country has launched a campaign, under the slogan 'Corruption Takes Everything From You'. The campaign aims to raise citizens' awareness about the corruption as unacceptable pattern of behavior and impact it has on a society. Police officers from across the country have been educating citizens on mechanisms, which enable each and every one of them to help the country curb the corruption.

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### Croatia

Recently Croatia's business sector has sent a dramatic message to the public, warning that the country is corrupt. The public in Croatia was surprised over this year country's downgraded rating on the corruption lists in comparison to previous years. Businessmen, blaming the government for its insufficient fight against corruption, say that the higher level of corruption in the country is a result of slow reforms, its failure to adopt new legislation and the small number of newly disclosed, publicized and processed cases of corruption. The NGO sector on the other hand says the results of future corruption surveys will be much worse. It points out that the corruption perception index in Croatia is going up as the country has no real political will to fight for its eradication. There is also a lack of transparency in the decision-making process. The NGO sector urges the country to fight corruption with actions not words. In general it is believed

that non-transparent tenders, direct 'under table' deals, conflict of interests and granting concessions without competition are main contributors to the poor situation with the corruption in the country

The business sector warns that the deterioration of the corruption perception index plays a significant role in decision-making of international businessmen. It says potential investor will most probably decide to not invest in a high level-corrupted country and turn to some of its less corrupt neighbor, which is not in favor of Croatia, as the level of corruption in its neighborhood is at much lower level. Therefore, experts demand a revision of the National Program and the plan of action against corruption. They say it is disastrous that citizens consider 'bribery and corruption to be a perfectly normal manner for doing business.'

The corruption has been a core of several serious affairs in Croatia, which resulted in indicting senior officials of the incumbent government and ruling party, including the vice-premier, ministers, managers of powerful state companies, university professors. The disclosing and processing of these corruption scandals have scored points for Croatia on its road to the EU membership. But these scandals must have court closure, which will prove that there is a true will for combating the corruption.

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### Serbia

Recently the results of a corruption perception survey have been also announced in Serbia, which show that 15% of the respondents paid bribe in the first quarter of 2009 (higher ratio in comparison to the previous years) in order to gain access to public services to which they are entitled. Respondents say the corruption is the third most pressing problem in the country after unemployment and poverty. They recognize the responsibility that they themselves bare in combating corruption, but they believe that government and the police must lead the fight against this evil. Respondents say that many tactics are necessary to deter corruption, but 96% of Serbians consider that strong punitive measures are required. According to the UN team in Serbia, the survey results will contribute to supporting the citizens' and government's efforts for promoting good practices, transparency and accountability in favor of eradicating corruption and the country's aspirations to join the EU. Although Serbia has endorsed anti-corruption laws and set up an anti-corruption agency, the fight against this phenomenon is not at a satisfactory level.

According to other corruption survey, conducted this year in Serbia by the UNDP and the Anti-corruption Agency, 90% of citizens consider corruption to be a habit, 16% said they paid bribe, while 33% knew that their friend or relative paid bribe. According to respondents, corruption is ubiquitous, while bribe is the only way to overcome the widespread bureaucracy. Less than 10% of the respondents believe corruption will decrease in the coming years.

## Montenegro

In June of 2010 the European Union announced that it would finance a survey in Montenegro, which is to examine citizens' experiences and opinions of public servants' integrity. The survey will be conducted by the United Nations Office on Drugs and Crime (UNODC) within the framework of the regional program of corruption surveys in the Western Balkans and will be one of the seven regional surveys UNODC is going to implement in the course of the next year. This survey aims to help the government in its fight against corruption and crime. UNODC's survey program will result in seven country reports and a regional report that will give the authorities of each individual country a useful insight into their citizens' perceptions of crime and corruption. The program's ultimate goal is to help authorities in the Western Balkan countries to strengthen their capacities to fight against crime and corruption effectively and to work together at regional level.

## Where is Macedonia in this story?

Last and most serious corruption survey in the Republic of Macedonia was conducted in 2005, by the State Anti-Corruption Commission within the Council of Europe's PACO IMPACT (Program Against Corruption and Organized Crime and Implementation of Anti-corruption Plans in South-Eastern Europe). Surveys of corruption level were also conducted several years ago by NGO sector (in the spheres of higher education and other most liable sectors to corruption: health care, public procurement, administration, construction). The corruption was also part of other surveys on different topics, carried out by international institutions and NGOs. The surveys' results have shown high level of corruption, poor trust in institutions and inefficient combat against corruption.

In contrast to other countries in the region, there is a lack of more detailed survey about the corruption perception and victimization in Macedonia, which would give a real picture about this problem. The European Commission 2009 report on Macedonia's progress says the 'corruption remains to be prevalent and continues to be a serious problem in many areas. Continued efforts are needed, in particular as regards implementation of the legal framework'.

Macedonia has adopted anti-corruption laws, national programs for prevention of corruption and conflict of interests, plus action plans. But in practice the fight against corruption comes down to pure declarative commitment. There is no concrete response to the findings of the State Audit Office on illegal and pointless spending of millions of euros of public money by the ministries, government agencies, public enterprises, local government units. The results of a monitoring of public procurement sector show numerous violations of the legal procedures and doubts over beforehand agreed tenders, lack of transparency and accountability. Provisions of the laws on prevention of corruption and conflict of interests related to the ban of executing several functions simultaneously has been a dead letter for a long period, left to the will of the holders of those functions and the ruling parties.

Hence, it is quite unusual that not one more serious corruption survey has been conducted in Macedonia in the last four years and why the State Anti-Corruption Commission at least does not do something in this respect.





## CENTERS FOR CITIZENS IN FAVOR OF BETTER TRANSPARENCY

For six months now, Centers for Citizens have been functioning in four municipalities in Macedonia, in order to encourage greater participation of citizens in decision-making process in the local governments, advance the communication between municipalities and citizens and in general, to improve the work of the local governments. The centers in Stip, Strumica, Sveti Nikole and Vinica are set up by the NGO Infocentre, Center for Civic Communications and EHO, which under partnership basis conduct the project for Transparent Governance with the USAID Macedonia.

Beti Pejeva, the coordinator of these centers, says they are first such mechanism in the country that offer citizens easier access to the work of municipalities and points where citizens may present their complaints, ideas and suggestions for improving the work of the local administration.

All four municipal centers have own office for the center's coordinator and monitor, who collects the complaints every working day from 10,00 to 14,00h. The small office that houses the center in Stip is located in the vicinity of the City Hall, thus being accessible to citizens who wish to visit it and talk about their problems.

"Citizens come here, present their opinions on the work of the municipality, whether they are satisfied or not and what bothers them. Sometimes they present concrete suggestions for the work of the local administration. The centers also play a mediation role – enabling opinions to be heard

of those who have not had such an opportunity thus far. In addition, we analyze the citizens' complaints, what they wish to tell to the authorities, provide for contacts with the working teams in the municipalities, for these complaints to be further processed and resolved," Pejeva says.

The center in Stip is coordinating the work of all four centers, which will remain open in the next two years. The centers engage NGO activists, who fill out unified forms for each complaint of citizens, no matter whether they visited the office in person or e-mailed the complaint. Afterwards, these forms are being analyzed, structured, which offers regular insight in the activities in the local government units, their weakest spots that are most irritating for the citizens and the necessary changes for improving them.



From the opening of the centers



“Citizens say they are pleased to have such a center, where they may talk about their problems and in that manner have influence on improving the work of local administration,” Stip Center monitor Olgica Pop Andonova says.

In addition to tête-à-tête communication with the people that are present in the centers every day, mailboxes have been also placed in the municipal buildings. The experience thus far of the short-term work of the centers shows that it will take time for citizens to start visiting them more often and openly file their complaints on the poor administration services.

People engaged in the centers say that according to their experience citizens speak more freely in informal conversations with them and representatives of other NGOs. On such occasions, citizens take more direct approach to presenting the problems they have with the local administration, such as invalid procedures and practices they have been subjected to. There are cases when even local government servants are not satisfied with certain procedures, but do not wish to personally submit an official complaint.

“We should work more with the citizens to raise their awareness of the opportunity and necessity to present their opinion, as a kind of inertia prevails in regard to citizens participation in policy developing and resolving of municipal problems,” Pejewa said.

To this effect, the centers intend to conduct periodical polls in order to come closer to the citizens. During our visit to the center, a woman came to talk under the condition of anonymity about her experience with the local administration. We have also talked with her. She told us that this was not her first visit to the center. She has also advised some of her relatives to follow her suit.

“I have presented my complaints on several matters thus far and I am informed by people working in the municipality that my complaints are already conveyed to the relevant officials. So I hope they will be resolved at last. For example, I am not satisfied with the municipality’s refusal to meet one of my demands, without any explanation. In other occasions the local administration is not even capable to answer to our questions, saying they



have always worked in this manner and their practice applies to everybody,” the women said.

She has been genuinely surprised to hear that there is someone who will deal with the municipalities. “As you know citizens are laymen and know nothing about many things. Very often we get answers that fail to help us to resolve our problems, and afterwards we do not know where to turn for advise,” the women said. Naturally, the center’s work will help, but the municipality should be also ready for changes.

There is no pattern, say the center’s activists, which group of citizens are their most frequent visitors. They say that most of the citizens’ complaints refer to the conduct of civil servants and tardy responding to requests. Some of the citizens expressed dissatisfaction with the partisan employments and inappropriate organization of the municipal labor force, namely appointing individuals, who do not meet the experience and education requirements, for senior officials.

Todor Conev, coordinator of Vinica Center, says the



complaints in this office have been mainly related to city planning, public lighting and infrastructure. Peoples' habits are hard to change, especially in small towns like Vinica, so it is more difficult for them to decide and come to such a center, than to find some friend at the municipality and try to resolve their problem, Conev says.

"We call on people by placing posters across the town and media to visit us and say what kind of problems they have, so that we can help to solve them. We have also distributed questionnaires to people living in villages to find out what kind of problems they have. as these people are some how distanced from the municipality," Conev says.

It is very important, he says, for citizens to openly speak about their problems, as the centers will not only send their complaints to the municipality, but also work on advancing the procedures for these problems not to appear in the future, or on setting up clear procedures for their resolving. He is satisfied with the cooperation between the center and the municipality, which will soon start to work together on implementing the suggestions, submitted to the municipality for advancing the work of the local administration. "It is obvious that the people with the local administration have become more active and communicate with our center on regular basis," Conev says.

"An informal, anonymous addressing to the centers is not a problem," Pejeva says. "If citizens file informal complaint to us, we can also address the municipality in the same manner and at least inform it twchich is the sphere the complaint is referring to. But what we officially demand from the municipalities is amending of procedures and introducing new mechanisms that will please the citizens," she says.

The three NGOs conducting the project say there have been tangible results in this respect already, not only from the centers' functioning but also from the other project's activities, above all the training of local administration and suggestions for enhancing their work, which derive from the training. Prior to the training, debates were organized, bringing together mayors, heads of municipal services and public servants, who embraced the initiative – on the basis of comprehensive research of the current practices of the municipali-

ties in order to obtain relevant data about the satisfaction of the citizens, their associations and the business community with the services provided by the municipality, and their participation in the decision-making process of the municipalities, as well as to detect weaknesses in the municipalities in the direction of transparent, efficient and accountable governing.

"They have become aware that we are not here only to criticize, but also to work together with them on improving the overall situation. Thus, the first doubt has turned into solid cooperation. The mayors themselves expressed interest to work with us, provide conditions for training of their personnel and set up teams to work on implementing the suggestions, presented at the training. There is progress and I hope that these four municipalities, which kick-started the project, will serve as an example about how the local administration, in cooperation with NGOs, may contribute to improving the work of the local authorities and to add to the satisfaction of citizens with that work. We are pleased with the results of this first phase and I hope we shall bid farewell to this year with a solid percent of already implemented suggestions," Pejeva says.

The project foresees for the experience from the four pilot-municipalities to be transferred in the western Macedonia, and the capital Skopje. Although each of these municipalities could face new, different problems, considering the experience of the four pilot-municipalities, it may be concluded that the weaknesses related to poor transparency, accountability, responsibility and citizens' participation in the decision-making process have been present in all of them.



DIMAPUR | June 2: Nagaland has a bad history of implementing the midday meal scheme. The school meal programme started as a Central scheme has encouraged widespread corruption in the state. Instances of corruption on the supply side, quality and quantity of meals provided to school children has become common. Records attained from a non-profit organisation Youth Net, indicates that the midday meal scheme is a failure in Nagaland.



## CORRUPTION EATS INTO CHILDREN'S MEALS

From March 2009 to March 2010, the Food Corporation of India allotted 998 metric tons to the Government of Nagaland quarterly. Calculated in bags, the government received 19,960 bags of rice every three months. If distributed equally to all the districts, each got approx 1814 bags of rice quarterly. Each bag contains 50 kilos of 'grade A' rice raw, one of the finest qualities, according to FCI officials. But by the time the bags of rice reaches the schools, both quality and quantity is reduced. During the social audits carried out by Youth Net, most schools complained that the rice was not even fit for human consumption and sometimes fed to pigs. Moreover the quantity of rice per bag was drastically reduced to 25 to 30 kilos.

Officials in the department of Education justify that the quantity of rice is reduced to make up for the transportation expenditures. But with the excuse of transportation fees, the department is taking undue advantage of the situation, a member of the social audit team in Youth Net said. It is suspected that the quality of rice is also substituted in the process of distribution. The discrepancy in the scheme has become excessive and children are denied the right to food, the member said.

It may be mentioned that following a Supreme Court order in 2004, the Government of India began contributing towards transportation costs, additional to the free food grains. The Central government contributes a sum of Rs.1.50 per child towards cooking cost, on the condition that the state government contributes at least 50p per child. The scheme was recently expanded to also cover children in the upper primary schools.

A department official said that it is practically impossible to meet the requirements of the scheme



of one meal every day. However, the department was trying its best to provide midday meals as frequently as it can, the official added. Interestingly, most schools get only one mid-day meal throughout the year. In the interior regions, many schools don't get cooked food and are given raw rice to take home. The department source said that also due to rising food prices the government is facing a crisis in proper implementation of the midday meal scheme. Even since the department of Education became communitised, implementation of schemes related to the department is carried out by the Village Education Committee. On most occasions the VEC blames the department, but it is evident that corruption has seeped in at all levels.





## About the Center for Civil Communications

The Center for Civil Communications is a non-governmental, non-profit and non-partisan association of citizens, with a mission to improve and develop the communication among all factors in the society of the Republic of Macedonia about the processes of wider societal importance as well as to monitor, analyze and promote the social-political and economic processes in the country, mostly in the field of anti-corruption, local government and economic development.

The Center for Civil Communications fulfills its mission through organization and implementation of surveys, analyses, monitoring, training, seminars, roundtables as well as publishing of reports, publications and manuals.

In the past five years, the Center for Civil Communications has focused its work on two sets of interrelated activities: monitoring and discovering the corruption practices and based on this providing recommendations on the measures and policies for reducing the corruption and capacity building of journalists and media for fulfilling their special role in the fight against corruption in the country.

The most significant activities that have been implemented include the following:

### Project on Transparent Local Governance (2009-2012)

The project develops mechanisms for increasing the transparency, accountability and responsibility of local governments in Macedonia, encouraging the participation of citizens and local business community in the decision making process in the local government and sharing the best practices and experiences among the municipalities in the country and the region. The project activities will contribute for reducing the level of corruption in the local community and increasing the trust of the citizens and business representatives in the local authorities. The project is implemented in partnership with the non-governmental organizations: EHO from Stip and NGO Info Center from Skopje and is funded by the USAID Macedonia.

### Monitoring of Public Procurement on Central and Local Level (2008-2010)

The project analyses the implementation of public procurement procedures and system in the country in light of the new Law on Public Procurement, from the aspect of transparency, competitiveness, equal treatment of economic operators, non-discrimination, legal, economic, efficient, effective and rational use of budget funds, getting the best offer under the most favorable conditions and accountability for the funds spent during the public procurement process. Total of 160 randomly selected public procurement procedures are monitored and analyzed on annual level, through direct monitoring of opening the offers, in-depth interviews with the bidders and the institutions that open the tenders, gathering information from the Public Procurement Bureau and other involved institutions. The results of the monitoring include recommendations for promoting the public procurement process. The project is funded by FOSIM.

### Enhancing the Role of Media in Fight against Corruption (2008-2009)

The project promotes the journalistic standards on researching and reporting corruption and builds the capacity of media on fulfilling their role in the fight against corruption. The starting point is an in-depth analysis of the way in which the Macedonian media report on corruption and identifying the main weaknesses in this reporting. Based on this, recommendations are developed for promoting the journalistic standards. The implementation is through training of 12 investigative reporters from leading media in the country. These activities will contribute for overcoming one of the main problems detected in the National Strategy on Reducing Corruption – inappropriate media coverage of corruption. The project is funded by USAID Macedonia.

### Measures for Reducing Corruption in Macedonia (2007-2008)

After the first phase of the project identified the most vulnerable areas of corruption in Macedonia, this project has developed and recommended total of 156 specific measures that should be undertaken in order to narrow the space for corruption. The project included comparison of the best practices in the other countries, series of workshops where experts and representatives of the stakeholders discussed and proposed ways to narrow the room for corruption, prioritize the measures and sending them to the competent institutions and media for monitoring their implementation. Most of the measures were implemented, particularly those for granting higher independence to the second instance National Commission for Complaints on Public Procurement, which was transferred from the auspices of the government to the Parliament, the independent legal status of the Public Procurement Bureau, which is no longer under the Ministry of Finance, etc. The project was funded by the Balkan Trust for Democracy.

### Reduction of Corruption: Exchange of Experience and Good Practices in Investigative Reporting between the Journalists from Macedonia and Romania (2008-2009)

In partnership with the Romanian Center for Investigative Reporting, 10 investigative researchers from Macedonia were trained from the leading Romanian trainers in investigative reporting about the advanced techniques of investigating journalism. After the training, the journalists had an opportunity to be in the Romanian media where together with their colleagues from Romania worked on investigative stories, which were published in the Macedonian media. As a result of the project, a network of investigative reporters was established within the Center for Civil Communications. The project was funded by the East-East program.

### Series of trainings for journalists from local media on investigative reporting and reporting on the local government (2008)

The Center delivered 4 regional trainings for 30 journalists from the local media on strengthening their capacities and abilities for researching and reporting on the work of the local government in light of the increased competences of the local authorities, which also increased the role of local media in reporting on the issues of the interest of local citizens. The project resulted in developing a Manual on Journalist Reporting for the representatives of the local media in Macedonia. The project was funded by the USAID Macedonia local government activity.

In addition, the Center for Civil Communications in the past period has published a series of Corruption Reports in Macedonia (2005 and 2006), supported by the Balkan Trust for Democracy, trained the members of entire newsrooms from 16 local TV stations from throughout the country on reporting the issues of local interest, through the support of the US Embassy to Macedonia, participated in the expert team that developed the three-year National Strategy on Combating Corruption, and was a member of the Committee that granted the good governance award in Macedonia, etc.