SIGMA 2021
PAR MONITORING REPORTS FOR
THE WESTERN BALKANS

Launch event for Serbia
21 December 2021
AGENDA

9.00-9.15 Opening remarks by:

Gregor Virant, Head of SIGMA, OECD
Maja Mačužić Puzić, State Secretary, MPALSG, Serbia
H.E. Emanuele Giaufret, Ambassador and Head of the Delegation of EU to the Republic of Serbia

9.15-10.30 SIGMA presents assessment results, followed by quick reflections by the representatives of Serbian administration.

10.30-10.40 Reflections and key take-aways for PAR in Serbia by Marija Obradović, Minister, MPALS, Serbia

10.40-10.50 Reflections by Florian Hauser, Team Leader, Public Administration Reform, DG NEAR, European Commission

10.50-11.00 Quick reflections, comments from other participants.

11.00 Closing
Key highlights for the region

• Overall **steady progress** but **pace varies a lot**.
• Improved **data availability**.
• Strong and genuine **political commitment** in some areas (service delivery, digitalisation), weaker in others.
• Sound **legislation** mostly in place.
• Most progressed areas in region compared to 2017 are: **public service and HRM, service delivery and public financial management**.
• Significant weaknesses at the level of implementation and outcomes.
Western Balkans 2021 vs 2017


Line=2021
Green area=2017
Overall results for Serbia

1. Strategic framework of public administration reform
2. Policy development and co-ordination
3. Public service and human resource management
4. Accountability
5. Service delivery
6. Public financial management

Regional range, 2021
Regional average, 2021
Serbia, 2021
Serbia, 2017
Overall Results for Serbia
Progress compared to 2017

Line=2021
Green area=2017

**Strategic Framework of PAR**

- Public Financial Management
- Policy Development
- Service Delivery
- Accountability
- Public Service & HRM

**Sources**: SIGMA. Principles Of Public Administration, 2021.
1. Strategic Framework of PAR

Serbia 2021 vs 2017

1.1.1. Quality of the strategic framework

1.2.1. Effectiveness of PAR implementation

1.3.1. Financial sustainability of PAR

1.4.1. Accountability and co-ordination

Line=2021
Green area=2017

1. Strategic Framework of PAR
Serbia 2021 vs WB average


Line=Serbia 2021
Green area=WB 2021
1. Strategic Framework of PAR

Transition from old to new strategic framework during assessment period.

Area average

1.1.1. Quality of the strategic framework of public administration reform

1.2.1. Effectiveness of PAR implementation and comprehensiveness of monitoring and reporting

1.3.1. Financial sustainability of PAR

1.4.1. Accountability and co-ordination in PAR

Regional range, 2021  Regional average, 2021  Serbia, 2021  Serbia, 2017
Strategic Framework for PAR was in transition during 2021 assessment

Quality of strategic framework of PAR

+ New PAR strategy and PFM Reform Programme are good steps forward regarding quality, coherence, comprehensiveness.
- PAR is not sufficiently prioritised in all key Government planning documents.

Effectiveness of PAR implementation and monitoring and reporting

+ Implementation rate of activities of PAR strategy has improved (from 33% in 2017 to 61% in 2020).
+ Monitoring and reporting system is established for all PAR planning documents.
- Monitoring and reporting needs improvement to cover all PAR policy documents systematically and to include information on achievement of objectives, not just activities.
Strategic Framework for PAR was in transition during assessment

Financial sustainability of PAR
+ Costing of PAR strategy and PFM reform program has significantly improved compared to 2017.
- Implementation of PAR relies heavily on donor funding and reduction of dependency on donor financing is recommended.

Accountability and co-ordination
+ Organisational responsibility for overall co-ordination of the PAR is established and PAR Council is functional.
✓ PAR Council needs to leverage its leadership to improve implementation of PAR across the administration.
- Further work needed for making administrative level coordination bodies functional and to engage CSOs and external stakeholders in regular discussion of PAR agenda.
2. Policy Development and Co-ordination
Serbia 2021 vs 2017

2.1. Fulfilment of critical functions...
2.12.2. Accessibility of legislation
2.12.1. Predictability and consistency
2.11.2. Interministerial consultation...
2.11.1. Public consultation on public...
2.10.1. Evidence-based policy making
2.9.1. Government capability for alignment
2.8.1. Adequacy of organisation and planning
2.7.1. Parliamentary scrutiny of government
2.6.1. Transparency and legal compliance
2.5.1. Quality of government monitoring
2.4.1. Quality of policy planning for reforms
2.3.1. Quality of policy planning
2.2.1. Fulfilment of European integration
2.1.1. Fulfilment of critical functions

Line=2021
Green area=2017
2. Policy Development and Co-ordination

Serbia 2021 vs WB 2021

- 2.12.2. Accessibility of legislation
- 2.1.1. Fulfilment of critical functions
- 2.2.1. Fulfilment of European integration
- 2.3.1. Quality of policy planning
- 2.4.1. Quality of policy planning for other sectors
- 2.5.1. Quality of government monitoring
- 2.6.1. Transparency and legal compliance
- 2.7.1. Parliamentary scrutiny of government decisions
- 2.8.1. Adequacy of organisation and public administration
- 2.9.1. Government capability for alignment
- 2.10.1. Evidence-based policy making
- 2.11.1. Public consultation on public policies
- 2.11.2. Interministerial consultation
2. Policy Development and Co-ordination

Serbia 2021 vs 2017

Serbia is slightly above the regional average in policy development and co-ordination.

- 2.11.1. Public consultation on public policy
- 2.12.1. Predictability and consistency of legislation

Area average

- 2.1.1. Fulfilment of critical functions by the centre-of-government institutions
- 2.2.1. Fulfilment of European integration functions by the centre-of-government institutions
- 2.3.1. Quality of policy planning
- 2.4.1. Quality of policy planning for EU integration
- 2.5.1. Quality of government monitoring and reporting
- 2.6.1. Transparency and legal compliance of government decision making
- 2.7.1. Parliamentary scrutiny of government policy making
- 2.8.1. Adequacy of organisation and procedures for supporting the development of implementable policies and legislation
- 2.9.1. Government capability for aligning national legislation with the European Union acquis
- 2.10.1. Evidence-based policy making
- 2.11.1. Public consultation on public policy
- 2.11.2. Interministerial consultation on public policy
- 2.12.2. Accessibility of legislation

Regional range, 2021

Serbia, 2021

Regional average, 2021

Serbia, 2017

Serbia, 2017
Fulfilment of critical functions by centre of government (CoG)

+ All critical CoG functions are formally established by relevant legislation and assigned to responsible bodies.
+ Improvement of legal and methodological framework for developing policy documents.

- Insufficient co-ordination among CoG units in preparing government annual work plan.
- Lack of consolidated responses to policy proposals submitted to the Government.
Quality of policy planning

+ Legal and methodological framework completed (Law of the Planning System, LPS).
+ The quality of strategies has improved, following the requirements of LPS.
+ Financial estimates in sector strategies have improved, guided by the unified costing methodology.

- Implementation is lagging behind, 64% of planned legislative commitments and 42% sector strategies were carried forward from 2020.
- Alignment of planned costs in sector strategies and the medium-term budget is still a challenge.
Quality of government monitoring and reporting

+ Solid legal, institutional and procedural framework in place for monitoring Government’s performance.

- Regular reporting on the implementation of key central government planning documents is lacking:
  - Reports on the implementation of Government Annual Work Plan and NPAA for 2020 are missing;
  - Annual reports on implementation of sector strategies are in most cases not prepared.
European Integration

Fulfilment of European Integration (EI) functions by CoG institutions

+ New EI structure established in 2021 in line with revised EU Enlargement methodology, political level body meets regularly.
- Reports on implementation of the National Plan for Adoption of the Acquis (NPAA) are not available.

Quality of policy planning for European Integration

+ Legislative and institutional framework for EI planning is in place.
- NPAA is outdated and its quality needs improvement, especially on costing and funding sources.
- Because of missing reporting, implementation rate of NPAA could not be verified.

Government capability for aligning national legislation with the acquis

+ Tables of concordance are used in most cases.
- Not possible to confirm timely translation of the acquis because of missing reporting and outdated NPAA.
Transparency and legal compliance of government decision making

+ Legal framework for preparing Government decisions is largely in place and the required procedures are being followed in practice

✓ While procedural compliance with rules is ensured, issues remain with the substantial quality check of policy proposals.

- Lack of openness of the Government decision-making process: the Government session agendas are not made publicly available before the sessions, and decisions are only partially being made public.
Parliamentary scrutiny of government policy making

+ Legal framework for the parliamentary scrutiny of government affairs is adequate.
+ Parliament processes all laws within a reasonable timeframe.
+ The use of extraordinary proceedings for the adoption of Government-sponsored draft laws is decreasing (65% in 2016 to 12% in 2020).

- Challenges remain in the co-ordination and planning of legislative activities between the Parliament and the Government: Parliament plans its work based on GAWP, but ca 2/3 submitted draft laws were not coming from GAWP.
Organisation and procedures for developing implementable policies

+ Ministries have well-defined organisational structures with clearly attributed policy responsibilities.

- No specific procedures set within the ministries for policy development.
- Data on the number of staff responsible for policy development was not available.
Evidence based policy making

+ The requirements for and process of developing RIAs is established and is supported by detailed guidelines.
+ As a rule, ministries develop RIAs for draft proposals.
+ PPS provides opinions on the quality of RIAs and these opinions are published on website along with the respective policy proposal.

- The overall quality of the impact analysis is poor, as relevant impacts are not systematically identified nor quantified.
- PPS does not have a mandate to return low-quality RIAs and request compulsory resubmission after revision.
- The number of staff trained on RIA is low and insufficient.
Consultations during policy development

Public consultations

+ Public consultation is required for policy documents, laws and secondary legislation.
- The quality of public consultations needs improvement: from prior announcement, reports on the consultation results, forms of consultations in addition to online ones used.
- The Government does not receive information on opinions and the reasons for rejecting comments.

Interministerial consultations

+ Rules and procedures are in place and these are being followed in practice.
- Government does not get the summary of the comments to see which ones were accepted and why others were rejected.
- No high-level administrative level conflict resolution mechanism is in place.
**Predictability and consistency of legislation**

+ Requirements for drafting laws are established and quality control for legal texts is followed.

+ Predictability of legislation has improved, no laws were amended within one year of adoption in 2020 (however, it was elections year).

+ All legislation is available electronically.

✓ Consolidated versions of laws are available, but these are typically unofficial texts.

- Majority of by-laws are not adopted by the time the law takes effect, which reduces clarity of the legal framework and legal certainty.
3. Public Service and HRM
Serbia 2017 vs 2021

3.1.1. Adequacy of the scope of public service
3.2.1. Adequacy of the policy, legal framework
3.4.1. Merit-based recruitment and development
3.3.1. Meritocracy and effectiveness
3.5.1. Fairness and competitiveness of HRM
3.7.2. Integrity of public servants
3.6.1. Professional development and training
3.7.1. Quality of disciplinary procedures

Line=2021
Green area=2017

3. Public Service and HRM
Serbia 2021 vs WB 2021

Line=Serbia 2021
Green area=WB 2021
Serbia is slightly above of regional average in public service and HRM.

3.1.1. Adequacy of the scope of public service

3.2.1. Adequacy of the policy, legal framework and institutional set-up for professional human resource management in public service

3.3.1. Meritocracy and effectiveness of recruitment of civil servants

3.3.2. Merit-based termination of employment and demotion of civil servants

3.4.1. Merit-based recruitment and dismissal of senior civil servants

3.5.1. Fairness and competitiveness of the remuneration system for civil servants

3.6.1. Professional development and training for civil servants

3.7.1. Quality of disciplinary procedures for civil servants

3.7.2. Integrity of public servants
Scope of civil service

+ Vertical and horizontal scope

- Public agencies
- Check sector legislation (Tax Administration)
Policy, legislation, institutions

+ Political leadership, institutional responsibility, strategy, capable HR agency (SUK)

- HRMIS, weak HR units in administrative bodies, weak coordination
- HR Service should report to MPA
Recruitment

+ Competency model, solid legislative framework for merit-based recruitment

- No recruitment plans, lack of managerial autonomy in launching recruitments
- 11.7% temporary employment without competition
- Too short deadlines for application
- Lengthy procedures (148 days)
- Weak competitiveness of recruitment
Average number of eligible applications per vacancy
Public Service and HRM

- Efficiency of centralised selection methods (overly generalised, non-selective, sometimes not relevant)

Simplify, use pertinent methods, adjust to individual positions.
Success rates in centralised part of selection procedure

- Behavioural competences: 98%
- Organisation of State bodies: 97%
- Business communication: 91%
- Digital competencies: 60%
Senior civil service management

+ Scope, special arrangements
+ High Civil Service Council
+ 44% women

- Same as for recruitment in general
- Acting directors (from 69% to 62%)

Reform of the system: acceptance by the political leaders
+ aligned with the principles (competency, stability, responsiveness, accountability)
Remuneration

+ Clearly defined salary elements
+ Basic salaries linked with job classification
+ 15-22% managerial positions

- “Horizontal promotion” to higher salary grades based on distorted performance appraisal
- Lack of transparency
? Competitiveness of salaries
Professional development and performance management

+ NAPA’s capacity and performance.
+ Regulatory framework for performance appraisal (Decree).

- Patchy data on “decentralised” trainings, low budget for training (0.01% of salary budget).
- Distorted ratings distribution (results in accelerated pay promotion).
Results of the performance appraisal of civil servants

- Do not meet expectations: 0% (2018), 0% (2019)
- Improvement is needed: 1% (2018), 0% (2019)
- Meets expectations: 54% (2018), 45% (2019)
- Exceeds expectations: 45% (2018), 54% (2019)
Integrity and disciplinary procedures

+ Sound legislation on disciplinary violations, sanctions and procedures, as well as on integrity
+ Capable and functioning Agency for the Prevention of Corruption

- Perception of bribery
- Only 7/25 court rulings (28%) upheld disciplinary sanctions
Perceived bribery in PA (by businesses)

Note: Percentage of respondents who answered “completely agree” or “tend to agree” to the question: Thinking about officials, to what extent would you agree with the following statement? It is common for firms in my line of business to have to pay some irregular “additional payments/gifts” to “get things done”. Source: Regional Cooperation Council, Balkan Barometer Public and Business Opinion databases (https://www.rcc.int/balkanbarometer).
Accountability
(organisation, openness & transparency, oversight)

Serbia is slightly above of regional average in accountability.

4.1.1. Accountability and organisation of central government

4.2.1. Accessibility of public information

4.3.1. Effectiveness of scrutiny of public authorities by independent oversight institutions

4.4.1. Fair treatment in administrative judicial disputes

4.5.1. Functionality of public liability regime

Regional range, 2021  Serbia, 2021  Serbia, 2017  Regional average, 2021
Organisation

- Legislation: suboptimal typology of bodies (special organisations?), limited impact of Law on Public Agencies.
- No policy of macro-organisation, no impact analysis, no gatekeeper.

• Directorate for the Energy Fuel Reserves vs. Directorate for Commodity Reserves
• Directorate for Waterways vs. Directorate for Railways
Number of bodies reporting to Parliament

- Montenegro: 10 (2017), 10 (2021)
- Albania: 16 (2017), 16 (2021)
- Serbia: 23 (2017), 23 (2021)
Access to public information

+ Law recognised as one of the best worldwide
+ High perception of transparency

- Weak proactive transparency (publishing information on websites) at the level of institutions
Perception of transparency

Requests for information held by a government agency are granted in a timely manner

The information provided is pertinent and complete

Requests for information are processed at a reasonable cost

Citizen

Businesses

Citizen, Regional average

Businesses, Regional average
Independent oversight

+ Sound legislative framework for independent oversight institutions
+ Increasing and solid public trust

- Monitoring of Ombudsman’s recommendations implementation
Perceived independence of oversight bodies

- North Macedonia
- Kosovo*
- Bosnia and Herzegovina
- Montenegro
- WB6
- Albania
- Serbia

- Judicial system
- Ombudsman
- SAI
Administrative justice

+ Sound legislation, low fees

- Backlogs !!!
Disposition time in first-instance administrative courts

Days

2021 or latest available year

2016

Kosovo
Serbia
WB6
Montenegro
BiH
Albania
North Macedonia
Malta
Portugal
Italy
Greece
Cyprus
Austria
Germany
Czech Republic
Slovenia
Slovakia
Belgium
EU24
Spain
France
Latvia
Finland
Netherlands
Croatia
Sweden
Lithuania
Estonia
Poland
Romania
Bulgaria
Hungary
Service Delivery
Serbia 2021 vs 2017

5.4.1. Accessibility of public services

5.1.1. Citizen-oriented service delivery

5.3.1. Existence of enablers for public administration

5.2.1. Fairness and efficiency of administration

Line=2021
Green area=2017

Serbia is above the regional average and consistently at the top end of the regional range.

5.1.1. Citizen-oriented service delivery

5.2.1. Fairness and efficiency of administrative procedures

5.3.1. Existence of enablers for public service delivery

5.4.1. Accessibility of public services
Citizen-oriented service delivery

+ Policy framework
+ Dedicated teams
+ Simplification efforts

- Institutional framework
- Services to citizens bureaucratic and not digitised
General satisfaction with services

Source: Regional Cooperation Council (RCC) (2017 & 2021), Balkan Barometer Public Opinion database (https://www.rcc.int/balkanbarometer/).
### Level of digitalisation - businesses

<table>
<thead>
<tr>
<th></th>
<th>Albania</th>
<th>Kosovo*</th>
<th>Montenegro</th>
<th>North Macedonia</th>
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<tbody>
<tr>
<td><strong>Starting a business – OSS/fully digital</strong></td>
<td>✔️</td>
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<tr>
<td><strong>Digital uptake corporate income tax</strong></td>
<td>100</td>
<td>99</td>
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<td>96,32</td>
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<td><strong>VAT digital uptake</strong></td>
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<td>Vehicle registration</td>
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<td>Appointment</td>
<td>Pre-filling forms</td>
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- ✔: Improvement since 2017 SIGMA assessment
- ✗: No improvement since 2017 SIGMA assessment
Administrative procedures

+ General legal framework
+ Public perception

- Harmonisation of special laws with LGAP
- No data on the harmonisation of secondary acts
- Integration with simplification and digitalisation efforts
## Harmonisation of LGAPs

<table>
<thead>
<tr>
<th>Country</th>
<th>Number of laws to be harmonised</th>
<th>Number of secondary legislation to be harmonised</th>
<th>Progress by 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Albania</td>
<td>There has been no systematic review to determine which legal acts should be changed to comply with CAP.</td>
<td></td>
<td>Limited</td>
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<tr>
<td>Kosovo*</td>
<td>About 200 laws</td>
<td>Not known</td>
<td>Limited</td>
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<tr>
<td>Montenegro</td>
<td>90 laws</td>
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<td>85 laws harmonised as of 2019</td>
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<td>North Macedonia</td>
<td>169 laws</td>
<td>Not known</td>
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<tr>
<td>Serbia</td>
<td>About 250 laws</td>
<td>Not known</td>
<td>About 150 laws harmonised</td>
</tr>
</tbody>
</table>

Enablers

+ Digital enablers (interoperability framework, eID, digital and interoperable registries).
+ Use of user engagement tools and techniques.

- Central monitoring of performance and quality of services.
- Quality standards.
- Support on the use of quality management and user engagement tools.
- Uptake of electronic signature.
## Application of performance tools

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<tr>
<td>In person standards</td>
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<td>Inventory of services</td>
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<tr>
<td>Responsibility for monitoring service delivery</td>
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<td>Methodology performance metrics</td>
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<td>Performance metrics on total volume</td>
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<td>Performance metrics on cost</td>
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* Improvement since 2017 SIGMA assessment
Accessibility

+ Strategic frameworks.
+ One-stop shop network.
+ Common guidelines for governmental websites.

- People with specials needs - lack of data and monitoring mechanisms.
- Poor quality of government websites.
# Users with special needs

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6. Public Finance Management

Serbia 2021 vs 2017

- 6.16.1. Effectiveness of the external...
- 6.15.1. Independence of the supreme a...
- 6.14.1. Availability and quality of s...
- 6.13.1. Efficiency, non-discriminatio...
- 6.12.1. Independence, timeliness and ...
- 6.11.1. Central institutional and adm...
- 6.10.1. Quality of legislative framew...
- 6.9.1. Functioning of internal audit
- 6.8.1. Adequacy of the operational fr...
- 6.7.1. Functioning of internal control
- 6.6.1. Adequacy of the operational fr...
- 6.5.1. Transparency and comprehensive
- 6.4.1. Quality of public debt management
- 6.3.1. Reliability of budget executio...
- 6.2.1. Quality of the annual budget p...
- 6.1.1. Quality of the medium-term bud...

Line=2021
Green area=2017
6. Public Finance Management
Serbia 2021 vs WB 2021

Line=Serbia 2021
Green area=WB 2021
6. Public Finance Management

6.1.1. Quality of the medium-term budgetary framework
6.2.1. Quality of the annual budget process and budget credibility
6.3.1. Reliability of budget execution and accounting practices
6.4.1. Quality of public debt management
6.5.1. Transparency and comprehensiveness of budget reporting...
6.6.1. Adequacy of the operational framework for internal control
6.7.1. Functioning of internal control
6.8.1. Adequacy of the operational framework for internal audit
6.9.1. Functioning of internal audit
6.10.1. Quality of legislative framework for public procurement and...
6.11.1. Central institutional and administrative capacity to develop,...
6.12.1. Independence, timeliness and competence of the...
6.13.1. Efficiency, non-discrimination, transparency and equal...
6.14.1. Availability and quality of support to contracting authorities...
6.15.1. Independence of the supreme audit institution
6.16.1. Effectiveness of the external audit system
Solid and improving quality of budget management slightly ahead of regional average

6.1.1. Quality of the medium-term budgetary framework

6.2.1. Quality of the annual budget process and budget credibility

6.3.1. Reliability of budget execution and accounting practices

6.4.1. Quality of public debt management

6.5.1. Transparency and comprehensiveness of budget reporting and scrutiny

Regional range, 2021

Serbia, 2021

Serbia, 2017

Regional average, 2021
Budget Management

Medium-term budgetary framework

+ Fiscal strategy, fiscal rules, independent fiscal council, forecasting accuracy.
- Forecasting projection as percentage of GDP reduces accuracy and should be addressed.

Quality of annual budget process

+ Clarity of budget calendar, credibility of revenue and expenditure plans increasing, new system for capital investment established.
- Legal deadlines for parliamentary debate too short and not always respected, lack of comprehensive information for Parliament.
Budget Management

Budget execution and accounting practices

+ Well established treasury system with clear rules, FMIS covering increasing number of public bodies

- Data reporting and analysis on arrears insufficient, Cash flow forecasting could be improved.

Transparency and comprehensiveness of budget reporting and scrutiny

+ Quality of financial reporting, timeliness of the SAI report to Parliament, timeliness of parliamentary discussion.

- Annual reports only on general level with little detail on divergences.
Budget Management

Quality of public debt management

+ Solid legal basis and debt management strategy, progress in reducing debt.

- Some weaknesses left on risk mitigation, difference between public sector debt outturn from target in 2019.
Public Internal Financial Control (PIFC)

Leading regional position for Internal Control but not on Internal Audit

6.6.1. Adequacy of the operational framework for internal control

6.7.1. Functioning of internal control

6.8.1. Adequacy of the operational framework for internal audit

6.9.1. Functioning of internal audit

PIFC average

Regional range, 2021
Serbia, 2021
Serbia, 2017
Regional average, 2021
PIFC – Internal Control

Adequacy of operational framework for IC
+ Largely in place, new strategies adopted with PFMRP 2021-2025 and PAR strategy 2021-2030.

Functioning of internal control
- Managerial accountability, delegation of decision making
- Reporting on irregularities, management of arrears,
- Alignment of management and budget structures needing improvement.
PIFC - Internal Audit

Adequacy of operational framework for IA
+ Broadly in line with international standards, number of internal audit units (IAU) and internal auditors increasing.
- IA capacity still weak, low number of IAUs established effectively, low number of IAUs with minimum of three internal auditors.

Functioning of internal audit
+ More and better strategic and annual plans.
- Audits don’t address systemic weaknesses, add limited value.
External Audit

External audit is the strongest area assessed in Serbia with biggest progress compared to 2017.

6.15.1. Independence of the supreme audit institution

6.16.1. Effectiveness of the external audit system

EA average

Regional range, 2021

- Serbia, 2021
- Serbia, 2017
- Regional average, 2021
External Audit

Independence of the SAI
+ Constitutional and legal framework in place.
+ Appreciation of SAI’s independence increased.
- Remains however at a low level.

Effectiveness of the external audit system
+ Better audit coverage through performance audits.
+ Improved audit quality control and review system.
+ Increased transparency of the SAI’s work.
+ Increased interest of Parliament in the SAI’s reports.
Serbia is slightly above average in the area of public procurement.

6.10.1. Quality of legislative framework for public procurement and PPPs/concessions

6.11.1. Central institutional and administrative capacity to develop, implement and monitor public procurement policy effectively and efficiently

6.12.1. Independence, timeliness and competence of the complaints handling system

6.13.1. Efficiency, non-discrimination, transparency and equal treatment practiced in public procurement operations

6.14.1. Availability and quality of support to contracting authorities and economic operators to strengthen professionalisation of procurement operations
Legislative framework

+ New PPL (December 2019) covers classical procurement, utilities and defence.
+ High level of compliance with acquis
  - Directive 2014/23/EU on concessions still to be transposed
  - Law on Special Procedures (February 2020) very problematic

Law on Special Procedures needs to be repealed.
Institutional setup

+ Sound institutional basis (PPO).

✓ Institutional roles in PPPs/concessions remain unclear.


+ July 2020 – PP Portal – good access to data on contract award (but not contract management). But many contracts remain outside of the system.

✓ Cooperation between institutions sporadic (COVID?)

- PPO and the RCPRPP should establish a permanent, stable, and efficient mechanism for co-operation.

- Clarification of roles for PPPs/concessions.
Review system

+ Review procedures in line with acquis.
+ Independent PRB.
+ Available through PP Portal.
+ All decisions published.
Procurement Operation

+ New PP Portal increased efficiency
  • Many contracts awarded on bilateral basis or in special procedures remain outside of the system.
  • Despite the new PPL, slow changes in practice.

- Low competition, only price as award criterion
- Monitoring of contract execution and more support on contract management.
Support & Professionalisation

• Guidelines & manuals available, but delays in updating after the new PPL.
• More practical examples needed.
+ Good instructions for the new PP Portal.
• COVID affected training.

- Guidelines and models of tender documentation adjusted to the PPL (practical examples).
## Regional performance in the area of public procurement

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<th>Metric</th>
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The way forward for Serbia

• Full focus on **actual implementation of PA reforms** should be the priority, as the legal foundations and policy frameworks are well in place.

• There is an urgent need to start strictly implementing the legislation of recruitment and **appointment of top managers** or to revise the current system.

• **Acceleration of the uptake of digital signature** would unleash the full potential of digital services and the digital economy in Serbia.

• Urgent actions are needed to **strengthen the capacities of the Administrative Court to address delays**.

• The **Law on Special Procedures should be repealed**, and all contracts should be awarded in accordance with the Public Procurement Law.
Thank you for attention!

SIGMA monitoring reports are available online:
http://sigmaweb.org/publications/monitoring-reports.htm