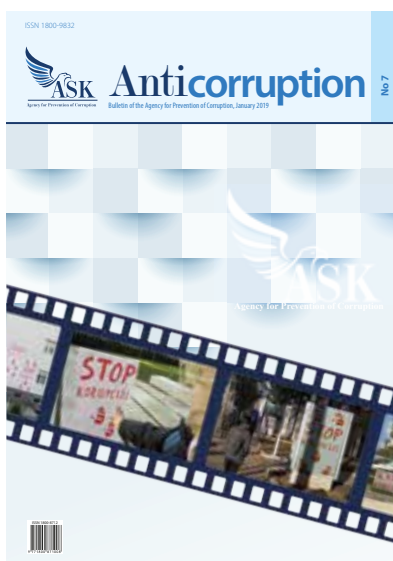




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**Publisher:** Agency for Prevention of Corruption

**Editors:** Ljiljana Jušković and Nina Sekulović

**Web:** [antikorupcija.me](http://antikorupcija.me)

**Address:** Kralja Nikole 27/V, Podgorica

**Design and press:** Printing office „Obod” A.D. Cetinje

**Copies:** 250

# Introductory words



**Sreten Radonjić,**

*Director of the Agency for Prevention of Corruption*

Dear Readers,

In this issue of the Anti-Corruption bulletin, the key data on the activities and results of the Agency for Prevention of Corruption in 2018 have been published.

As the central preventive anti-corruption body in Montenegro, as in previous years, the Agency has made a major contribution to the overall fight against corruption and it has contributed to the strengthening of transparency of the work of the public and private sectors by the non-selective and consistent application of the laws within its competence.

In all key areas of work – control of financing of political entities, prevention of conflict of interest, verification of income and assets declarations of public officials, acting upon reports of whistleblowers, implementation of integrity plans, analysis of regulations, etc., the Agency has achieved concrete and measurable results, working independently and free from political or any other influence.

The consistent exercise of the Agency's competencies has contributed to the trust of citizens and greater familiarity with the work of this authority, as confirmed by the results of the regular opinion survey carried out in November by the Damar plus agency, which was published in this issue of the Anti-corruption bulletin.

Specifically, as the results of this survey show, in this, as well as in previous years, the percentage of citizens who have confidence in the work of the Agency is above 60%. A total of 66.4% of citizens assess that the Agency has contributed

to the overall fight against corruption in Montenegro. In this year's survey as well, the Agency is ranked first among the institutions which the citizens would approach in case they decide to report corruption.

Successful prevention of corruption requires implementation of the best international standards and practices. Therefore, I would like to express my gratitude to all international and domestic partners for their continuous contribution to capacity enhancement of the Agency in 2018, especially through international programmes, such as the joint project of the EU and the Council of Europe "Horizontal Mechanism for the Western Balkans and Turkey" and the IPA Twinning Project "Support to Implementation of Integrity Measures". Owing, among other things, to this support, the Agency is now fully staffed and technically equipped to respond to all challenges and exercise all its competences.

I also express my appreciation to all those entities obliged to apply laws within the competence of the Agency which have contributed to further increase in the level of transparency in the use of public resources through proper fulfilment of their legal obligations, and demonstrated a high level of awareness of the necessity of observing certain obligations, responsibilities and restrictions in the conduct of public affairs. Thus, they have given strong evidence about the legality of their work and made great contribution to the overall efforts in the fight against corruption, which is the common goal on Montenegro's path to European integrations.

***The Agency for Prevention of Corruption is your trusted partner!***

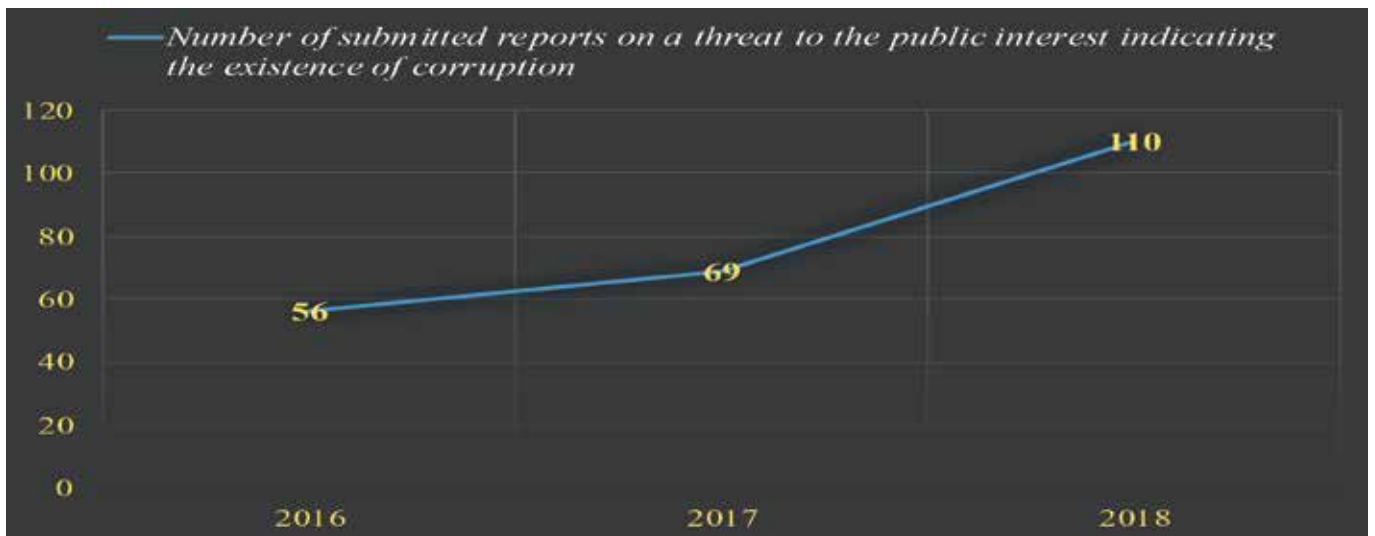
# REPORTS ON CORRUPTION AND PROTECTION OF WHISTLEBLOWERS

In 2018, the Agency received 110 reports on a threat to public interest indicating the existence of corruption and one request for protection of whistleblowers, while 35 procedures were transferred from the previous year (25 procedures upon whistleblower reports, nine ex

in a company founded by the municipality and three public institutions, two of which are from the education system, while one is from the healthcare system.

Nine reports were submitted to the competent prosecutor's offices, while the procedures for four

the Police Administration and the Administration for Inspection Affairs. The competent authorities have identified irregularities in five cases so far, one report, which is currently in the phase of preliminary inquiry, has been forwarded to the competent prosecutor's office, while



officio procedures and one request for protection of whistleblowers). A significant increase in the number of reports compared to 2016 and 2017 indicates that numerous educational anti-corruption activities on raising public awareness of corruption and prevention mechanisms, which the Agency has been continuously carrying out, have shown results.

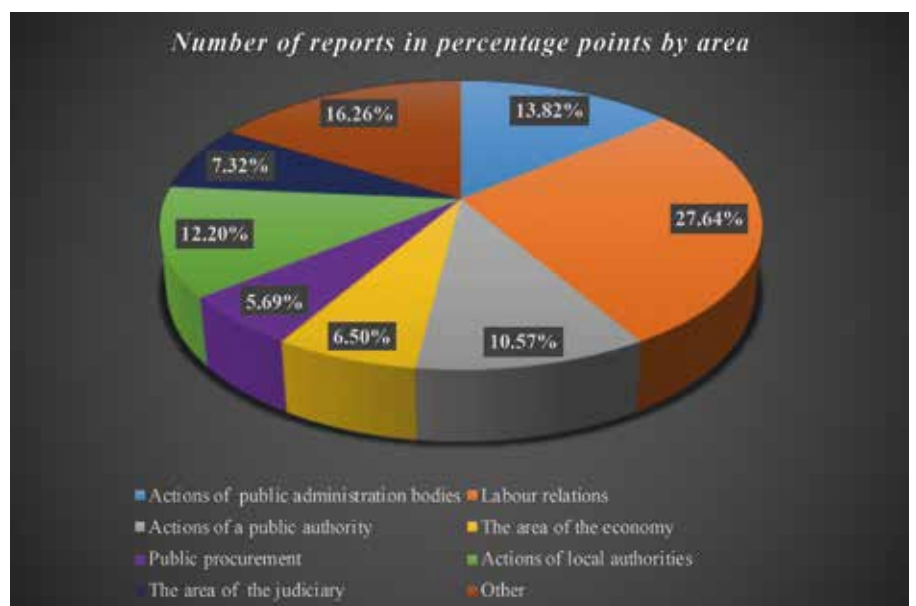
Out of the aforementioned number of reports in the previous year, 47 reporting entities submitted the report anonymously, while four reports were filed by employees in the institutions to which they apply. A total of 78 procedures were completed, namely: 59 procedures upon whistleblower reports (19 from 2017, 30 from 2018), one procedure upon the request for protection from 2017 and 18 ex officio procedures (in total: eight from 2017 and ten from 2018).

Regarding the completed procedures upon whistleblower reports, the existence of a threat to the public interest was established in five procedures in one municipality,

additional reports from 2017 and two reports from 2016 are still pending. Regarding the reports from 2018, the feedback was provided that five of them were rejected, while the other procedures are pending. Moreover, during this period, 36 whistleblower reports were submitted to other competent institutions, most of them to the Ministry of the Interior,

in 16 cases irregularities have not been established. Other procedures are ongoing.

The largest number of reports referred to the following areas: actions of the public administration bodies - 13.82%, labour relations - 27.64%, actions of a public authority - 10.57%, the economy - 6.50%,



public procurement - 5.69%, local authorities - 12.20% judiciary - 7.32% and other - 16.26%

Furthermore, the Agency gave recommendations for the improvement of transparency and elimination of corruption risks in all

the Opinions in which it established a threat to the public interest, maintaining continuous monitoring of the level of their implementation.

For the purpose of full transparency, on the website of the Agency, in the „whistleblowers” section, excerpts

are published from the Opinions upon whistleblower reports in which the existence of a threat to the public interest was established. The said Opinions are available on the Agency's website at the following link: <http://www.antikorupcija.me/en/whistleblowers/judgments/>

## EX OFFICIO

# EX OFFICIO PROCEDURES DUE TO SUSPICION OF THE EXISTENCE OF A THREAT TO THE PUBLIC INTEREST

In the period from 1 January to 31 December 2018, the Agency for Prevention of Corruption initiated 13 ex officio procedures, based on its own knowledge, due to suspicion of the existence of a threat to the public interest, while the procedures for nine cases, initiated

in 2017, have continued in this year.

In this period, the Agency completed 18 procedures and issued Opinions in which the existence of a threat to the public interest was established in 13 cases. These procedures relate to the announcement of vacancies for one day or over the weekend

and to labour-related procedures (conclusion and termination of employment contract) and in this regard, it gave 86 recommendations to public institutions for improving transparency and eliminating corruption risks.

*Kristina Braletić, Head of Section*

# PREVENTION OF CONFLICT OF INTEREST AND RESTRICTIONS IN THE EXERCISE OF PUBLIC FUNCTIONS

In order to exercise its legal power to prevent conflicts of interest, the Agency is successfully implementing preventive anti-corruption activities, as indicated by the number of adopted Opinions, Decisions and the imposed sanctions. In addition to these measures, the Agency is continuously implementing numerous educational activities aimed at raising the awareness of employees in the public and private sector, as well as the general public of the importance of prevention of the conflict of interest, as well as the mechanisms for its prevention and sanctioning.

In view of the foregoing, acting upon the requests of public officials and authorities in 2018, **the Agency gave 185 Opinions, based on 185 received requests for giving opinion**, which are binding on public officials, relating to the following: the conflict of interest and exclusion from the discussion and decision-making, restrictions in the exercise of functions - incompatibility of functions, membership in

management bodies, membership in working bodies, receipt of fees, as well as restrictions upon termination of office, conclusion of contract, receipt of donations, status of public officials.

During 2018, in accordance with Article 42 of the Law on Prevention of Corruption (LPC, Article 42 - *Legal Effect of Decisions*), 20 authorities required the Excerpts from **the Agency's register for 75 persons prior to the election/appointment procedure to establish whether they had been removed from public office**, in the capacity of a public official, **in the last four years prior to their candidacy**, due to violation of the provisions of the Law, **in order to verify whether there were any obstacles to their appointment. All request of the**

**authorities were acted upon.**

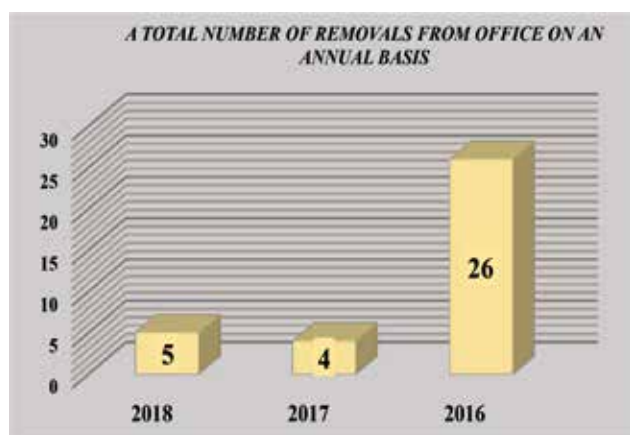
Regarding the conduct of administrative procedures related to the prevention of conflicts of interest and restrictions in the exercise of public functions, the Agency received 43 reports from other natural or legal persons in the previous year, including anonymous requests and acted ex officio in 28 cases. During 2018, the Agency initiated and completed a total of 71 procedures due to: the conflict of interest, procedures arising from violation of restrictions – the exercise



of incompatible functions and non-transfer of management rights. **Out of 71 completed administrative procedures, a violation was established in 41 public officials or in 58% of cases.**

The Agency conducted 18 procedures related to the conflict of interest and issued 18 decisions, out of which it was established in **11 cases that public officials had been in conflict of interest or in 61% of cases.** After the adoption of the Agency's decisions, **one public official resigned from the public office, whereupon he was removed from the public office,**

obtained contrary to the provisions of the said Law. One service contract between a public official and the authority was terminated, since the Agency established that it had been concluded contrary to the law. 11 acts were passed, by which the Agency terminated the procedure in administrative matters upon the requests of other persons (as well as anonymous persons), in which it was established, on the basis of verification and insight into the evidence, without the hearing of the parties, that there was no violation of the law on the basis of the presented evidence.



**one disciplinary measure of warning in the form of a conclusion was imposed, two public officials were removed from the public office** following the decision, while the **material gain** in the amount of **€10,815.15** was confiscated from one public official on the basis of a court decision.

Regarding the violation of provisions of the Law on Prevention of Corruption, concerning the restrictions in the exercise of public functions, the Agency issued 42 Decisions, which **established violations for 30 public officials or 71% of public officials against whom the procedure was conducted,** while 12 officials did not violate the provisions of the Law. In addition, **13 public officials resigned from duty in business entities,** after the initiation of administrative procedure before the Agency, **while in 3 cases public officials returned the funds (in the total amount of EUR 4,605.97)** for which it was established during the procedure that they had been

**public officials who resigned or were removed from office on the basis of the Agency's actions is 224, of which 189 are resignations and 35 removals from office, including two Decisions on the election of a public official which were repealed.**

*Maja Karas-Bošković,  
Head of Section*

As the result of the aforementioned mechanisms in 2018, there were **77 resignations** from public office by public officials, the authorities issued **ten written reprimands with a warning measure, while five public officials were removed from public office. The total number of**

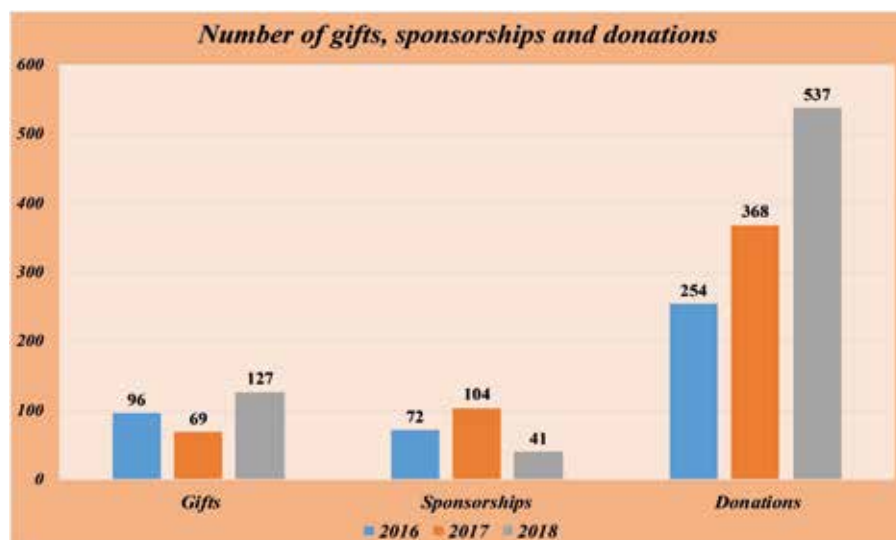
## GIFTS, SPONSORSHIPS AND DONATIONS

Regarding the control of illegal receipt of gifts, nine authorities submitted Excerpts from the gift register, where it was reported that public officials had received a total of 127 gifts (four convenient and 123 protocol ones, and there were no gifts that cannot be rejected), while 30 authorities submitted the Report that they had not received any gifts, although they did not have a legal obligation.

Regarding the exercise of legal competencies concerning the restrictions on receipt of donations and sponsorships, 72 authorities submitted a Report on received donations stating that public officials received a total of 537 donations while 30 authorities submitted a Report that they had not received any donations and sponsorships. In addition, eight authorities submitted a Report on received sponsorships, stating that the authorities received a total of 41 sponsorships.

The accuracy and completeness of the received Reports/Excerpts and accompanying documents were checked. There were no initiated procedures regarding received gifts, sponsorships and donations. Within the legal deadline, the Agency submitted nine requests to the authorities to supplement the Reports on received sponsorships or donations.

All reported data after 31 March 2018 on received gifts, donations and sponsorships for this year have been processed and are available on the Agency's website in the application public registers - a catalogue of gifts, sponsorships and donations, in accordance with Article 22 of the Law on Prevention of Corruption (<http://www.antikorupcija.me/me/register/>).

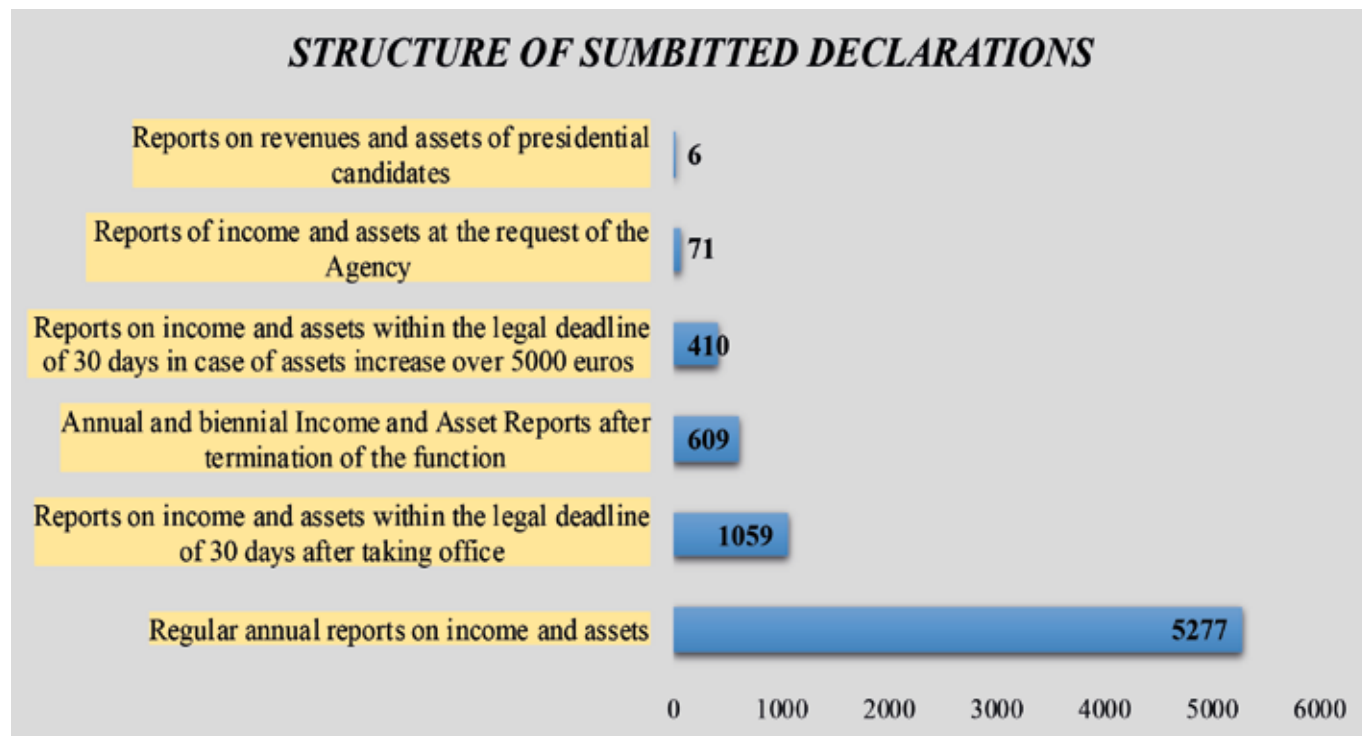


# VERIFICATION OF ASSETS AND INCOME

The second half of 2018, with regard to the work of the Department for verification of income and assets declarations of public officials and civil servants was largely marked

Council of Europe experts. Taking into account the introduction of the new methodology, the Agency accepted most of the recommendations of the experts of the Council of Europe

Tax Administration (as well as the data from the Central Registry of Commercial Entities) and the Securities Commission, to which authorized officers have a direct



by the activities in the field of **verification of the accuracy and completeness of Declarations, as well as complete verification**, while the **administrative and technical verification** was conducted continuously and involved all declarations submitted to the Agency in a legally prescribed form. The verification was carried out in accordance with the Revised Annual Plan of Verification of Assets Declarations of Public Officials and Civil Servants, based on improved methodology of verification procedures, adopted in accordance with the recommendations of the

engaged through the Horizontal Program of the EU and CE for the Western Balkans and Turkey – Action against Economic Crime in Montenegro.

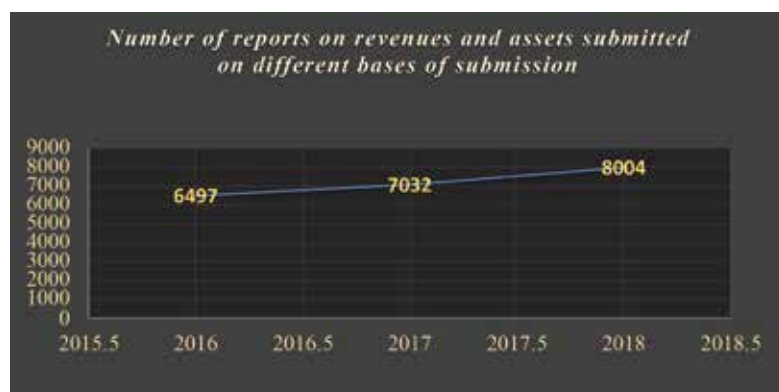
All received Declarations of Income and Assets, more precisely, **8,004** of them, were software and administratively verified and are available on the official website of the Agency.

The second type of verification – the so-called verification of accuracy and completeness of the data was done through comparison with the databases of the Ministry of the Interior, Real Estate Administration,

access. In accordance with the aforementioned, by 31 December, **854** Declarations of public officials were verified **in terms of accuracy and completeness**. With regard to **complete verification**, it is important to point out that **all 20 officials** who were envisaged by the Revised Annual Verification Plan **were checked**, among whom are those with the highest level of vulnerability to corruption of the area/entity and vulnerability to corruption of the function/position performed by a public official.

When it comes to access to accounts of banking institutions, the approval was given in **60%** of the submitted declarations.

Since the beginning of the work of the Agency, an increase has been noted regarding the submission of declarations, which points to an increasingly conscientious and responsible approach of public officials and a certain group of civil servants in fulfilling this legal obligation.



*Dragana Šuković, Head of Section*

IMPROVEMENT OF VERIFICATION OF INCOME AND ASSETS DECLARATIONS

**THE FIRST ROUND OF NEGOTIATIONS ON THE CONCLUSION OF THE INTERNATIONAL DATA EXCHANGE AGREEMENT AIMED AT VERIFICATION OF INCOME AND ASSETS DECLARATIONS**



In order to improve the verification of Declarations of Income and Assets, the representatives of the Agency, Savo Milašinović, Assistant Director of the Agency and Dragana Šuković, Head of the Department for Verification of Income and Assets Declarations,

participated in the first round of negotiations on the conclusion of the International Data Exchange Agreement, held in October in Vienna at the International Anti-Corruption Academy, organized by the Regional Anti-Corruption Initiative (RAI) from Sarajevo, under the auspices of the Austrian Development Agency.

Negotiations in Vienna were conducted with a focus on the manner of data exchange at the international level for the purpose of administrative verification of declarations of income and assets, the establishment of contact points for the receipt and sending of requests for submission of data and other issues of importance for the prevention and elimination of corruption at the regional level.

**CONTROL OF THE FINANCING OF POLITICAL ENTITIES AND ELECTION CAMPAIGNS**

**AN ANALYSIS OF THE FINANCING OF POLITICAL ENTITIES AND ELECTION CAMPAIGNS IN THE PERIOD 2016 - 2018**

The Agency for Prevention of Corruption has done an Analysis of the financing of political entities and election campaigns from private and public sources in the period 2016 - 2018.

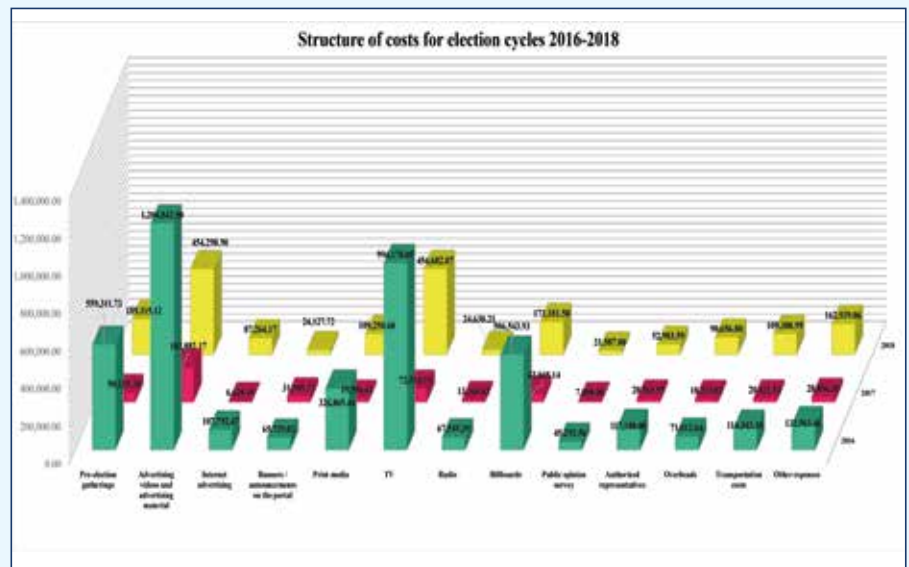
This document contains detailed summary data on the reported, raised and spent funds of political entities for the financing of election campaigns and their regular activities in the period 2016 -2018, while the basic findings of the Analysis refer to the following facts:

- One election cycle was held in Montenegro, that is, the elections for councillors in all Municipal Assemblies, elections for MPs in the Parliament of Montenegro and elections for the President of Montenegro;
- The total funds collected by all political entities for financing the election campaign amounted to € 4,677,638.23;
- The funds transferred from the regular to the electoral account are used as the dominant mode of financing the election campaign (a total of €2,318,508.10 - 50%);
- A total amount of the spent funds was € 6,781,690.02;

- when taking into account the funds spent and the advertising service provided to the entities free of charge in accordance with the Law on Election of Councillors and Members of Parliament, the highest costs and services provided are related to the advertising on TV stations;
- In total, an amount of €29,152,412 was allocated from public sources for the financing of regular activities

and the election campaign, In order to prepare the Analysis, the data from the Report of Political Entities submitted during the election campaign were used. The Analysis was published on the website [www.antikorupcija.me](http://www.antikorupcija.me), in the section Political Entities/News, on 5 December 2018.

*Dušan Drakić, Head of Section Svetozar Trebješanin, Senior Advisor*





# ADOPTION OF NEW INTEGRITY PLANS

In order to eliminate the potential corruption risks, the authorities are obliged, as stipulated by the Law on Prevention of Corruption, to adopt and submit the Integrity Plan to the Agency, as the body responsible for the control of the adoption and implementation of integrity plans. The Integrity Plan is an internal anti-corruption document which contains a set of measures for the prevention and elimination of the possibility for the occurrence and development of various forms of corruptive and unethical behaviour within the authorities, resulting from the self-assessment of exposure of the authorities to the said risks. In view of the foregoing, the authorities are obliged to evaluate the efficiency and effectiveness of the Integrity Plan every other year in accordance with the Rules for the Preparation and Implementation of the Integrity Plan.

With the aim of enhancing the existing and developing new integrity plans, the Agency has developed a **Questionnaire for the assessment of efficiency and effectiveness of the integrity plan** and submitted it to the authorities which adopted

the Integrity Plan in 2016. Moreover, the Agency published the Report on the adoption and implementation of integrity plans in 2017 on its website, containing recommendations for their improvement, which are given at the level of the system and subsystems in which the authorities are categorized (available at the link: [www.antikorupcija.me/en/integrity/reports/](http://www.antikorupcija.me/en/integrity/reports/)). In addition, the Agency has submitted individual recommendations for improving the integrity plan to a certain number of authorities.

The said questionnaire contains questions related to the quality and efficiency of the integrity plan, that is, the impact of measures on the work of the institution in the previous two years. In addition to the general version, **the Agency has developed specific versions of the questionnaire for the fields of healthcare, education and local self-government.**

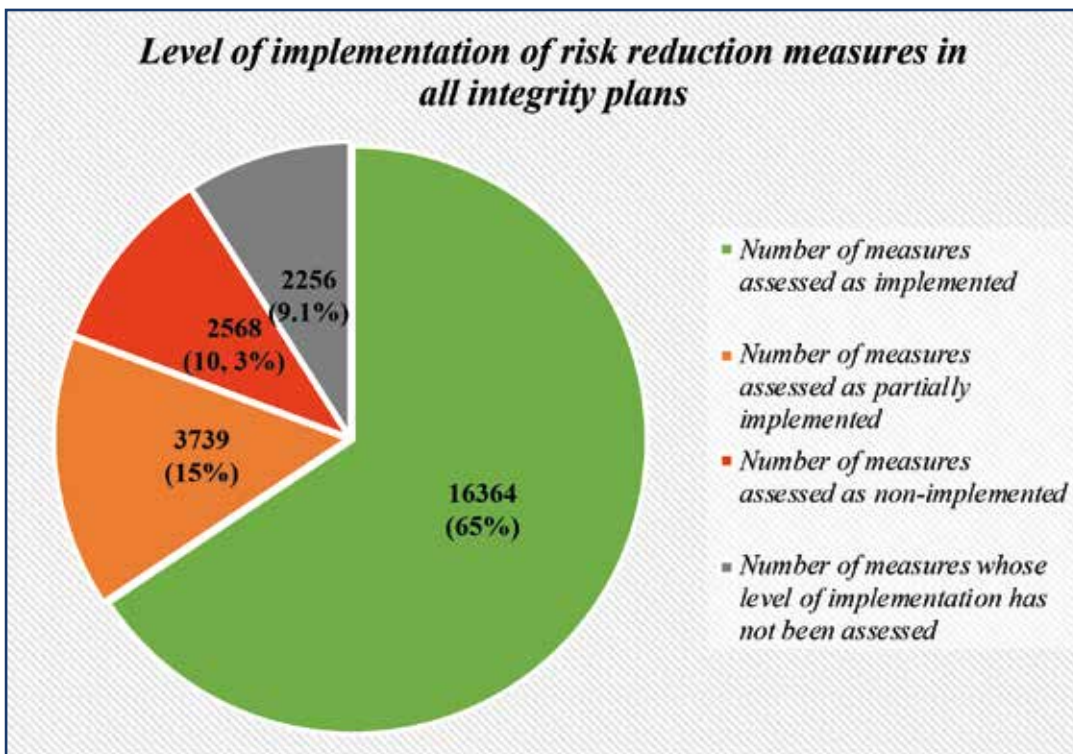
Based on the Agency's recommendations and the assessment of the efficiency and effectiveness of the integrity plan, in 2018 most authorities adopted

the **new integrity plan for the next two-year period.** Moreover, in the same year, **for the first time, the authorities submitted integrity plans to the Agency through a special online application.** Accordingly, all authorities got the user name and password for access to the application, as well as the user manual in order to be able to submit the integrity plan in a timely manner using the application.

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The Report on the adoption and implementation of integrity plans in 2018 will include all integrity plans submitted to the Agency during 2016 and 2017, as well as an analysis of the information from all reports on the implementation of the integrity plan submitted in 2018. Within these reports, the authorities provided the information on the level of implementation of risk reduction measures, as well as the change in the intensity of identified risks in relation to the first risk assessment.

The authorities were obliged to report on the implementation of a total of 24,927 risk management measures, out of which it was assessed that



## LOBBYIST REGISTER

**Lobbying**, as defined by the Law on Lobbying, is the activity used to exercise influence on legislative and executive authorities at the state or local level and other authorities in the process of adopting regulations and other general acts, with the aim of achieving the interests of the lobbying client.

The activity of lobbying may be performed by a natural person who has an approval for performing the lobbying activity issued in accordance with the Law (**lobbyist**) and **a company, or a non-governmental organization** that meets the requirements prescribed by the Law.

In order to enhance transparency, **the public register of lobbyists and legal entities** performing the activity of lobbying in Montenegro was established, which is managed by the Agency, as regulated by the aforementioned Law.

In the past two years, **six natural persons and one legal entity have been granted approval to perform lobbying activities in Montenegro and all of them have been registered in the lobbyist register.**

**65.6% of the measures had been implemented, 15% of them had been partially implemented, while 10.3% of measures in the second year of implementation of the integrity plan had not been implemented.**

Regarding the change in the intensity of identified risks in relation to the original assessment, out of the total number of risks, **it was assessed that the intensity of 7,850 risks had decreased (43,8%) as a result of implementation of the planned**

**measures for risk management.** The largest share of reduced risks was recorded **in local self-government units** (64% of the risks was estimated to be of reduced intensity).

*Marko Škerović, Senior Advisor*

## MONITORING OF REGULATIONS AND GIVING OPINIONS ON REGULATIONS IN THE FIELD OF ANTI-CORRUPTION

A very important competence of the Agency is to provide initiatives for amendments to laws, other regulations and general acts with the aim of eliminating possible risks for the occurrence of corruption and harmonizing them with international standards. Normative compliance with international standards in the field of anti-corruption is a prerequisite for establishing a system that will deliver results in practice. On the other hand, the application of applicable laws will provide information on their possible non-compliance with anti-corruption standards and enable the initiation of their amendments.

In 2018, the Agency issued the **Opinion on the Draft Law and the applicable Law on Public Procurement**. This Opinion contains recommendations aimed at preventing corruption through the provisions on the Anti-Corruption Rule and conflict of interest, their monitoring and effective sanctioning, as well as the provisions on legal protection in procedures. This Opinion is difficult to distinguish from the overall public procurement system and the goals that are sought

to be achieved by international sources of law. In addition, the Opinion includes an overview of issues that are closely related to the prevention of corruption in public procurement procedures.

In the same period, the Agency also issued the **Opinion on the Draft Law on Public Administration**, as an important normative instrument in the framework of public administration reform and overall efforts in the prevention of corruption. This reform represents one of the most important prerequisites for the accession of Montenegro to the European Union and belongs to the group of political criteria, as well as the criteria for the establishment of the rule of law. The functioning of democratic institutions and public administration reforms, along with the rule of law, is a prerequisite for the successful implementation of other reforms and fulfilment of other criteria required under negotiation chapters. Therefore, the proposed Draft Law was analysed in its entirety and certain recommendations were given by the Agency.

Furthermore, the Agency issued

**the Opinion on the Draft Law on Academic Integrity**, as an important instrument for the strengthening of accountability and ethics in the higher education system, and thus eliminating possible risks of corruption and other irregularities. The Agency analysed the provisions of the Law in the part relating to: the requirements for the election of a member of the Ethics Committee, as well as the manner of their decision-making, the establishment and requirements for the election of the Ethics Committee, the manner of submitting reports, acting upon the reports if the existence of criminal offense is established and the signing of the statement on conflict of interest of Committee members, as well as the establishment of criteria and the manner of determining the violation of academic integrity.

Since the beginning of the work of the Department for monitoring regulations and giving opinions on regulations in the field of anti-corruption, the Agency has so far issued **15 opinions** on the risks of corruption in legal texts.

*Dalibor Šaban, Senior Advisor*

# MISDEMEANOURS

The Division for initiating misdemeanour procedures and issuing misdemeanour warrants operates within the Department for Prevention of Conflict of Interest and Control of Financing of Political Entities and Election Campaigns and performs the activities of the Agency related to: the preparation of requests for initiating misdemeanour procedures, issuance of misdemeanour warrants, representation before the misdemeanour authorities, as well as other actions related to a timely course of action with regard to the conducting of misdemeanour procedure.

During 2018, a total of 432 requests for initiating misdemeanour procedures were filed, namely, 403 requests for violation of the provisions of the Law on Prevention of Corruption and 30 requests for violation of the provisions of the Law on Financing Political Entities and Election Campaigns.

## VIOLATION OF PROVISIONS OF THE LAW ON PREVENTION OF CORRUPTION

Regarding the violation of the provisions of the Law on Prevention of Corruption, within the field related to the obligation of **submitting Declarations of income and assets of public officials**, 347 requests for initiating misdemeanour procedures were filed on various grounds in 2018, out of which 237 cases were decided (130 fines and 49 warnings), while the amount of the imposed

fines was € 30,515. Moreover, the cases from 2017 were also decided, 79 of them, and 43 fines and 17 warnings were imposed, while the amount of fines was €13, 540.

**The total amount of the fines imposed due to failure to submit the Declaration of income and assets on various legal grounds, including the cases from 2017, resolved in 2018, amounts to € 44,055.**

Based on the verification of submitted Declarations of income and assets, carried out in accordance with the methodology prescribing the procedure for verification of Declarations of income and assets of public officials, 22 requests for initiating misdemeanour procedures were filed **due to failure to report accurate and complete data in the Declarations of income and assets**, of which 6 procedures were decided. The amount of the fines imposed in this field was € 980. 25 cases from 2017 were also decided on these grounds, of which 18 fines and three warnings were imposed, while the amount of fines was €4,995.

**The total amount of the fines imposed due to failure to report accurate and complete data in Income and assets declarations, including the cases from 2017 decided in 2018, amounts to € 5,975.**

Due to violation of the provisions of the Law on Prevention of Corruption, related to **the field of prevention of conflicts of interest**

**and restrictions in the exercise of public functions**, 19 requests for initiating misdemeanour procedures were filed, of which seven were decided, while the amount of fines was € 1,640.

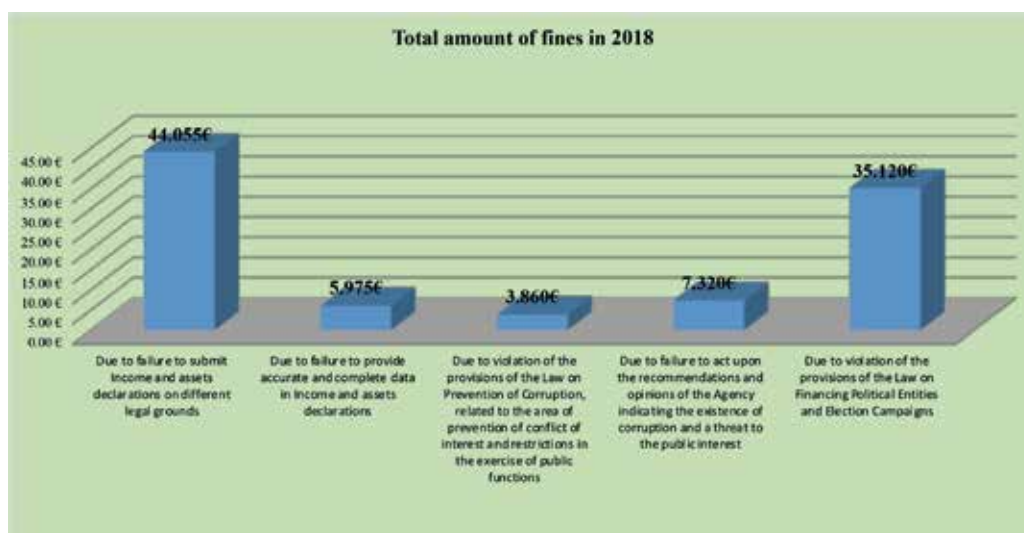
Among the submitted requests for initiating misdemeanour procedures, there are five through which a proposal for confiscation of the material gain obtained from criminal offense is also submitted to the competent courts in accordance with Article 50 of the Law on Misdemeanours, of which two cases were decided, with the fines in the amount of € 800 and the material gain from criminal offence confiscated in the amount of € 10,868. Twelve cases from 2017 were decided on these grounds, eight of which are fines and three warnings. The amount of fines is € 3,060.

**The total amount of the fines imposed on these grounds, including the cases from 2017, which were decided in 2018, amounts to € 3,860.**

Due to failure to act upon the recommendations and opinions of the Agency indicating **the existence of corruption and a threat to the public interest**, that is, due to failure to submit a report on the undertaken actions regarding the implementation of the recommendations of the Agency, 18 requests for initiating misdemeanour procedures were submitted to the competent misdemeanour courts, of which 16 cases were decided, out of which there were 10 fines in the total amount of € 7,320.

## VIOLATION OF PROVISIONS OF THE LAW ON FINANCING POLITICAL ENTITIES AND ELECTION CAMPAIGNS

Due to violation of provisions of the Law on Financing Political Entities and Election Campaigns, 29 requests for initiating misdemeanour procedures (21 requests in 2017) were submitted as follows:



In this field, in the course of 2018, 15 cases were decided and 11 fines were imposed in the amount of €14,370. The cases from 2017 were also decided and six sanctions (four fines and two warnings) were imposed for them in the total amount of € 6,730, as well as 27 cases from 2016 with the five fines imposed in the amount of € 14,020.

**The total amount of the fines imposed due to violation of provisions of the Law on Financing Political Entities and Election Campaigns, including the cases from 2017 which were decided in 2018, amounts to € 28,390.**

#### **Appeals and hearings**

26 appeals were filed to the High Misdemeanour Court against the decisions of Misdemeanour Courts, of which 11 were upheld and the other procedures are pending.

The representatives of the Agency from the Division for Initiating Misdemeanour Procedures and Issuing Misdemeanour Warrants, representing the cases in the field of conflict of interest and financing of political parties during 2018, attended 440 hearings before both the Podgorica Misdemeanour Court

and the Buda Misdemeanour Court, as well as before the departments of these courts in Danilovgrad, Nikšić, Cetinje, Ulcinj, Bar, Kotor, Herceg Novi, Borane and Rožaje.

#### **Recommendations, Challenges**

One of the recommendations of the European Commission that the Agency implemented in 2018 and used its legal powers is a direct issuance of misdemeanour warrants. The Agency undertook all necessary steps for the introduction of this instrument, prepared an analysis of issuance of a misdemeanour warrant for the violation of laws within its jurisdiction and ensured connection with the Register of Fines and Misdemeanour Records of the Ministry of Justice.

From July to the end of the year, the Agency issued 21 misdemeanour warrants on various grounds (due to failure to submit a Declaration of income and assets, incompatibility of functions, failure to report accurate and complete data), of which eight were realized, that is, charged, in the amount of € 1,334, and the Agency will continue to issue misdemeanour warrants in the following period as well. The very

outcome of this recommendation and its efficiency will be assessed after a certain period of time, when an analysis of the efficiency of misdemeanour warrants in relation to misdemeanour requests will be done.

#### **Interinstitutional cooperation**

One of the significant activities in 2018, which indicates possible progress in the area of misdemeanour practice, is the establishment of the coordination body at the proposal of the High Misdemeanour Court.

The goal of establishment of this body is to promote inter-institutional cooperation, by pointing out the problems that each institution encounters with respect to misdemeanour practice, from technical problems to legal non-compliance, as well as to submit proposals for overcoming barriers.

Snežana Pešić, the representative of the Agency, in the capacity of a member of the Coordination Body, attended the second meeting held in the premises of the High Misdemeanour Court.

*Snežana Pešić, Head of Section*

## INTERNATIONAL COOPERATION

Bearing in mind that the Law on Prevention of Corruption, the Law on Lobbying and the Law on Financing Political Entities and Election Campaigns introduce new institutes in the area of corruption prevention, and that, with the establishment of the Agency, these institutes are centralized within one institution, the Agency has defined the building of its administrative capacity as the key strategic priority.

The priority set forth in such a manner is aimed at facilitating efficient supervision over the implementation of the aforementioned laws, as well as the strengthening of capacity of the entities applying these laws. Consequently, through two key projects, the Agency has simultaneously directed its activities to the strengthening of human resources, information and technical capacities, and on the other hand, the authorities (about 700) and public officials (over 4000) in order to

enforce legislation in a consistent manner.

Accordingly, through two key projects, **IPA 2014 Twinning Project „Support for the Implementation of Integrity Measures and the SE and EU Horizontal Programme – Action against Economic Crime**, the Agency has simultaneously focused its activities on the strengthening of human resources, information and technical capacities, and on the other hand, the authorities and public officials.

By using the EU pre-accession support through the IPA Twinning Project, the Agency, in cooperation with the Twinning partner - the National Anti-Corruption Authority of Italy – has carried out the activities on **the strengthening of integrity measures and the field of protection of whistleblowers**. Specifically, the following activities have been implemented, among others:

- The legal regulations and their

application in four areas particularly vulnerable to corruption have been analysed: **the field of public procurement; the field of privatization, concessions and public-private partnership; the field of healthcare; the field of education**, and recommendations have been made to improve the integrity in these sectors;

- The **Manual for Integrity Managers** has been developed for the training of integrity managers;
- The current applications of the standards regarding the acting upon reports and protection of whistleblowers, as well as **the recommendations for improving the implementation of legal provisions on protection of whistleblowers in Montenegro** have been analysed;
- **The fact sheet for persons designated to act upon the reports of whistleblowers in public and private sector institutions** has



been prepared;

- **An analysis of the current implementation of the Law on Lobbying with recommendations** has been made;
- **A new fact sheet on the lobbying institute aimed at both entities obliged to apply the law and the general public** has been prepared;
- **A new fact sheet on the key competencies of the Agency for the entities obliged to apply the law** has been prepared;
- An assessment of the needs for professional development of the Agency's employees has been made and recommendations and tools for further work in this segment have been provided.

Through **the Horizontal SE and EU Programme – Action Against Economic Crime**, within which the Agency, as one of the main beneficiaries, cooperates with the Council of Europe experts on the **improvement of laws, by-laws and practice in the field of control of the financing of political entities and election campaigns, prevention of conflicts of interest, verification of assets declarations of public officials and protection of whistleblowers**, among other things, the following activities have been carried out:

- In order to improve the Plan for Election Campaign Control, the **Methodology for conducting the in-depth control based on risk assessment during the election campaign** has been developed.
- An amended **form for financial reporting of political entities** on an annual basis and during election campaigns has been developed, for the purpose of uniform financial reporting of parties. **Guidelines for the pre-**

**vention of abuse of public resources** for the purpose of control of elections for government authorities have been developed;

• **The new methodology for verification of assets declarations** of public officials based on risk assessment has been developed, on

the basis of which the Agency adopted the amended Annual Plan of Control of Public Officials for 2018.

- **Guidelines for control and decision-making in cases of conflict of interest** intended for the Agency have been developed in order to improve the reasoning of decisions in this area such as the viability of decisions before the court;
- **Methodology for improvement of reporting on the work of the Agency** has been developed so that the results of the Agency could be better monitored by the general and professional public;
- Previously, **Guidelines for Members of Parliament, Judges, Prosecutors and Police on Ethics and Prevention of Conflict of Interest, as well as Guidelines for Civil Servants, Judges, Prosecutors and Police with respect to obligations concerning whistleblowers and protection of whistleblowers** have been developed, as well as the **three-year Communication Strategy of the Agency**.

Moreover, in addition to the above support projects, the Agency is a partner in the key international and regional organizations dedicated to defining the standards in the field of fight against corruption and monitoring of their implementation. Specifically, the Agency is the national coordinator of obligations arising from the membership of Montenegro in the **Group of States against Corruption of the Council of Europe (GRECO)**, a **coordinator for activities related to the mechanism for evaluating the application of the UN Convention against Corruption (UNCAC)**, the **Regional Anti-Cor-**

**ruption Initiative (RAI) and the Anti-Corruption Network of the Organization for European Cooperation and Development (ACN OECD)**. In addition to the aforementioned, the Agency is an active participant in the process of accession of Montenegro to the European Union through **the Negotiating Chapter 23 - Judiciary and Fundamental Rights**. **Montenegro has successfully undergone three rounds of GRECO evaluation**, fulfilling all 38 recommendations submitted to Montenegro in all areas that were the subject of evaluation. Within the framework of the Third Evaluation Round relating to the transparency of financing political parties and incrimination, with the establishment of the Agency for Prevention of Corruption as an independent institution which controls the financing of political entities and election campaigns, as well as the adoption of the Law on Financing Political Entities and Election Campaigns, which prescribes explicit rules for the use of public resources in the election campaign, the remaining two recommendations (recommendations iv and vi) have been fully implemented, which were previously assessed as partially implemented. Thus, the recommendations within the Third Evaluation have been fully implemented.

**Montenegro is currently undergoing the Fourth Evaluation Round** dedicated to the prevention of corruption in relation to Members of Parliament, judges and prosecutors, within which, in the Evaluation Report adopted in June 2015, GRECO submitted 11 recommendations to Montenegro, of which Montenegro has implemented six, which provides for the necessary legal, institutional and practical reforms in the areas covered by the IV Evaluation Round, while the additional report for the two partially implemented and three non-implemented recommendations will be submitted by June 2019. Through the mentioned memberships and projects, the Agency remains committed to the strengthening of administrative and institutional mechanisms, as well as providing continuous support to anti-corruption regional and international bodies in the fight against corruption.

## INTERNATIONAL NETWORK OF NATIONAL ANTI-CORRUPTION BODIES ESTABLISHED IN ŠIBENIK



In October last year, in the organization of the Ministry of Justice of Croatia, a conference was held in Šibenik, under the auspices of GRECO, dedicated to the strengthening of transparency

and accountability in the public and private sector in the fight against corruption. During the conference, the Declaration launching **the International Network of National Anti-Corruption Bodies**

was opened for signature. The aim of the mentioned Network is to establish a minimum of standards in the area of prevention of corruption, as well as to promote institutional management and exchange of information and good practice among national authorities responsible for the prevention of corruption. **Montenegro was one of the founders - signatories of this Network**, on whose behalf the Agency for Prevention of Corruption signed the Declaration. In addition to the representatives of the Agency, the Conference brought together high representatives of the Council of Europe and other regional and international organizations, as well as heads of delegations and representatives of the Ministries of Justice and anti-corruption bodies of the member states of GRECO.

## MEMORANDUM OF UNDERSTANDING WITH THE INTERNATIONAL ANTI-CORRUPTION ACADEMY (IACA) IN VIENNA

In September last year, a Memorandum of Understanding was signed between the Agency for Prevention of Corruption and the International Anti-Corruption Academy (IACA) in Vienna on the sidelines of the seventh session of the Assembly of IACA member states, with the aim of exchanging experiences, and information, providing technical assistance and support for the improvement of work and capacity of institutions dealing with the fight against corruption



### THE „BERLIN PROCESS“

The Agency is an active participant at the high and operational level within the *Berlin Process*, currently the most important inter-governmental initiative

concerning EU enlargement, aimed at improving multilateral ties **between the six Western Balkan countries and six EU countries** (Croatia, Slovenia, Austria, Germany, France and Italy). Within the said initiative, the Agency presents legal and

institutional solutions in the field of prevention of corruption with the results achieved so far and considers further directions of action in this field with other participants

*Marina Mićunović, Head of Department*

# DEVELOPMENT OF THE INFORMATION SYSTEM

During 2018, the Agency continued good cooperation with other public authorities, which resulted in connecting the Agency with the **CPR** databases - **the Central Population Register, the Securities Commission/the Central Depository Agency** - the database of stocks and securities, aimed at more efficient control of income and assets declarations.

Non-selectivity in the work of the Agency has been further enhanced through the information system since the functionality of **„random verification“** has been developed and put into use, which is based on the new methodology for verifying the assets and income of public officials. Namely, this is a mathematical algorithm that ensures selection of a public official to be checked, through the software, without the participation of employees, by the method of automated software random selection of a public official within the categories.

The Integrity Plan module has also been put in full use and it has been ensured that all authorities submit their Plans and Reports on Integrity Plans electronically, and the statistical and analytical processing of submitted data has also been enabled in the Agency.

In order to check the persons who donate money in the election campaign, an access through the web service has also been provided to the Register of Criminal Records of the Ministry of Justice, as well as to the Register of Fines and Misdemeanour Records, so that the misdemeanour warrants issued by the employees of the Agency could be entered therein.

A special contribution to the quality of the Agency's work, especially in the area of strengthening the capacity of control and supervision over the work of political parties and monitoring of election campaigns, will be enabled by the use of the new specialized software module developed during 2018, which is at the same time the most complex part of the application software of the Agency. The module was developed owing to an analysis

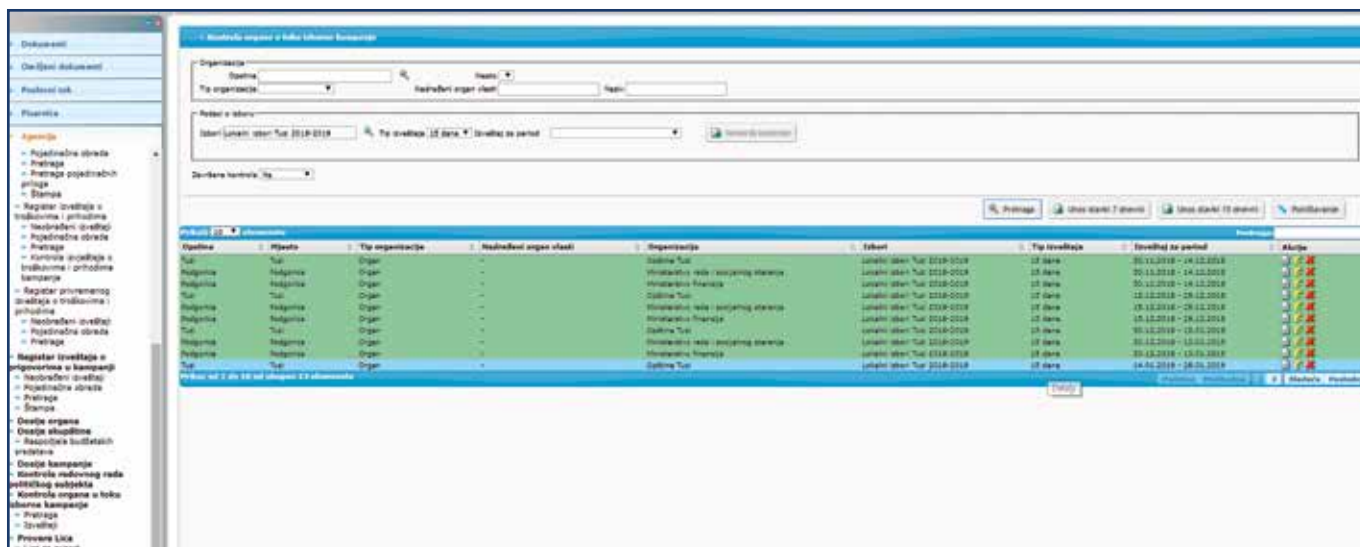
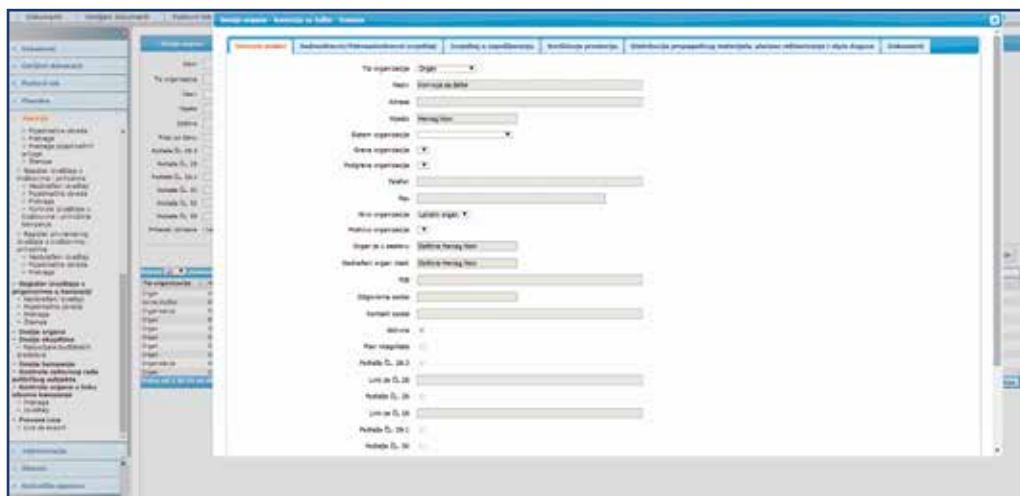
made by experts engaged within the framework of the Council of Europe and EU project called the „Horizontal Facility for the Western Balkans and Turkey“.

In order to increase transparency and accessibility to data, which the Agency has at its disposal, the website has been further enhanced, enabling an access to electronic services to the interested parties for:

- **Electronic reporting of corruption,**
- **Electronic complaint in the election campaign.**

Both services offer anonymous submission of reports and complaints electronically, as well as the possibility of submitting the accompanying documentation in the attachment.

*Dušan Polović, Head of Department*



# ANTI-CORRUPTION CAMPAIGNS



In 2018, the Agency continued to conduct information campaigns on the competencies of this institution, as well as anti-corruption campaigns aimed at strengthening the level of public awareness of the problem of corruption.

The Agency prepared 20,000 flyers for each of the following topics: Lobbying; Reporting a threat to the public interest indicating the existence of corruption; Prohibitions and restrictions regarding the receipt of gifts, sponsorships and donations in the exercise of public office and Reporting the income and assets of public officials. Flyers

were distributed through insertions in daily papers, at seminars and training sessions organized by the Agency, and they were also delivered to several municipalities.

The Agency also prepared billboards „Prijavi korupciju“ (*Report Corruption*) which were placed in 15 locations in nine municipalities, as well as billboards on the topic „Lobiraj zakonito“ (*Lobby in a legal manner*), which were placed in 15 municipalities. Moreover, 30 Citylight posters on the same topic were displayed in 12 municipalities, while the Agency, in cooperation with the Supreme State Prosecutor's

Office and the Police Administration, prepared 20 Citylight posters with contacts of all three institutions to which corruption can be reported, which were displayed in 12 cities.

The anti-corruption thirty-second video „Korupcija nije u igri“ (*Corruption is out of question*) was continuously broadcast. In the second half of 2018 alone, the video was broadcast 100 times on four television channels with national coverage before the central news programmes. The video contains the contacts of the Agency to which corruption can be reported.



# AWARDS HANDED OUT TO ELEMENTARY SCHOOL PUPILS



The Agency for Prevention of Corruption handed out the awards to pupils of the final grade of elementary schools who prepared the best art works on the topic „Stop Corruption”.

- The best work was prepared by Teodora Stanković, an elementary school pupil from Elementary School Vuk Karadžić in Podgorica;
- The second place was won by Vladana Lalić, a pupil from Elementary School Milija Nikčević in Nikšić.
- The third place was won by Sara Jokanović, a pupil from Elementary School Vladimir Nazor in Podgorica.

In addition to the three top-ranked works, nine other best art works were selected, and these 12 works were published on the Agency's calendar for 2019.

In October this year, the Agency sent a circular to all elementary schools in Montenegro, inviting pupils of the final grade to prepare and submit the art works on the topic „Stop Corruption” to the Agency. 264 art works from 31 elementary schools were submitted to the Agency.

In the following period, the Agency will continue to implement anti-corruption educational training for pupils and organize similar activities aimed at further strengthening the level of public awareness of the problem of corruption among the young population.



# PUBLIC OPINION SURVEY

In December 2018, the Agency published an annual public opinion survey entitled „Attitudes and public opinion on corruption and familiarity with the work of the Agency for Prevention of Corruption“.

## FAMILIARITY WITH THE WORK OF THE APC

According to the results of the survey, **81.8%** of respondents heard of the Agency, out of whom **94.1%** answered that they were familiar with the work of the Agency.

Of the respondents who answered that they were familiar with the work of the Agency for Prevention of Corruption, the highest percentage indicated „Prevention/Education in the fight against corruption“ (73.6%) as the activity of the Agency.

A total of **66.4%** of citizens assess that the APC has contributed to the overall fight against corruption in Montenegro, while more than **60%** of respondents have trust in the work of the APC in the fight against corruption, both in this survey and in previous annual surveys.

Both in this survey and in previous surveys, the Agency is among the institutions in which citizens would have the highest confidence in case they decide to report corruption.

**70.8%** of respondents believe that the campaigns of the Agency for Prevention of Corruption encourage citizens to counter corruption.

## PUBLIC AWARENESS AND KNOWLEDGE OF CORRUPTION

Most of the respondents believe that corruption is **the most prevalent in healthcare (20.2%)**, followed by **public administration (13.9%)**, and then **in the inspection service (11.7%)**. In the opinion of citizens, corruption is **the least prevalent in culture, sports and the media.**

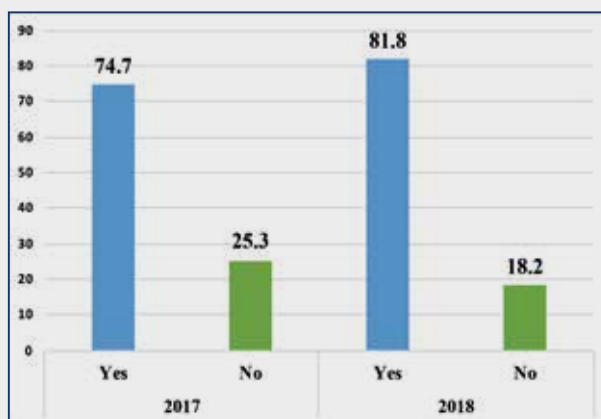
As the main causes of the occurrence/presence of corruption, citizens indicate the following: the lack of civic awareness and responsibility about the harmfulness of corruption (29.7%), followed by low salaries of employees in the state and municipal services (17.8%).

The survey was conducted from 1<sup>st</sup> to 9<sup>th</sup> November 2018 and was carried out by a public opinion polling agency „DAMAR PLUS“.

The findings of the survey are available on the Agency's website at the following link: <http://www.antikorupcija.me/me/novosti/1812281120-istrazivanje-javnog-mnjenja>

Goran Durutović, Head of Section

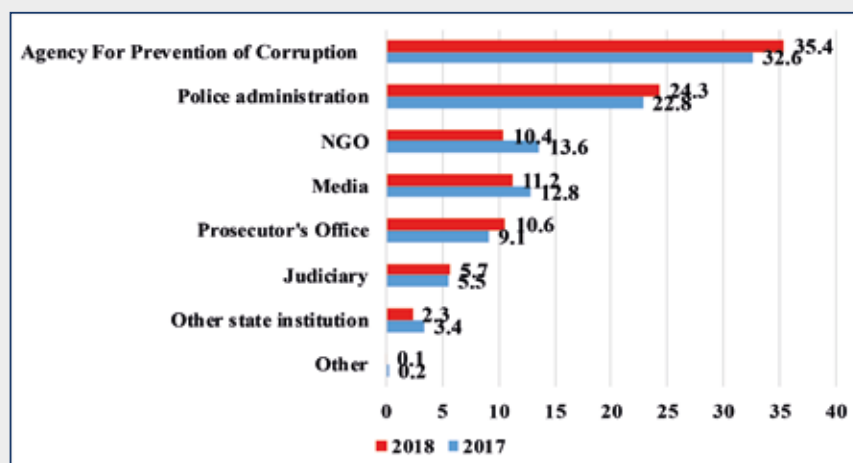
Have you heard about Agency Fore prevention of Corruption?



Do you know what are the competences of the Agency



In case you decide to report corruption, whom would you report to, in other words in which institution would you have the most confidence?





## SESSIONS OF THE COUNCIL OF THE AGENCY FOR PREVENTION OF CORRUPTION

During 2018, 23 sessions of the Council of the Agency for Prevention of Corruption were held, where 37 conclusions/initiatives for improvement of the work of the Agency were adopted, aimed at quality implementation of the Agency's competencies.

In the mentioned period, the following acts were adopted: the Agency's Work Plan for 2018, the Report on Work for 2017 with the Financial Statement, the Rulebook on Work of the Agency in the field of prevention of conflict of interest of public officials and the Rulebook on internal organization and job classification in the Agency.

Furthermore, the activities conducted by the Agency in the course of election campaigns were regularly monitored, so the control and supervision plans during the campaign for the presidential elections were discussed as well as for the elections in the municipal assemblies of: Berane, Ulcinj, Plužine, Šavnik, Žabljak, Bar, Plav, Pljevlja, Rožaje, Danilovgrad, Bijelo Polje, Kolašin and Tuzi, including the Municipal Assembly of the Capital City of Podgorica and the City Municipality of Golubovci, a municipality within the Capital City.

On the basis of regular monitoring of the implementation of control and supervision plans, it was concluded that the Agency, through its proactive activities, had ensured the transparency of reporting by the entities obliged to apply the Law and the use of public resources during election campaigns. The aforementioned activities resulted in a significantly lower number of submitted requests for initiating misdemeanour procedures.

In addition, the Council held five thematic sessions, where the results achieved by the Agency in individual areas of work were discussed, regarding, in particular: the requests for free access to information; procedures for giving opinions due to doubt as to the existence of a conflict of interest in the exercise of public office; opinions on the assessment of susceptibility of legal texts to corruption risks, actions of the competent bodies for election, nomination and appointment upon the decisions of the Agency, as well as the actions of public officials upon the decisions and opinions of the Agency. Special attention was paid to the results of the conducted procedures of the complete, i.e., „in-depth” verification

of Income and Assets Declarations of 20 public officials, in accordance with the Revised Annual Plan of Verification of Assets Declarations of Public Officials and Civil Servants in 2018. During the comparative - chronological verification, a detailed analysis of income and assets was made, which is based on the comparison of the reported data from the declaration of income and assets of a public official, and then the verification of this data through the databases with which the Agency is directly networked.

The Council took special note of the recommendations from the European Commission's 2018 Progress Report on Montenegro, and in this regard, it adopted the Plan of Implementation of the above recommendations, with specific measures, deadlines, holders of obligations and performance indicators. In the reporting period, two reports on implementation of the Plan were considered, and it was concluded that over 90% of the defined measures had been implemented or were continuously implemented.

**Aleksandra Vojinović, Secretary of the Agency's Council**



Agency for Prevention of Corruption

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