



Montenegro
Agency for Prevention of Corruption

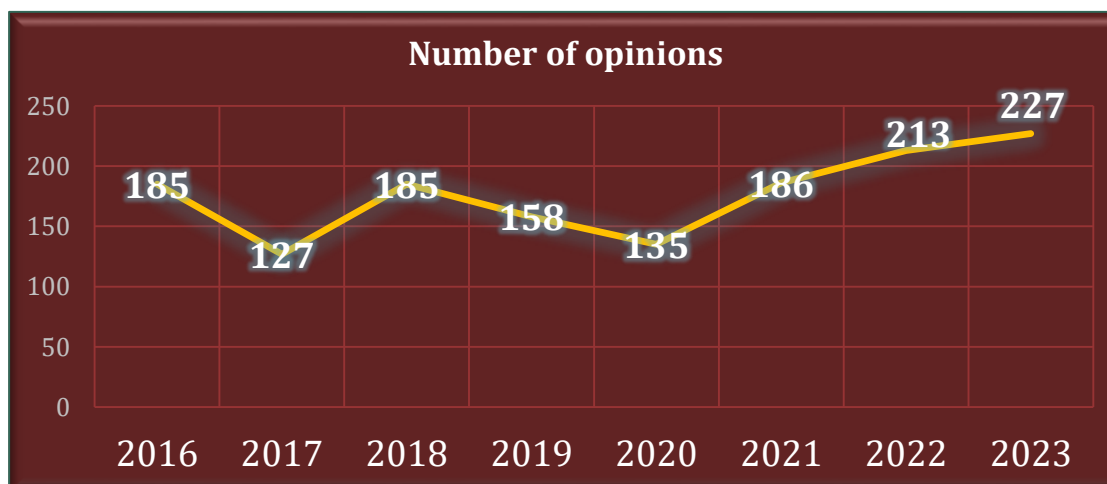
SUMMARY OF THE RESULTS OF THE AGENCY FOR PREVENTION OF CORRUPTION IN 2023

APK

Podgorica, January 2024

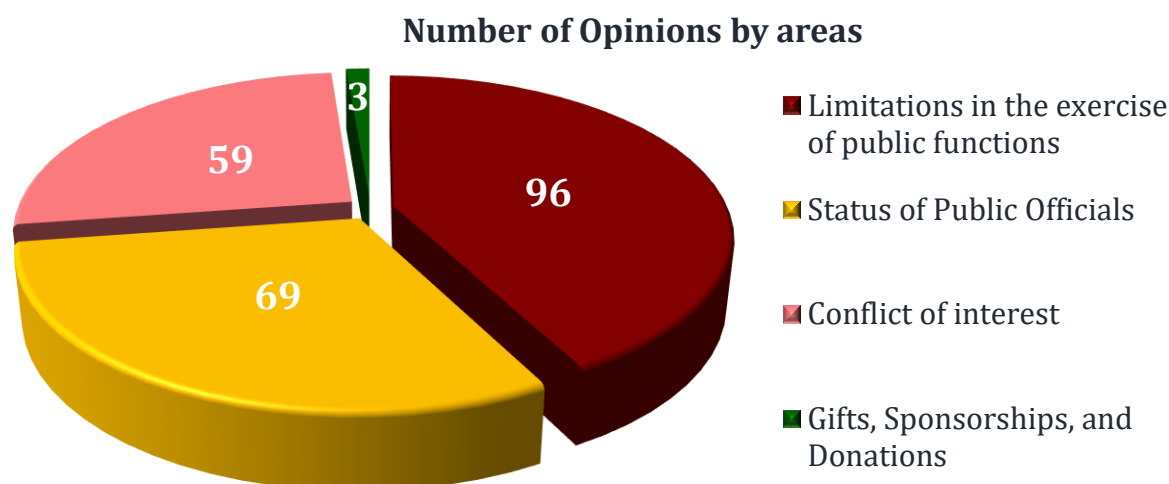
PREVENTION OF CONFLICT OF INTEREST OF PUBLIC OFFICIALS AND LIMITATIONS IN THE EXERCISE OF PUBLIC FUNCTIONS

In 2023, The Agency for the Prevention of Corruption (APC), by processing all received requests, **issued 227 Opinions** in the field of preventing conflicts of interest and limitations on the exercise of public functions - **the highest number on an annual basis since its establishment**.



Out of the total number of opinions issued in 2023:

- In 46 opinions it was found that there is a limiting factor concerning the claims in the requests for opinion;
- In 90 opinions it was found that there is no limiting factor concerning the claims in the requests for opinion;
- 22 opinions were related to the membership of public officials in management and supervisory bodies of public enterprises, public institutions, or other legal entities, where it was concluded that a public official can be a member of the management or supervisory bodies but cannot receive income or other compensation based on such membership;
- 69 opinions were related to the status of public officials according to Article 3 of the Law on Prevention of Corruption (LPC).



In 2023, the Agency **initiated 30 administrative proceedings in this area** (12 in the area of limitations on the exercise of public functions¹ and 18 in the prevention of conflicts of interest). **A total of 30 proceedings were concluded** (including cases from the previous period), of which 27 violations of the Law were established.

Based on the Agency's Opinions, **20 resignations of public officials** from positions or duties incompatible with public office were submitted, while, following the Opinions, **three transfers of management rights in a company and one termination of a service contract due to a conflict of interest were also identified.**

Due to violations of the provisions of the LPC in the area of limitations in the exercise of public functions, in 2023, the Agency submitted **12 requests to initiate misdemeanor proceedings to the competent courts, three of which sought confiscation of gains obtained through the misdemeanor offense. Two cases from the previous period were concluded,** and sanctions were imposed in both - 2 fines totaling €600, while in one case gains amounting to €3,077 were confiscated.

CONTROL OF RECEIVED GIFTS, DONATIONS AND CONCLUDED SPONSORSHIPS

In 2023, the Agency received the following reports:

- **25 public authorities** reported a total of **159 gifts** received during 2022, while a total of **136 public authorities** at the state and local levels provided notifications that they **did not receive any gifts in 2022.**
- **39 public authorities** reported a total of **187 sponsorships** from 2022.
- **241 public authorities** reported a total of **2,042 donations.**²
- **116 public authorities** provided notifications that **they did not receive any donations or sponsorships** in 2022.

All submitted records from the gift registry and reports on received sponsorships and donations have been administratively verified and published on the APC's website.³

¹ Seven proceedings related to limitations in the exercise of public functions as well as inaccurate and incomplete data in income and asset reports.

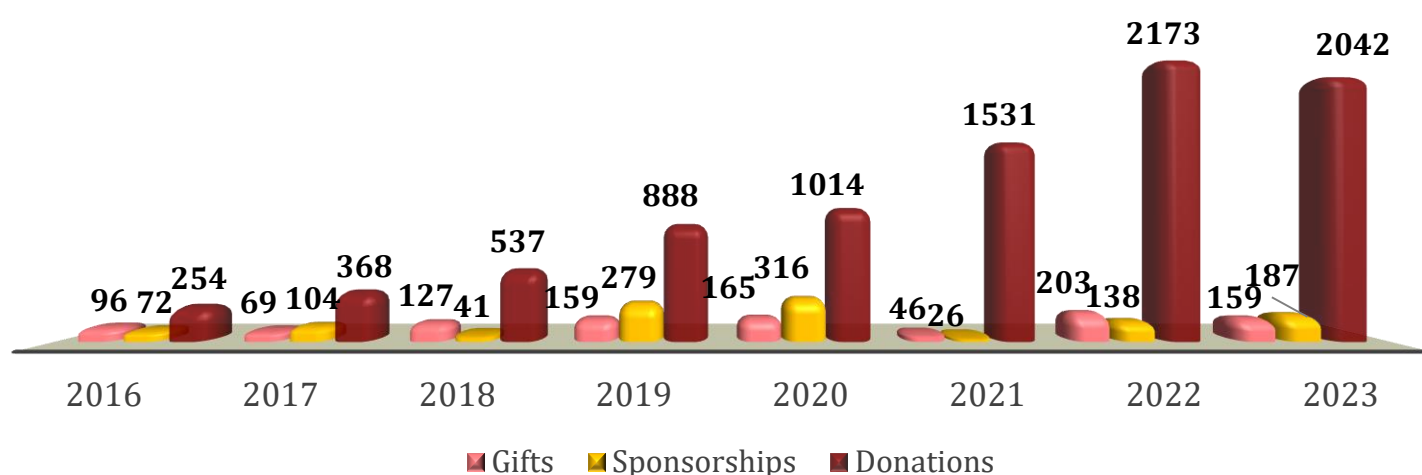
² In the second quarter of 2023, three government bodies reported a total of 18 donations to the Agency, one of which also reported two sponsorships. Gifts, as well as other donations and sponsorships, were reported to the Agency within the legal deadline by March 31st.

³ <https://portal.antikorupcija.me:9343/acamPublic/poklonSearch.htm>

<https://portal.antikorupcija.me:9343/acamPublic/donacijaSearch.htm>

Acting preventively, in the first quarter of 2023, the Agency **sent letters and notifications to government bodies about their legal obligation** to timely submit records from the gift registry and reports on received sponsorships and donations with accompanying documentation by the end of March of the current year for the previous year.

Number of reported gifts, sponsorships, and donations by year

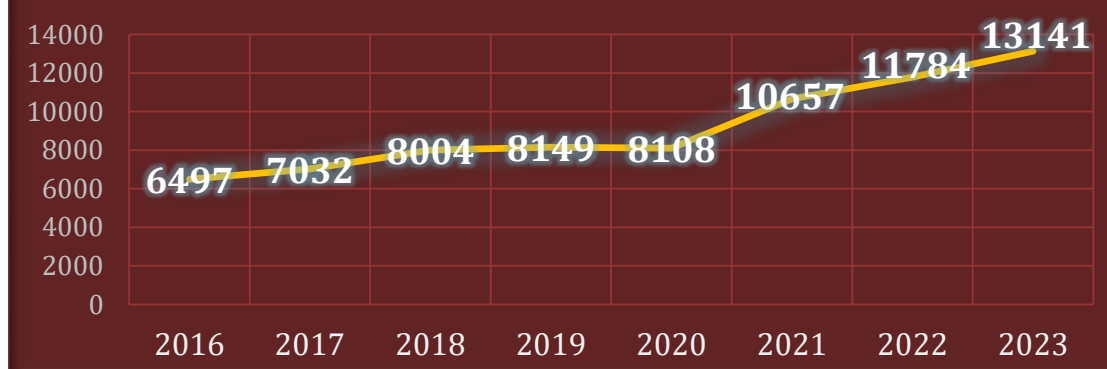


Due to the violation of the LPC, which prescribes the obligation of public authorities to submit a reports on received donations and sponsorships with accompanying documentation to the Agency by the end of March of the current year for the previous year, the Agency filed **39 requests for initiating misdemeanor proceedings. Thirty-one proceedings were concluded** upon requests (including cases from previous years), of which **sanctions were imposed in 26 cases - 10 fines totaling €5,000 and 16 warnings.**

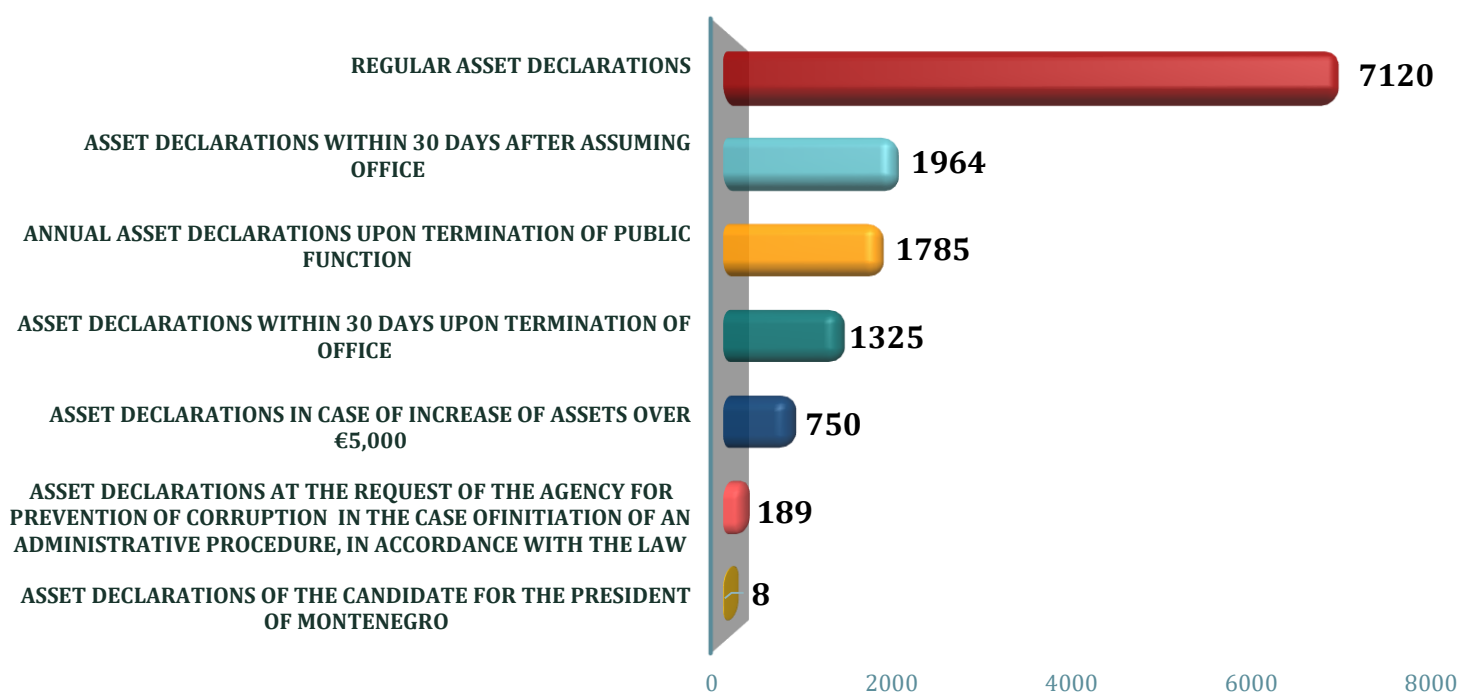
ASSET DECLARATION VERIFICATION

In 2023, the Agency received a **higher number of asset declarations on all bases compared to the annual levels of all previous years of the APC's work.** Additionally, in 2023, the **highest number of regular annual asset declarations was submitted since the establishment of the Agency.**

The trend of increasing the number of submitted asset declarations on different submission bases



The increase in the number of submitted asset declarations is a result of the **increased number of newly appointed public officials, as well as a higher number of declarations that public officials submit upon termination of their functions**. This has further **increased the workload** of the Agency, especially in terms of administratively and technically verifying the reports.



The Annual Plan for verifying asset declarations for 2023 has been fully implemented and exceeded.

All received declarations have been **administratively and technically processed**.

The Agency continued its intensive work in verifying the accuracy and completeness of data in asset declarations. Namely, the 2023 Annual Plan envisaged the verification of the **accuracy and completeness of data** in 1,496 asset declarations submitted on various grounds. However, in 2023, **the verification of as many as 1,767 reports was initiated**, of which the **verification of 1,533 reports was completed**.

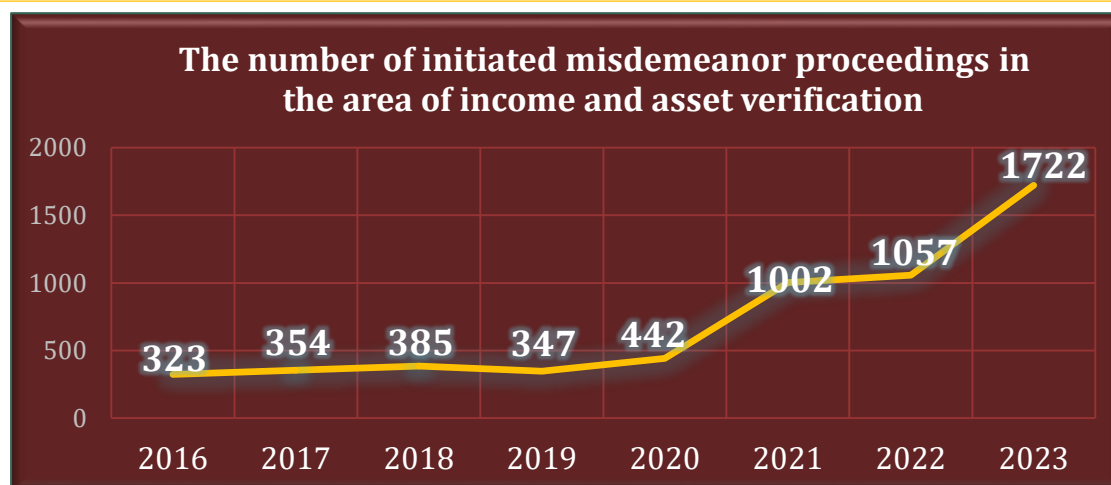
The number of verified reports in terms of accuracy and completeness is even higher, considering that the Agency verifies declarations **both ex officio and upon request**. In this regard, in 2023, the **verification of 124 asset declarations was initiated**. Out of these, the **verification of 119 declarations was completed**, with possible legal violations identified **in 85 reports**, and the cases were forwarded to the competent Department for initiating administrative and misdemeanor proceedings.

The additional verification, the most complex form of asset declaration control of public officials, which pertains to 20 high-ranking public officials selected based on the degree of vulnerability of their area/function to corruption, ⁴ has been concluded. In the first quarter of 2024, **all proceedings against public officials will be initiated** if potential violations of the Law on Prevention of Corruption are identified.

Regarding the additional verification initiated in the third quarter of 2022, in the first quarter of 2023, **verification were initiated for 20 public officials. Potential violations of the provisions of the Law on Prevention of Corruption were identified in all 20 cases under inspection.**

In 2023, the Agency **initiated 54 administrative proceedings in the area of income and asset reporting.** ⁵ **A total of 74 proceedings were concluded** (including those from previous periods), **out of which legal violations were identified in 71 cases.**

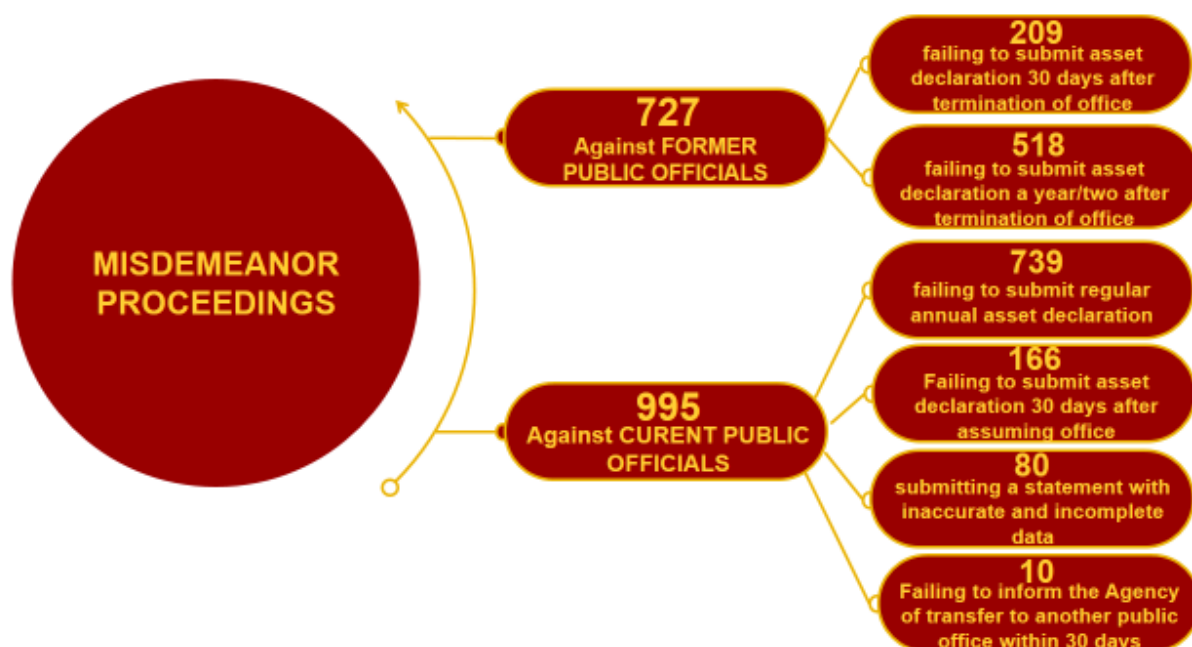
The number of initiated misdemeanor proceedings in this area in 2023 is higher by as much as 63% compared to 2022, and significantly higher compared to previous years. This is primarily due to the increased number of initiated proceedings related to the failure to submit regular annual asset declarations within the legal deadline, as well as the failure to submit reports one and two years upon termination of office.



⁴ With expert support, within the framework of the Horizontal Programme of the Council of Europe and the European Union for the Western Balkans and Turkey - Project on combating economic crime in Montenegro, a **Technical Document was developed in 2017 - Phases in the verification of data from income and asset reports, criteria for selecting officials, and data verification methods in Montenegro: recommendations and guidelines.** Based on the recommendations from this document, **the Rules of Procedure of the Agency were amended, and the methodology for verifying the asset declarations of public officials was improved** based on risk assessment. Since 2018, the Agency has been adopting all annual plans for the verification of income and asset reports in accordance with the improved methodology.

⁵ Seven of them concerned both inaccurate data in asset declarations and limitations in the exercise of public functions.

Acting **non-selectively**, the Agency **initiated misdemeanor proceedings against both former and newly appointed public officials.**



In 2023, a **total of 1,123 misdemeanor proceedings were finalized** (including those from previous years), out of which **sanctions were imposed in 87.5% of cases** (388 fines and 595 warnings). The total amount of fines imposed was **€84,955**.

At the end of 2020, the monitoring of the so-called "lifestyle" of public officials began, aimed at verifying the increase in the assets of public officials. This was done using publicly available data and information from the media, and comparing them with databases accessible to the APC, while adhering to the legal framework prescribed by Articles 23 and 30 of the Law on Prevention of Corruption.

In that regard, in 2023, the Agency **initiated proceedings to investigate the lifestyle of one state official who is obligated to submit asset declaration**, and the case was referred to the Special State Prosecutor's Office.

In collaboration with the company "B-one", software modules have been developed for the Sector for Conflict of Interest Prevention and Income and Asset Verification, significantly improving operations in this segment in accordance with the highest standards in the field. The new software solution consists of two parts: internal, accessible to authorized Agency officials, and external, available to users. In the income and asset declaration section, **online completion of income and asset reports has been simplified, while the verification process of these reports will be more efficient.**

CONTROL OF FINANCING POLITICAL ENTITIES AND ELECTION CAMPAIGNS

In the field of **financing political entities and election campaigns**, the Agency continued to conduct activities in a planned and systematic manner aimed at consistent monitoring of the implementation of the Law on Financing Political Entities and Election Campaigns (LFPEEC) and controlling the implementation and adherence to all prescribed prohibitions and restrictions during election campaigns.

- By the decision of the President of Montenegro dated December 28, 2022, **elections for councilors in the Municipal Assembly of Tuzi** were called, held on March 5, 2023.
- By the decision of the President of the Parliament of Montenegro on January 16, **elections for the President of Montenegro** were called, held on March 19, 2023 (the second round held on April 2).
- By the decision of the President of Montenegro dated March 17, 2023, **early elections for members of the Parliament of Montenegro** were called, held on June 11, 2023.

The fact that the obligations, prohibitions, and restrictions prescribed by the Law were applied throughout the territory of Montenegro once again necessitated a **significant portion of the human resources of the APC to be directed towards monitoring and controlling the campaign**.

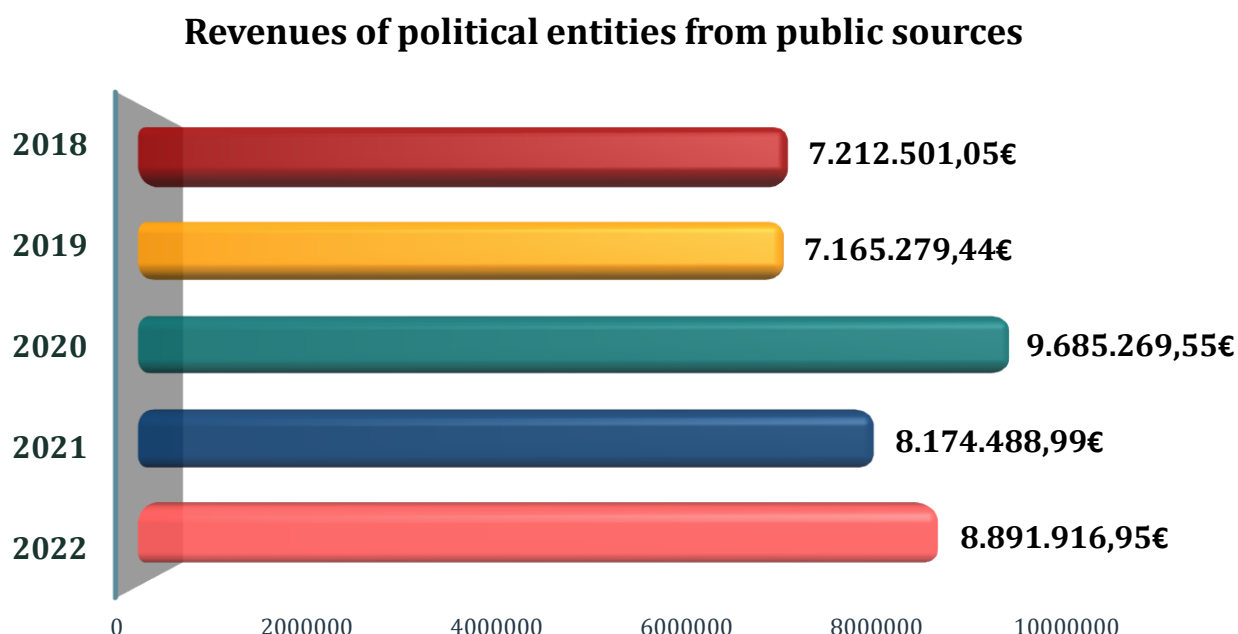
In all aspects of its work in this area, in 2023, the APC **conducted inspections of 47,663 reports submitted by subjects of the LFPEEC regarding regular activities and during election campaigns**.

Regarding the **regular activities of the subjects of LFPEEC**, a total of **178 reports/documents** were submitted, out of which **104 were reports/information from political entities**.⁶

Categories of submitted reports/information.		Number of submitted reports	Number of registered subjects	Percentage of compliance with the obligation
Annual consolidated report for 2022	Submitted on time	48	67	71,6%
	Submitted later	8		
Decisions on the amount of membership fees for 2023.	Submitted on time	44		65,7%
	Submitted later	4		

⁶ The Agency, in accordance with its legal authority, also monitors the implementation of the obligation of the Ministry of Finance and the authorities of 25 local governments responsible for financial matters to adopt, no later than January 31, a Decision on the amount of budgetary funds for financing the regular operation of political entities, and then publish it on their website within seven days from its adoption. In this regard, during 2023, a total of 37 decisions on financing the regular operation and 37 decisions on financing the operation of women's organizations were adopted, including decisions made after the adoption of the budget in individual municipalities and after the elections.

Analysis of data from submitted reports of political entities shows a further **increase in revenues received from public sources, constituting as much as 94% of the total revenues obtained by political entities in 2022**



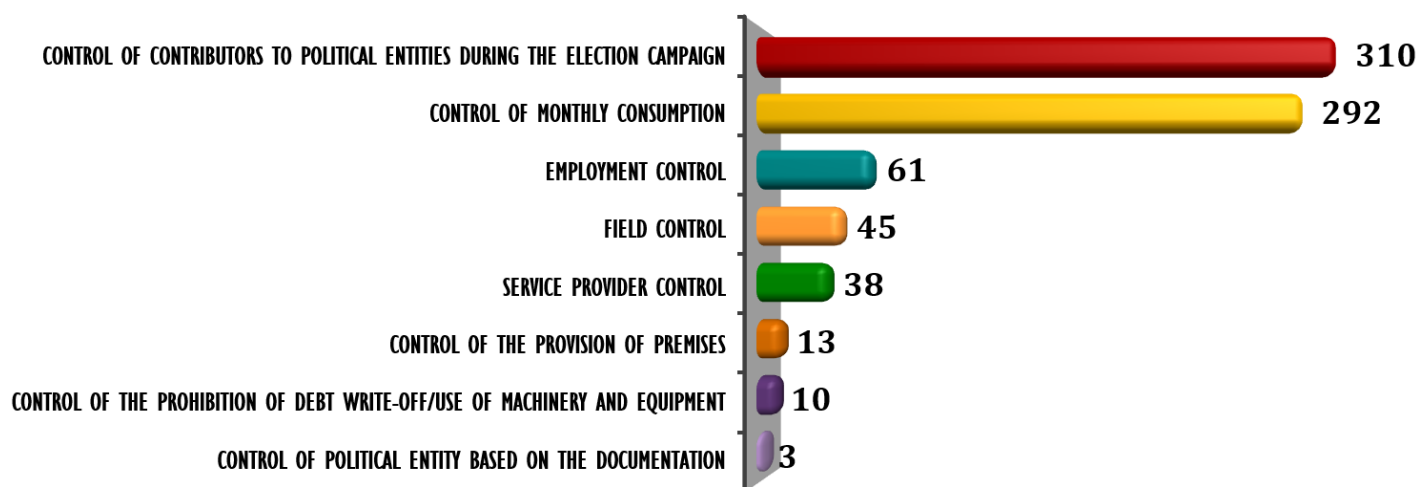
In the context of electoral campaigns, **the Agency has reviewed a total of 47,485 reports** and other accompanying documentation:

- ✓ **166 by political entities/electoral lists;**
- ✓ **47,012 from public authorities;**
- ✓ **307 from providers of media advertising services.**

Taking proactive measures, the Agency, in order to ensure timely submission of reports and address any technical irregularities identified, issued a total of **1,568 warnings** (1,426 to government authorities and 142 to political entities), all of which were positively responded to.

Additionally, **772 inspections were conducted to ensure compliance with prohibitions and limitations during electoral campaigns.**

Type and number of controls on compliance with prohibitions and restrictions during election campaign



The Agency has imposed ten measures on political entities, as follows:

- ✓ 1 measure of forfeiting the right to transfer funds for regular operations financing;
- ✓ 1 measure of forfeiting the right to transfer funds for electoral campaign financing;
- ✓ 2 measures of partial loss of budgetary funds for electoral campaign expenses;
- ✓ 6 measures of suspending the transfer of budgetary funds for electoral campaign expenses.

Due to **violations of the provisions of the LFPEEC**, the Agency filed **197 requests for initiating misdemeanor proceedings with the competent courts in 2023**.

During 2023, a total of **312 misdemeanor proceedings were finalized** (including those from previous years), with **sanctions imposed in 89.4% of cases** (110 fines and 169 warnings). The total amount of fines imposed is **€29,125**.

In 2023, a total of **137 complaints** were filed due to suspicions of LFPEEC violations (six of which relate to local elections held in 2022). The Agency addressed all complaints.

A total of 123 complaints proceedings were finalized (including proceedings from previous periods). **The APC has decided:**

- ✓ **that the law was violated in 10 cases.**
- ✓ **that there were no violations of the law in 60 cases.**
- ✓ **not to initiate proceedings in 53 cases.**

Regarding lawsuits against APC's acts in proceedings related to complaints regarding suspected violations of the LFPEEC during election campaigns, **the Administrative Court issued 8 decisions in 2023 rejecting the lawsuits and confirming the acts of the Agency.**

In 2023, in collaboration with the company "B-one," intensive work was done on **developing a new software solution for implementing measures to control the financing of political entities and election campaigns**. The developed software model will **significantly enhance and automate work** in the area of controlling the financing of political entities and election campaigns.

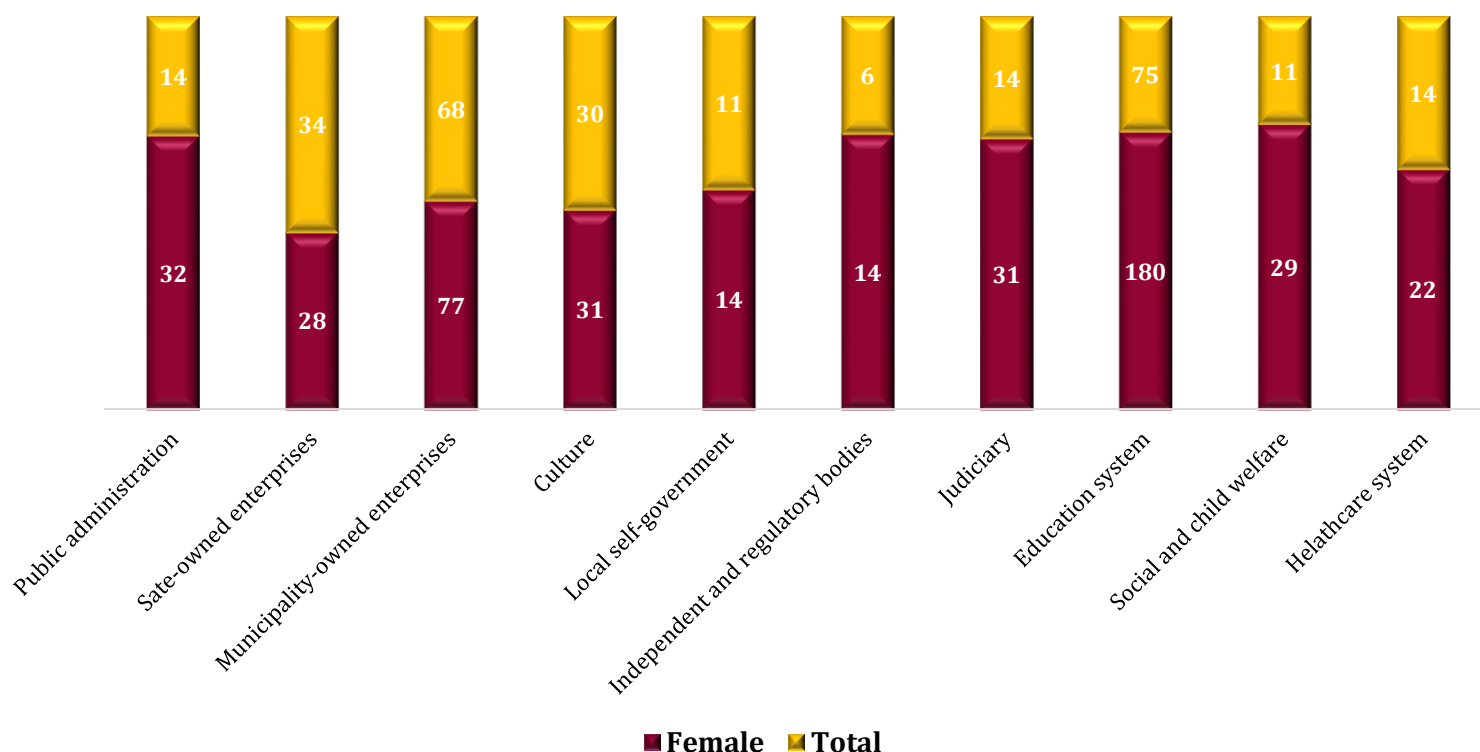
DEVELOPING AND IMPLEMENTING INTEGRITY PLANS

In 2023, **six public authorities issued their first decision appointing an integrity manager, while 68 authorities** informed the Agency about a change in integrity managers, meaning they appointed a new person for the role. **The total number of public authorities that appointed an integrity manager since January 1, 2016, is 735**, (99.1% of all public authorities).

In 2023, for the first time, the **list of integrity managers was published on the Agency's website**.⁷

Out of the total number of integrity managers, **62.3% are female, while 37.7% are male**. The representation of female integrity managers increased by 0.5% compared to 2022 and by 2.5% compared to 2021.

Gender structure of integrity managers



⁷ <https://www.antikorupcija.me/me/integritet/menadzeri-integriteta/>

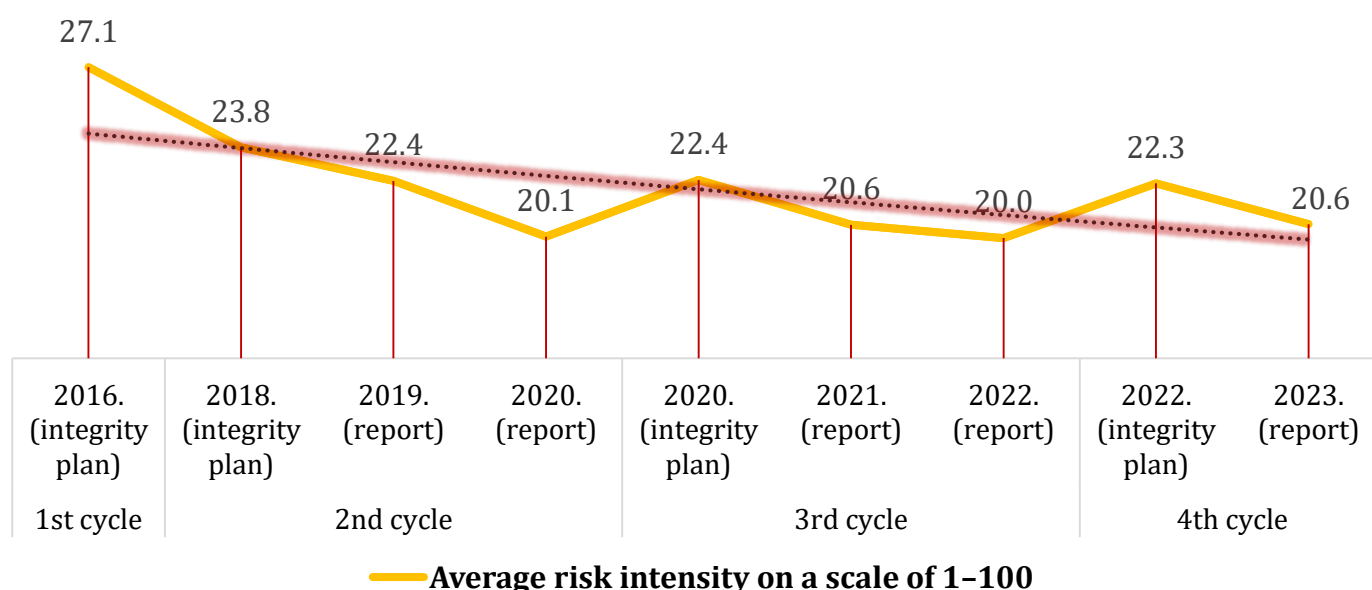
During 2023, a total of **six newly formed public authorities adopted their first integrity plan**. In total, **734 public authorities have submitted integrity plans** to the Agency since January 1, 2016 (98.9% of the total number of public authorities), which is the highest number since the establishment of the Agency.

In 2023, **44 public authorities revised integrity plans** were also submitted to the Agency.

In 2023, a total of **712 reports on the implementation of integrity plans for the previous year** were submitted to the Agency, of which **678 were submitted within the legally defined deadline**.

The Agency, in the process of preparing the **Report on the Adoption and Implementation of Integrity Plans in 2023**, which will contain a **detailed analysis** of integrity plans and reports on their implementation, as well as **recommendations for improving integrity plans**, provided within the ten systems into which public authorities are classified. The data shows that in the first year of the fourth cycle of integrity plans, a **high level of implementation of measures to overcome identified risks has been achieved**. Namely, in the reports submitted in 2023, it was assessed that **20,801 measures were implemented** (78.5% of measures, which is 1% higher than the previous year), **leading to a reduction in the intensity of identified risks in integrity plans**.

The trend of change in the average risk intensity in integrity plans



The Agency conducted the **Assessment of the Efficiency and Effectiveness of the third generation of integrity plans** in 2023, which included questionnaires filled out by 654 public authorities in the period 2021-2022, accounting for **92.4% of the bodies obligated during that period**. The assessment with conclusions and recommendations will be published on the ASK website and distributed to all public authorities.

Due to violations of the provisions of the Law on Prevention of Corruption regarding the obligation to submit reports on the implementation of integrity plans by April 15 of the current year for the previous year, **40 requests for initiating misdemeanor proceedings were filed**. In 2023, **33 cases were finalized** (including cases from previous periods), and **sanctions were imposed in 29 cases – 18 warnings and 11 fines totaling €6,750**.

In 2023, the Agency implemented the **Methodology for Assessing the Implementation of Anti-Corruption Measures in the Judiciary**, developed in collaboration with the United Nations Development Programme (UNDP) in Montenegro under the project "**Zero Tolerance for Corruption: Strengthening Integrity, Transparency, and Accountability in Public Administration in Montenegro**." Previously, a specialized IT application was developed for the implementation of this Methodology, and all judicial authorities submitted documentation to the Agency in December 2022 to demonstrate compliance with the indicators specified in the Methodology. Based on this, an assessment of the implementation of anti-corruption measures in the judiciary and prosecution was conducted during 2023.

In December 2023, during the **10th Session of the Conference of States Parties to the United Nations Convention against Corruption (CoSP)** in Atlanta, USA, the Agency presented the Methodology for Implementing Anti-Corruption Measures.

The Agency initially developed the **Methodology for Assessing the Implementation of Anti-Corruption Measures** in 2021 and applied that version to two systems: public administration and social and child protection. It is planned that in the future, the Methodology will be applied to government bodies in the other seven sectors: local self-government, education, health, state-owned enterprises, enterprises owned by local self-government units, independent and regulatory bodies, and culture, with adaptations to the specificities of the selected sectors.

LOBBYING ACTIVITY CONTROL

During 2023, the Agency **continued its efforts to amend the existing legal framework regarding the control of lobbying activities and further promoted the lobbying institute by organizing new exams for potential lobbyists**.

Specifically, in 2023, **three exams for lobbying activities were organized, and 11 certificates were issued for successfully passing the exam**.

During 2023, **five new persons** were registered in the lobbyist register. As of December 31, 2023, a total of **13 persons and one legal entity were registered in the lobbyist register**.

In the fourth quarter of 2023, the Agency, for the first time, published on its website the contact details of lobbyists and legal entities engaged in lobbying activities.⁸

⁸https://www.antikorupcija.me/documents/23418/Kontakt_podaci_lobista_i_pravnih_lica_koja_obavljaju_dje_latnost_lobiranja_vTRkude.pdf

The Ministry of Justice, Human and Minority Rights formed a **Working Group in September 2021 to draft the Lobbying Law**, with APC representatives as members. Expert assistance was provided to both the Agency and the proposer of the law to finalize the amendments to the regulatory framework in this area, within the Horizontal Programme for the Western Balkans and Turkey II. The drafting process took into account findings from the Peer Review mission on APC's functioning held in April 2021. A public consultation on the Draft Lobbying Law was conducted in 2021.

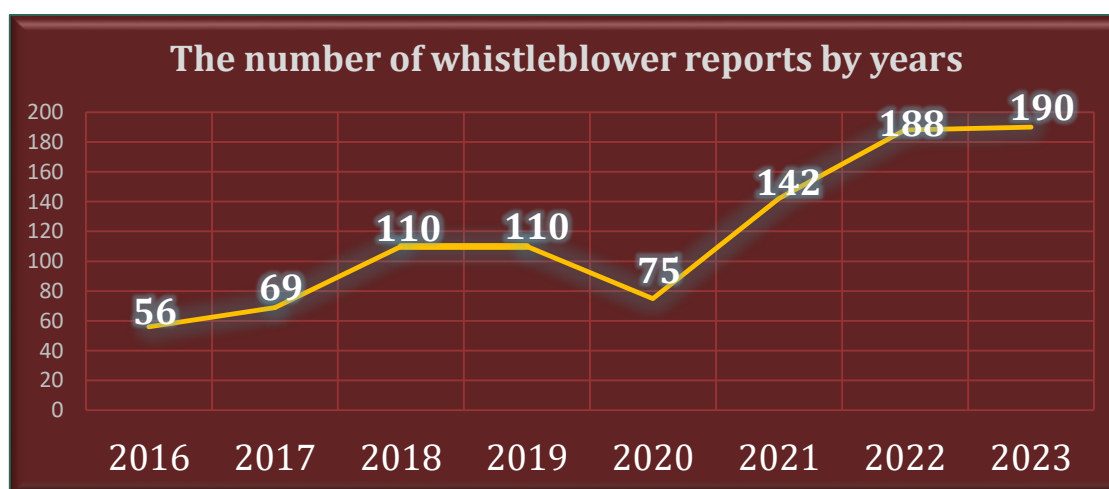
The Ministry of Justice submitted the Draft Lobbying Law to the European Commission for opinion in June 2022. The EC provided comments on the Draft Law and recommendations in January 2023. **APC representatives participated in three Working Group meetings in January 2023 to harmonize the Draft Law with the EC's recommendations.** The Working Group incorporated nearly all recommendations, following which the Ministry of Justice submitted a new version of the Draft to the European Commission.

Based on the new version of the Draft Law, **the European Commission** provided recommendations to **the Ministry of Justice for further improvements**, leading to a **Working Group meeting in July 2023** to align the legislative text with the recommendations. The APC representatives participated in the meeting and **provided additional suggestions and comments to the Ministry of Justice** to align the Draft Law with the recommendations given.

APC representatives attended a meeting organized on December 6, 2023, with representatives of the **European Commission and the Ministry of Justice** to further align the Draft Law with the given recommendations.

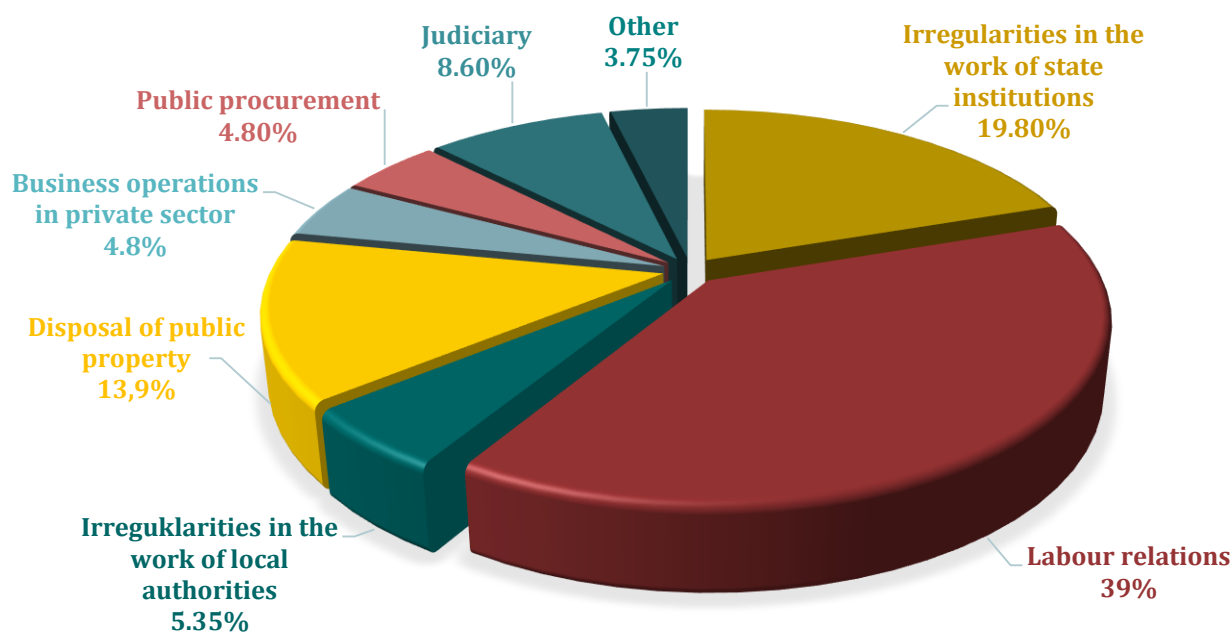
ACTING UPON WHISTLEBLOWER REPORTS AND WHISTLEBLOWER PROTECTION

The Agency received **190 whistleblower reports in 2023 - the highest on an annual basis since the establishment of the ASK, continuing the trend of increasing the number of reports.**



Out of the total number of whistleblower reports, **81 were submitted anonymously.**

AREAS OF WHISTLEBLOWER REPORTS



In 2023, a total of 382 whistleblower reports were submitted to the Agency (including 192 reports from previous periods).

During 2023, the Agency **finalized 69 proceedings related to whistleblower reports**, of which **four cases revealed the existence of endangering public interest** (within the judicial system, local government body, and two at the national level). The Agency issued a total of **eight recommendations** to subjects to the law to enhance transparency and address corruption risks:

- ✓ **Two recommendations were implemented;**
- ✓ **Five recommendations were not implemented**, and in this regard, the **Agency acted in accordance with the authorities derived from Article 53 of the LPC;**⁹
- ✓ the deadline for implementing one recommendation is upcoming.

The Agency has initiated **two ex officio proceedings**, which are ongoing.

The Agency **finalized one ex officio proceeding initiated from the previous period, in which the endangerment of the public interest was determined**. Regarding this proceeding, the Agency provided **one recommendation** to the legal entity for enhancing

⁹ If a public authority, company, other legal entity, or entrepreneur fails to comply with the recommendation within the given deadline or does not inform the Agency, the Agency notifies the supervisory authority overseeing their activities, submits a separate report to the Parliament, and informs the public thereof.

transparency and mitigating corruption risks. However, **this recommendation was not implemented**, and therefore, the Agency acted in accordance with the powers derived from Article 53 of the Law on Anti-Corruption Agency.

Additionally, two recommendations from the previous period have been implemented.

The Agency **forwarded 17 cases to the competent prosecutors' offices** (16 whistleblower reports and one ex officio proceeding). Regarding one report from the previous period, feedback was received indicating its dismissal.

The Agency **forwarded 21 reports to other competent institutions**, of which **feedback on irregularities was received for two**, while for 9 of them, **no irregularities were found**.

Moreover, concerning **29 reports from the previous period**, feedback was received from competent authorities indicating **irregularities in eight cases**, while 21 showed none.

There are ongoing proceedings before other competent authorities for 12 whistleblower reports from the previous period.

During 2023, **seven requests for whistleblower protection** were filed (proceedings are ongoing).

The Agency **issued two Opinions in the proceedings for whistleblower protection requests from 2022, determining in one case that harm occurred**, and that there was a possibility of harm to the whistleblower, and provided **one recommendation** to the employer on actions needed to remedy the harm. **The recommendation was implemented. In the second Opinion, the validity of the claims from the whistleblower protection request was not established.**

The Agency continued working on the remaining proceedings for whistleblower protection requests.

In 2023, the Agency filed **eight requests with misdemeanor courts for initiating misdemeanor proceedings** due to violations of the relevant provisions of the LPC (six for failure to provide requested data and information to the Agency and two for failure to inform the whistleblower about measures taken regarding their report or the outcome of those measures). **Four proceedings were finalized** (two dating back from 2022 and two from 2023), **with a sanction (a warning) imposed in one of them.**

ANALYSIS OF PROCEDURES IN THE FIELD OF PUBLIC PROCUREMENT FOR THE PERIOD JANUARY 1, 2016 - JANUARY 1, 2023

Given that public procurement accounts for a significant percentage of the gross domestic product (4.47% of Montenegro's GDP in 2021), represents a large portion of public expenditures, and involves the transfer of public funds to the private sector, this area has been recognized as highly susceptible to various forms of corruption. Recognizing this fact, the Agency has prepared a detailed **Analysis of procedures in the field of public procurement**, encompassing all proceedings related to whistleblower reports, including those initiated ex officio, during the period from the beginning of its operations, i.e., from January 1, 2016, to January 1, 2023. These proceedings addressed instances where the public interest was compromised, indicating the presence of corruption in the field of public procurement within government bodies, local self-government units, and administrations, especially in public enterprises, public institutions, and other legal entities predominantly owned or established by the state or municipalities.

([https://www.antikorupcija.me/media/documents/Analiza_postupaka_iz_oblasti_javnih_nabavki_za_period_01.01.2016 - 01.01.2023..pdf](https://www.antikorupcija.me/media/documents/Analiza_postupaka_iz_oblasti_javnih_nabavki_za_period_01.01.2016_-_01.01.2023..pdf)).

Through the Agency as the national coordinator, **Montenegro became a full member of the European Network of Integrity and Whistleblower Protection Authorities (NEIWA)** at the 8th plenary session held in March in Rome.

Montenegro had previously held observer status in the network. Established in May 2019, the European Network of Integrity and Whistleblower Protection Authorities brings together 36 institutions from European Union countries and candidate states, aiming to exchange knowledge and experiences in the field of integrity and whistleblower protection.



CORRUPTION PROOFING OF LEGISLATION

The Agency continued to demonstrate its commitment to the public interest by promoting **corruption proofing of legislation as an important anti-corruption tool**.

In 2023, the Agency **drafted 13 opinions and submitted two initiatives**:

- **Opinion on the provisions relevant to the appointment of state prosecutors to the Special State Prosecutor's Office;**
- **Opinion on the relevant provisions of various regulations governing the work of the Plenary Session of the Supreme Court of Montenegro and the Judicial Council regarding the selection of candidates for the President of the Supreme Court of Montenegro;**
- **Opinion on the Draft Law on the Public Broadcasting Service of Montenegro.;**

- **Opinion on the Conclusion of the Parliament of Montenegro on the establishment of a Working Group for drafting amendments to the Law on Prevention of Corruption;**
- **Opinion on the Draft Law on Healthcare;**
- **Opinion on the Draft Law on Amendments to the Law on Prevention of Corruption;**
- **Opinion on the Draft Law on the Government of Montenegro (submitted to the Venice Commission);**
- **Opinion on the Draft Law on Amendments to the Law on Electronic Communications;**
- **Opinion on the Law on the State Prosecutor's Office with a special focus on Article 27 and 48 of the Law;**
- **Opinion on the Law on Public Procurement with a focus on the amendments adopted by the Parliament of Montenegro on December 27, 2022;**
- **Opinion on the Draft Regulation on the Control of Assets, Income and Lifestyle of Police Officers**
- **Opinion on the Proposal for amendments to the Rules of Procedure of the Government of Montenegro;**
- **Opinion on the Proposal for the Rulebook amending the Rulebook on the Government of Montenegro;**
- **Initiative for adoption of regulations containing procedures, criteria, and guidelines to be followed by the Administration for Cadastre and State Property in providing office space for the regular work of parliamentary political subjects;**
- **Initiative to the Parliament of Montenegro regarding the need to harmonize the Law on Financing of Political Subjects and Election Campaigns with the Misdemeanor Law, the Labor Law, and the Law on the Election of Councilors and Members of Parliament.**

The Government of Montenegro, in consultation with the Agency, **adopted the Decision on Amendments to the Rules of Procedure of the Government of Montenegro** at the session held on December 29, 2023. This decision **proposes the introduction of a preliminary corruption risk assessment (CPL) as a mandatory step in the procedure for drafting proposals for laws and other regulations established by the Government.** This measure aims to reduce corruption risks in the content of regulations and is in accordance with the act of the Ministry of Justice regulating the content of the CPL form.

Corruption proofing of legislation, as mandatory in the legislative process, represents an effective model for combating "normative corruption," especially considering that the norms under the jurisdiction of the Agency within this competence are those that can cause significant societal harm or leave space for individual abuses, as well as the potential for systemic corruption.

The Agency was involved in the work of working groups for drafting:

- **Draft Law on Lobbying** (in terms of providing comments on the Draft Law on Lobbying in line with the recommendations of the EC, as well as comments for amendments to the Lobbying Law to the Ministry of Justice regarding violations of the law), and
- **Draft Law on International Restrictive Measures** (in terms of preparing feedback on the latest version of the Draft new Law on International Restrictive Measures).

In this way, the Agency had significantly more space to review the substance of legal acts and to timely act and contribute to eliminating corruptive risks from the legislation itself in the drafting phase.

CONDUCTING ADMINISTRATIVE PROCEDURES WITHIN THE COMPETENCE OF APC

In terms of conducting administrative procedures, in 2023, **77 administrative procedures were initiated against public officials regarding the asset declarations and restrictions on holding public office/conflicts of interest.**

A total of 104 procedures were concluded (including cases from previous periods), **and violations of the law were identified in 98 of them.**

Public authorities, following the conclusion of administrative procedures, regarding the prevention of conflicts of interest and restrictions on the performance of public functions, as well as the verification of asset declarations, **provided 40 responses** in 2023:

- **3** dismissals (asset declarations);
- **19** cases resulted in disciplinary measures - warnings (17 asset declarations; 2 asset declarations and conflicts of interest);
- 9 cases were forwarded to another authority (8 asset declarations, 1 conflict of interest);
- disciplinary proceedings are ongoing in **1 case** (income and assets);
- proposals for disciplinary measures were rejected in **8** cases (asset declarations).

In 2023, the Administrative Court issued **17 judgments** in cases concerning actions taken by the Agency in the area of asset declarations/conflict of interest reporting, in which:

- ✓ In 8 cases, it confirmed the decisions of the Agency and dismissed the lawsuits as unfounded;
- ✓ In 9 cases, it issued judgments annulling the decisions of the Agency and remanding the cases for reconsideration.

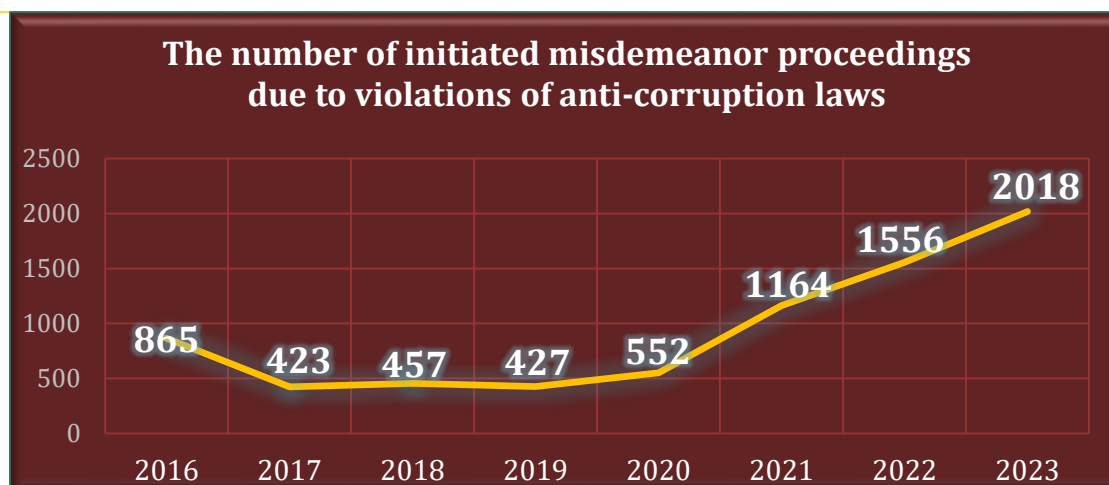
INITIATION OF MISDEMEANOR PROCEEDINGS

The Agency filed a total of 2,018 requests for initiating misdemeanor proceedings with the competent misdemeanor courts in 2023 due to violations of anti-corruption laws out of which:

- ✓ **1.821** were filed due to violations of the LPC;
- ✓ **197** were filed due to violations of the LFPSEC.

During that period, a total of 1,505 proceedings were finalized (including proceedings from previous years), out of which sanctions were imposed in 87.7% of cases (521 fines; 799 warnings). The total amount of fines imposed is €126,430.

Due to violations of anti-corruption laws within its jurisdiction, the Agency initiated 29.7% more misdemeanor proceedings in 2023 compared to 2022, and significantly more compared to annual levels since the Agency's inception. This increase was primarily driven by a higher number of initiated misdemeanor proceedings in the area of income and asset verification.



ANTI-CORRUPTION CAMPAIGNS, PUBLIC RELATIONS, RESEARCH, AND EDUCATION

The Agency contributes to strengthening the general public's knowledge and the knowledge of stakeholders regarding anti-corruption laws, its jurisdiction, and its results through conducting campaigns, educational activities, and collaboration with the media. This helps build trust among citizens in the Agency's work.

During 2023, on the Agency's website, as well as on its YouTube channel and accounts on social media platforms such as Facebook, X, and LinkedIn, a **video animation was posted with the aim of promoting the reporting of corruption and informing the public about whistleblower protection**. This video animation was prepared in 2022 as part of a project funded and implemented by UNDP in Montenegro. Additionally, the anti-corruption spot **"Report Corruption, Because the Society You Want Starts with You"** by ASK was broadcasted 42 times on TV stations with national coverage, aired before central evening

news programs. The spot, along with accompanying visuals, was also posted on APC's social media accounts on X and Facebook.

A 2023 Training Plan for Law Subjects to the Law under the jurisdiction of APC 2023

has been prepared and adopted. Employees from the Department for Integrity and Lobbying conducted **two online training sessions** on the topic of developing and implementing integrity plans, targeting integrity managers and other employees involved in this process. Training sessions were also organized for newly appointed public officials from Podgorica, Pljevlja, and Plav, focusing on the **"Implementation of anti-corruption regulations under the jurisdiction of the APC."**

During the training, a team of lecturers from the Agency presented the legal obligations of public officials regarding reporting on income and assets, measures necessary to prevent conflicts of interest in the performance of public functions, legal obligations, restrictions, and prohibitions for government bodies during election campaigns, as well as procedures for handling whistleblower reports and protecting whistleblowers..



Representatives of the Agency conducted a training session for **officials from the Ministry of Internal Affairs and the Police Administration titled "Whistleblowing Measures in the Police - Raising Awareness and Whistleblowing Procedures,"** during which they addressed procedures for handling whistleblower reports and protecting whistleblowers, as well as the topic of integrity in public administration. The training was organized to implement the GRECO recommendation within the framework of the Vth evaluation round, which envisages strengthening existing whistleblowing measures in the police

through raising awareness and promoting and encouraging whistleblowing mechanisms within the Ministry of Internal Affairs and the Police Administration.

Additionally, a training session was held for **participants of the project "Building Resilience Through Information,"** organized by the NGO Mladiinfo Montenegro and the Portal Mladi Nikšića, during which attendees were familiarized with the role and responsibilities of the Agency as the main preventive anti-corruption institution in Montenegro..

Additionally, a **Training Plan for employees of the Agency for Prevention of Corruption in 2023** has been prepared and adopted. In collaboration with institutions in Montenegro, as well as international partners, employees of the Agency participated in a total of **48 training sessions**.

During 2023, there was intensive media coverage of the Agency for Prevention of Corruption. Specifically, APC was mentioned in a total of **5,722 media publications, which is twice as many as the previous year and the highest number since its establishment**.

Transparency has been strengthened through increased openness to the media, as evidenced by the **continued trend of a favorable media portrayal of the Agency**. This is indicated by the ratio of positively to negatively toned media publications, which is crucial for shaping the agency's image. In 2023, **there was a 50% increase in positively toned media coverage** compared to the previous year, further indicating a positive trend in the Agency's media perception.

In the presence of representatives from the diplomatic corps, international partners, and the media, the Agency organized a traditional **working breakfast** on February 27, 2023. During this event, the director and the then-president of the APC's Council presented the key results of the agency's work in 2022. They also highlighted the Agency's contribution as a key institution in this field and its role in implementing important interim measures in Chapter 23 - Judiciary and Fundamental Rights, in the effective and efficient fight against corruption, and in promoting the rule of law environment in Montenegro.



The efforts of the Agency in improving public relations were recognized in the **European Commission Progress Report on Montenegro for 2023**. The report highlighted a more proactive approach in the work of the Agency for Prevention of Corruption and its activities in informing the public, media and civil society.

According to the results of a public opinion survey conducted by **Defacto Consultancy** at the end of 2023 for the needs of the Agency for Prevention of Corruption, **APC remains at the top position among institutions in which citizens would have the highest level of trust if they decided to report corruption**. This finding is consistent with previous annual surveys, indicating a sustained level of trust in ASK among the public.

COLLABORATION WITH STATE INSTITUTIONS AND CIVIL SOCIETY

In the spirit of deepening interinstitutional cooperation and strengthening the systemic response to corruption, **the leadership of the Agency met with the Acting Chief State Prosecutor, Tatjana Begović**, and the Secretary, Maja Raspopović, in July 2023. Recognizing that the fight against corruption requires a strong and coordinated response from all societal actors, the leaders of both the Agency for Prevention of Corruption and the Supreme State Prosecutor's Office expressed readiness for closer collaboration and intensified data exchange between the two institutions.

In order to further develop cooperation, the director of the Agency for Prevention of Corruption along with colleagues met with the **President of the Higher Misdemeanor Court of Montenegro, Milivoje Rašović**, and Judge **Larisa Begović**. During the meeting, a portion of the European Commission Progress Report on Montenegro for 2023 concerning criminal policy in cases of violations of anti-corruption laws was analyzed. The participants noted that the number of repeat offenders is exceptionally low, indicating that the existing criminal policy has yielded results, as have the efforts of the Agency in promoting integrity and continuously educating public officials about their legal obligations.

As the national coordinator responsible for fulfilling all obligations arising from Montenegro's membership in the Group of States against Corruption (GRECO) of the Council of Europe, the aim is to prepare information for reporting on the status of implementing GRECO recommendations¹⁰, in 2023, the Agency held several **meetings with representatives from the General Secretariat of the Government, the Ministry of Justice, the Ministry of the Interior, and the Office of the Minister without Portfolio**.

During 2023, the APC representatives met with **representatives of the Ministry of Justice to prepare a draft law on lobbying**. Additionally, they met with **representatives of the Ministry of Public Administration to formulate the best solutions for the draft law on the Government of Montenegro**.

In 2023, the project "**PAKT against Corruption (Partnership against Corruptive Tendencies)**" was initiated by the **Center for Civic Education (CGO)** with the support of the **United States Embassy in Podgorica**, and it will be implemented **in collaboration with the Agency for Prevention of Corruption**. This project will focus on five areas: education, healthcare, local government, security, and judiciary, and it will last for 18 months. The emphasis will be on strengthening institutional and alternative mechanisms for detecting and preventing corruption among public officials, while simultaneously raising awareness among citizens about various forms of corruption and the damages caused by inadequate addressing of it.

¹⁰ Recommendation from the Evaluation Report for Montenegro within the Fifth Round of Evaluation on the topic of Prevention of Corruption and Enhancement of Integrity within the central government bodies (at the highest executive levels) and law enforcement agencies.

Expressing institutional commitment to cooperation with the NGO sector, the Agency continued the practice of holding meetings with representatives of non-governmental organizations during election campaigns. In 2023, two such meetings were held. The first meeting was attended by representatives of the Center for Civic Liberties (CEGAS), the Center for Development of Non-Governmental Organizations (CRNVO), the Center for Civic Education (CGO), and the Center for Monitoring and Research (CeMI), while the second meeting, in addition to CeMI representatives, also included representatives of the Civic Alliance (GA). Both meetings focused on the activities undertaken by the Agency in monitoring and supervising the campaign for the presidential elections.



The director of the Agency, along with colleagues, met with the President of the Network for Youth Activism of Montenegro (MOACG), **David Vukićević**. During the meeting, opinions were exchanged regarding the current social environment and the level of awareness among young people about corruptive phenomena, as well as ways in which youth can contribute to their prevention, particularly within the education system.

The Agency also engages in cooperation with NGOs through joint educational activities aimed at raising awareness about the importance of corruption prevention. A representative of the Agency conducted a training session for participants of the project "Building Resilience Through Information," organized by the NGO Mladiinfo Montenegro and the Portal Mladi Nikšića.

Additionally, cooperation was developed with non-governmental organizations from the Western Balkans region. Representatives of the NGO Movement FOL (Lëvizja FOL) from Pristina visited the Agency in June as part of a delegation led by the Kosovo Anti-Corruption Agency. At the initiative of the mentioned NGO, a representative of the Agency conducted a training session on December 20 for representatives of 11 institutions from Kosovo on the topic of developing and implementing integrity plans.

Representatives of the Agency attended/participated in numerous conferences/roundtable discussions organized by civil society representatives.

Aware that only through synchronized action and a systematic approach involving all stakeholders can substantial success be achieved in corruption prevention, the Agency will continue its intensive collaboration with civil society organizations. This collaboration aims to provide support for implementing anti-corruption measures, raise awareness among citizens about the harmful effects of corruption, and emphasize the importance of monitoring the work of public sector institutions.

INTERNATIONAL COOPERATION

Conference of States Parties to the United Nations Convention against Corruption (UNCAC) – COSP

The Director of the Agency, along with colleagues, participated in the **tenth session of the Conference of States Parties to the United Nations Convention against Corruption (UNCAC) - COSP in Atlanta, USA, from December 11th to 15th**. Within the framework of the COSP, the **Methodology for Assessing the Implementation of Anti-Corruption Measures** was presented as an innovative and evidence-based tool aimed at strengthening the integrity, transparency, and accountability of public institutions in Montenegro. Previously, **the Agency had successfully met rigorous criteria, and its application was accepted by the COSP among 190 submissions**.

The conference brings together global leaders to determine further directions for the international community in the fight against corruption and its prevention. COSP is the main decision-making body in the United Nations Convention against Corruption (UNCAC). All states that have ratified the UNCAC are automatically part of the Conference of States Parties. COSP meets every two years and adopts resolutions and decisions aimed at capacity building and cooperation among signatory states to achieve the goals of the convention, as well as promoting and reviewing its implementation.



After participating in COSP, representatives of the Agency met with **Aleida Ferreyra**, the global leader of UNDP, on December 21st. The purpose of the meeting was to exchange information regarding the longstanding and successful cooperation between the Agency and the UNDP Office in Montenegro, joint anti-corruption projects, including the development of the Methodology for Assessing the Implementation of Anti-Corruption Measures presented at COSP, and to identify further priorities and opportunities for future collaboration.

Direct cooperation has been established with the European Anti-Fraud Office (OLAF)

In the spirit of continuing strong and ongoing collaboration with international partners of the Agency, Director Jelena Perović and her colleagues met with a **high-level delegation from the European Anti-Fraud Office (OLAF)**, led by Vile Itala, the Director-General of this body, which, as an operational and independent entity, is part of the European Commission. The meeting was held at the initiative of Mr. Itala, who has been at the helm of OLAF since August 2018.



The guests expressed interest in the preventive anti-corruption legal framework in Montenegro, primarily focusing on the role and competencies of the Agency, with particular interest in analyzing regulations related to corruption risks. Director Perović presented the institution's activities in implementing this significant anti-corruption tool, contributing to strengthening the integrity of public administration. In addition, she acquainted the OLAF delegation with the Agency's work in other anti-corruption areas and elaborated on specific operational processes, emphasizing the significance and impact of the Agency in the rule of law system. **OLAF representatives expressed readiness to support the Agency's work through concrete actions**, including establishing direct communication channels.

VISIT TO BRUSSELS

In July 2023, the Director of the Agency, **Jelena Perović**, and former President of the Council of the Agency, **Momčilo Radulović**, paid an official working visit to Brussels with the aim of **presenting the Agency's previous work results and strengthening international cooperation with relevant EU institutions**. The meetings were attended by **Michael Miller**, Head of the Serbia and Montenegro Unit in the Directorate-General for Neighborhood and Enlargement Negotiations of the European Commission; **Tonino Picula** and **Vladimir Bilčik**, Members of the European Parliament; **Klemens Krit**, Team Leader for International Cooperation at the European Anti-Fraud Office (OLAF); **Aurel Laurentiu Plosceanu**, Vice President of the European Economic and Social Committee; and **Firuze Demir**, representative of the European External Action Service.

The Director of the Agency, along with colleagues, met with an expert from the Council of Europe to discuss the assessment of needs regarding the institutional framework for drafting and implementing a national Strategy for combating corruption, preparing a draft of the Strategy, and the action plan matrix for its implementation.

The Director participated in the **Global Anti-Corruption and Integrity Forum in Paris**, organized by the OECD. Her attendance at the forum also included a **series of significant meetings**, including with **Drago Kos**, the Chair of the OECD Working Group on Bribery in International Business Transactions, and with **Laura Stefan**, the Chair of the Steering Committee of the Regional Anti-Corruption Initiative (RAI)



In the spirit of strong **commitment to regional cooperation**, as one of the priorities of the Agency's actions, a *Memorandum of Understanding and Cooperation* was signed between the *Agency for the Prevention of Corruption and Coordination of the Fight against Corruption of Bosnia and Herzegovina (APIK)* and the *Agency for the Prevention of Corruption*. This was aimed at exchanging information and experiences of best practices in the field of anti-corruption. Additionally, working visits were conducted by delegations from anti-corruption institutions of countries in the Western Balkans region, including Kosovo and North Macedonia.



The APC delegation had a study visit to the Republic of Croatia, during which they met with the Minister of Justice and Administration, **Ivana Malenica**, the President of the Conflict of Interest Commission, **Nataša Novaković**, the Secretary of the Commission, **Ivan Matić**, the State Secretary, **Juro Martinović**, and the Head of the Corruption Prevention Sector, **Mladen Bručić-Matić**, in Zagreb.

Additionally, the **Director of the Agency met with the Director of the Anti-Corruption Agency of Kosovo (APK)** in Pristina, and in Skopje, she met with **Slavica Grkovska, the Deputy Prime Minister of North Macedonia responsible for good governance policies.**

The Director of the Agency participated, among other things, in the second meeting of the Southeast Europe Women Governmental Leaders Forum (SEE WGGALF), held in September in Skopje, on the topic of "Empowering Women and Youth in the Fight Against Corruption and Embedding European Fundamental Rights and Values in the Region."



The Agency continued to strengthen institutional capacities and improve its work as part of international cooperation.

Within the framework of Phase III of the **Project to Combat Corruption, Economic and Organized Crime, "Horizontal Support Program for the Western Balkans and Turkey,"** the analysis of the **Law on Prevention of Corruption** has been finalized, focusing on provisions related to whistleblowing, integrity plans, administrative and misdemeanor procedures. Regarding the whistleblowing section, it is noted, among other things, that although existing provisions related to whistleblowing in the Law on Prevention of Corruption could be improved **to align with Directive (EU) 2019/1937 on the protection of whistleblowers reporting breaches of EU law, it will be necessary to introduce a comprehensive standalone whistleblower protection law.**

As a reminder, a comprehensive analysis of the Law on Prevention of Corruption was conducted in three phases, with the first two completed during 2022 and addressing issues of the **functional independence of the Agency and parts of the Law related to conflict of interest and asset and income declarations.**

As part of the same project, in collaboration with Council of Europe expert Valts Kalnins, a **Methodology for verifying asset declarations** was developed in 2023. This methodology represents a step-by-step guide for employees to follow during all three types of verification procedures, serving as a way to ensure non-selectivity in work, as it will also serve as a formula for selecting subjects for review based on previously identified risks.

Additionally, representatives of the Agency held a preparatory meeting with Council of Europe expert Silvio Pop in November to develop **Guidelines for the Integrity Checklist for Newly Employed Staff** at the Agency based on preliminary inputs. The primary goal of this activity is to implement one of the key GRECO recommendations within the framework of the 5th Evaluation Round, related to the independence of the Agency, and is correlated with two interim measures in Negotiation Chapter 23. It was agreed during the meeting that the draft checklist would be prepared and submitted to the Agency.

The overall progress of the Agency during the past period has been recognized and supported by European partners.

In the latest **Progress Report for Montenegro**, the European Commission (EC) reminds that "**the Agency remains a key Montenegrin institution for promoting integrity and preventing corruption.**" It is noted that the **results of the Agency have been quantitatively improved, and a more proactive approach in the work of the Agency and its activities in informing the public, media, and civil society** has been highlighted. It is emphasized that **the efforts of the Agency to prevent corruption should be complemented by a serious response from law enforcement agencies, prosecution, and the criminal justice system.** At the same time, **the need for further improvement of the legislative and strategic framework for the prevention and fight against corruption** in line with EU legal acquis and European and international standards, including the Law on Prevention of Corruption, has been pointed out.

