# Public Administration Reform in Serbia

# Jasmina Džinić\*

UDK 35.071.2(497.1)
Pregledni znanstveni rad / review scientific paper
Primljeno / received: 8. 7. 2011.
Prihvaćeno / accepted: 15. 11. 2011.

The position and role of the Serbian public administration after the collapse of the Socialist Federal Republic of Yugoslavia are analysed. Two main phases in the development of public administration are identified. The first one was characterized by repression and authoritarian system of governance (1990-2000) and disorientation afterwards (2000-2004). The second, reform oriented phase began with the adoption of the Public Administration Reform Strategy in 2004. The main goals, key reform areas, as well as the shortcomings of the PAR Strategy are shown in the article. As the five-year period provided for implementation proved unrealistic, the reform process has been prolonged for another four years. The measures conducted in different fields of public administration as well as the results obtained are analysed. Finally, the main obstacles for the Strategy implementation are indicated.

Key words: public administration reform – Serbia, Serbian Public Administration Reform Strategy, state administrati-

<sup>\*</sup> Jasmina Džinić, scientific researcher on the project financed by the Ministry of Science, Education, and Sports of the Republic of Croatia Europeanisation of the Croatian Public Administration: Influence on Development and Identity (znanstvena novakinja na znanstvenom projektu Ministarstva znanosti, obrazovanja i športa Republike Hrvatske Europeizacija hrvatske javne uprave: utjecaj na razvoj i nacionalni identitet, e-mail: jasmina.dzinic@gmail.com)

on, local self-government, services of general interest, civil service, implementation

# 1. Introduction

The disintegration of the Yugoslav federation signified the commencement of a rather difficult period for its former federal units. The establishment of new independent states was accompanied by the attempts at transition from the planned to market economy as well as from the one-party to multi-party system. Unfortunately, the independence paid by numerous war sacrifices left long-standing consequences on the development of the whole region. It is obvious if we compare the results of post-communist transition in the Western Balkans and those obtained in the Eastern Balkan and Central Eastern European countries, where the process of transition and democratic consolidation has been conducted unburdened by interethnic conflicts (Cohen, 2010: 43). The case of Slovenia also confirms this, as the war in that former Yugoslav republic lasted for a short period and the country moved on without internal ethnical conflicts. War and post-war period in other countries were both characterized by intense centralistic tendencies, especially in Croatia and Serbia, where strong political leaders took power and led countries for a whole decade.

After the collapse of the burdensome authoritarian system of governance led by S. Milošević and the long isolation of the country, advancing European integration became stated priority of the subsequent Serbian governments.<sup>1</sup> As the administrative capacity for implementation of the *acquis communautaire* is one of the main conditions for successful process of integration for all the countries intending to be member states of the European Union (Madrid Criterion), Serbia has to carry out deep and serious reform of its public administration.

The development of public administration in Serbia can be divided into two stages if we bear in mind the administrative criterion of division: before and after the Public Administration Reform Strategy. This is because the Strategy is the first strategic document of public administration reform in Serbia. Although the reform process started in 2004, it should be noted that Serbia signed the Stabilization and Association Agreement (SAA) in April

 $<sup>^1\,</sup>$  During that period, parliamentary elections in Serbia were held four times: in 2001, 2003, 2007 and 2008.

2008 and officially handed over the application for full EU membership in December 2009, which has brought further obligations to the country.

According to the European Commission's annual progress reports for Serbia (www.seio.gov.rs) issued since 2005, there has been some progress in public administration reform. However, the legislative framework is still incomplete and needs to be fully aligned with EU standards. Furthermore, there is a lack of capacity and coordination in certain public administration sectors. It seems Serbia has left the repressive authoritarian political system behind, it is making headway, but there are still many obstacles on the way of its transformation into a consolidated democracy (cf. Cohen, 2010: 46).

# 2. Public Administration in Serbia After the Breakdown of Yugoslavia

After the breakdown of the Socialist Federative Republic of Yugoslavia (SFRY), two main phases, each with two sub-phases, regarding the position, the role and the development of public administration in Serbia, can be identified. The first one began in 1990 and ended in 2004, when the PAR Strategy was adopted. It can be divided into two sub-phases: the period of *repression*, which ended with the breakdown of Milosević's regime in 2000, and the period of *re(dis)orientation* between 2000 and 2004. The second phase started with the adoption of the PAR Strategy and can be called the phase of *reformation*. Its first sub-phase finished in 2008 with expiration of the Action Plan 2004–2008 for the implementation of the PAR Strategy and adoption of the Action Plan 2008–2012 when the second sub-phase was launched.

# 2.1. Public Administration Before the Adoption of the PAR Strategy

During the 1990s, Serbia<sup>2</sup> was confronted with hyperinflation as well as with economic, political and military sanctions caused by its politics

 $<sup>^2</sup>$  Serbia was a part of the Federal Republic of Yugoslavia together with Montenegro from 1992 to 2003 and the State Union of Serbia and Montenegro from 2003 to 2006. The latter fell apart after the referendum held in Montenegro in 2006, when each of the states became independent.

towards the neighbouring countries and Kosovo (Lilić, 1998: 190). Social crisis culminated in the late 1990s: NATO forces bombed several Serbian and Montenegrin towns, and citizens' demands for political changes were all the more intensive. Internally, an authoritarian system of governance was the essential feature for the whole decade. The role of public administration in that period was reduced to the execution of decisions issued by political bodies in the country. This is evident from the then constitutional and statutory provisions prescribing the scope of activities inhered to public administration (Lilić, 2007: 42–43). The issue of public administration reform was not part of the political agenda because public administration conducted its role effectively – it was the role of an instrument in the hands of the then Serbian president, S. Milošević.

Serbia started the new century with transition from a significantly repressive system of governance to the new, pro-European political orientation. However, the transition did not happen quickly and easily. Milošević's regime fell after massive demonstrations in October 2000. Public administration inherited from the 1990s was in a rather poor condition. The undervalued role of administration, low salaries and limited career development prospects repelled the potential (and rather necessary) employees from the civil service, reduced the quality of public services and lowered the perception of public administration in society (GRS, 2004: 11). The relationship between the Government and public administration continued to be treated as that between a master and his servant (cf. Croatian case after Tudman in Cohen, 2010: 17).

Although the government that came to power at the beginning of 2001 clearly declared the public administration reform (PAR) as one of its main goals, the reform process was delayed. The adoption of the Law on Local Self-government and the establishment of the Ministry of Public Administration and Local Self-government (MPALSG), both in 2002, were the only remarkable features of that period. Bearing in mind the lack of strategic approach to PAR, this sub-phase in public administration development could be called the phase of *disorientation*.

# 2.2. PAR Strategy

The difficulties regarding constitutional changes did not hamper the government that took power in March 2004 to introduce a strategic approach to PAR. The PAR Strategy and the Action Plan 2004–2008 for its implementation were adopted in November 2004.

The principles of organization and functioning of public administration in the EU countries accompanied by taking into account the constitutional and legal concept of the state were indicated as the main starting points for the process of PAR in Serbia. Current situation of public administration was described. The creation of a democratic state based on the rule of law, accountability, transparency, effectiveness and efficiency as well as the creation of a citizen-oriented public administration, capable of offering high quality services to the citizens and the private sector, against payment of reasonable costs were indicated as the main goals of PAR. Furthermore, the PAR Strategy enumerated the main reform principles: decentralization, depoliticization, professionalization, rationalization, and modernization.

There were six key reform areas: Decentralization; Fiscal decentralization; Building a professional civil service; New organisational and management framework as a basis for rationalization of public administration; Introduction of information technology (modernization); and Control mechanisms of public administration. Change towards public administration that would be a service to citizens and that would provide them with high quality life standard was explicitly stipulated as the ultimate goal of the PAR Strategy (GRS, 2004: 7).

The Strategy assigned the strategic reform management to the governmental Council for Public Administration Reform (CPAR), as a political body that should ensure political will for reform implementation. At the operational level, the PAR management was assigned to the MPALSG. Finally, the establishment of reform-teams in every single public administration body was stipulated. The Action Plan for Serbian PAR Implementation 2004–2008 was part of the PAR Strategy and it comprised the timeframe for PAR implementation divided into several phases.

Serbia had shown its willingness regarding strategic planning in the sphere of public administration earlier than Croatia that adopted its Strategy of State Administration Reform in 2008. However, the main shortcomings of both strategies are quite similar. Quantitative implementation indicators do not exist. Although both of the Strategies provide normative and institutional measures that should be applied during the process of their implementation, significant emphasis has been put on the latter. Both strategies lack financial projection (Koprić, 2008: 557–558). The absence of implementation budgets is the main feature of Serbian strategic planning in general (Jelinčić et al., 2011: 10).

The Strategy indicated the beginning of the public administration *reformation* process. The timetable for the implementation of some PAR se-

gments provided by the Action Plan for 2004-2008 proved to be unrealistic. Part of the planned reforms had not been implemented until 2008 and the rest was implemented with a huge delay. Institutional framework established by the PAR Strategy did not function as it was planned. At the strategic level, the PAR management was entrusted to the CPAR, a body composed of the highest political officials (Prime Minister, Deputy Prime Minister, several Ministers and the Secretary for Legislation). The Council met but few times, when each subsequent government came into power. The reform teams of public administration bodies have never been constituted. Some initial trials enhanced by international donations to educate future coordinators were soon called off. The lack of capacity for reform implementation is caused by limited strategic orientation, weak internal coordination and strong centralization of decision-making authority in the ministries responsible for managing the reform process (Eriksen, 2007: 350). Four-year period intended for the PAR process proved to be insufficient for the restoration of the public trust in public administration and attraction of educated and motivated people to work therein. Lack of political will, on one hand, and of internal motivation in public administration, on the other, were some of the main reasons for poor implementation of the Strategy. It can be labelled as the period of semi-implementation since the greatest effects were achieved in legislation.

The Stabilisation and Association Agreement was signed in 2008. Since one of the main obligations accepted by Serbia was harmonisation of its legislation with the *acquis communautaire*, the process of PAR implementation had to be faster and more effective. Therefore, in 2008, the Government adopted the National Program of Integration (NPI) as a document that would integrate all the existing, and facilitate planning, monitoring and coordination of all the future Government's activities in the process of EU accession (Lilić, 2008a: 34). The National Program of Integration, revised every year according to EC's annual progress reports, served as a basis for the revision of the PAR Strategy and adoption of the new Action Plan for PAR Implementation in the period 2009–2012, which took place in July 2009. The completion of the implementation process provided by the new Action plan for 2012 concurs with the year of possible, i.e. desirable acquirement of candidate country status (Lilić, 2008: 305).

There are 12 projects regarding specific fields of PAR that have already been completed, five projects are in the phase of implementation, and four of them are planned for the future (www.drzavnauprava.gov.rs). All of them are funded by international donors, but a lack of capacity to use

foreign financial resources has resulted in low percentage of aid that is actually disbursed (Eriksen, 2007: 351).

# 2.3. Improving Public Administration System on the Basis of the PAR Strategy

# 2.3.1. Rationalization of State Administration Organisation and Management

The Constitution of Serbia contains basic provisions regarding the status of the central state administration and the delegation of public powers and public services. Public administration organisation and tasks are prescribed to be regulated through laws and governmental acts.<sup>3</sup> The Law on the State Administration, adopted in 2005 (LSA), has prescribed general provisions with regard to the tasks and organisation of state administration, while the establishment and the scope of affairs of state administration authorities at the central level is regulated by the Law on Ministries. General principles of internal organisation of the ministries and other state administration bodies and organisations are regulated by governmental decree.

According to the LSA, there are three types of state administration bodies at the central level: ministries, administrative organs within the ministries, and special organisations. Administrative organs within the ministries (integrated authorities) may be established as authorities, inspectorates and directorates. Special organisations, which may be established as secretariats or bureaus,<sup>4</sup> have been given legal entity, and are separated from the ministries because of the need for greater autonomy than that required by an integrated authority. Since 2004, special organisations may be established by special laws and not only by the Law on Ministries, as it was stipulated before. There are also administrative districts (*okruzi*; 29 of them) as the lower-level state administrative bodies.

Serbia entered into the new millennium with 19 ministries and seven special organisations. The government that came to power in 2004 slightly re-

<sup>&</sup>lt;sup>3</sup> The ministries are the only state administrative bodies that have found their place in the Constitution, but the possibility to establish other types of bodies authorized to perform state administration tasks (by law) is open.

<sup>&</sup>lt;sup>4</sup> However, there are some special organisations (and administrative organs within the ministries) that are established as »agencies«.

duced the number of ministries, abolished the agencies not established in conformity with the Constitution<sup>5</sup> and formed new special organisations to take over the tasks from their competences. The state administrative system had been rationalized, but not for a long. After the Montenegrin secession, Serbian state administration required reorganisation. Some of the tasks had to be transferred to the Serbian state administration, while the others had to be omitted, distended, or reformulated. Initially, it was done by an unconstitutional decree of the Government. The Government that took power in 2004 showed that it could also violate the Constitution by passing the decrees in order to regulate the substance reserved for parliament regulation (Plavšić-Nešić, 2010: 421). Finally, the National Assembly passed the new Law on Ministries as late as in 2007. The number of ministries was increased by almost 30 per cent and the number of special organisations by 50 per cent. The latter might be justified by the removal of the agencies established by government decrees and their re-establishment by law. However, with respect to the ministries, apart from the always necessary Ministry of Foreign Affairs and Ministry of Defence, some of the newly founded ministries sprang from the formerly unified ministries.<sup>6</sup> Such increase in the number of state administration bodies cannot be justified by the separation of Serbia and Montenegro. The establishment of the new ministries and other state administrative bodies was rather a division of powers within the coalition Government then the reflection of real functional requirements. Furthermore, a comprehensive functional analysis programmed by the PAR Strategy should have preceded institutional restructuring and served as its basis, but it had not been implemented yet. The size of state administration peaked in 2008 when 24 ministries and 13 special organizations were established. Overlapping competences rendered state functioning slow and expensive. and caused confusion in citizens' dealings with administrative authorities.

<sup>&</sup>lt;sup>5</sup> The establishment of agencies by decrees passed by Đinđić's Government overstepped the limits of legality since the Constitution stipulated that the organization and competence of the state administration organs were regulated by the law and not by the government's decrees.

<sup>&</sup>lt;sup>6</sup> The Ministry of Science and Environment Protection has been divided into the Ministry of Science and the Ministry of Environment Protection; the Ministry of Education and Sport has been divided into the Ministry of Education and the Ministry of Youth and Sport.

According to MPA (2008), since 2004, only two functional analyses were implemented in the public administration of Serbia: in the MPALSG and in the Administration for Joint Services of the Republic Bodies (www.drzavnauprava.gov.rs).

The Law on Ministries of 2011 has reduced the number of state administrative bodies to 17 ministries and 9 special organizations although there have been some proposals for more radical reduction.<sup>8</sup>

The situation where almost all decisions are made by the top leaders makes the functioning of public institutions impossible during the periods without effective leadership and also has undesirable effects on the quality of administrative decisions and the accountability of civil servants (Eriksen, 2007: 344; Sigma, 2010: 8).

Public Agencies. Agencies appeared in Serbia after the year 2000 as the parallel type of administration, justified with the process of Europeanization (Sigma, 2010: 4). Initially, there was a division on the agencies that were entrusted with performing technical tasks related to the promotion of development in certain fields, on one hand, and the public agencies for the performance of particular administrative tasks, including competence to enact regulations and individual decisions, on the other. Until the new Constitution was passed in 2006, there had been dilemmas on the constitutionality of the establishment of the latter. Regulatory bodies are not mentioned in the Constitution, but may be put into the constitutional category of »special body for performance of regulatory function« (Šuput, 2009).

The term agency is still used for organisations with different statuses, which may cause confusion in practice. According to one criterion, distinction may be made between administrative agencies, public agencies and special agencies (Sigma, 2009: 20). Each group of these agencies has its own legal basis for establishment: administrative agencies are based on the LSA, public agencies on the Law on Public Agencies, while special laws make a basis for the establishment of special agencies. However, there are also organisations that may be put into the group of agencies due to their (public) competences, financial resources etc., although they hold

 $<sup>^{8}</sup>$  In addition to special organizations established by the 2011 Law on Ministries, there are six more of them, established by special laws.

<sup>&</sup>lt;sup>9</sup> The Law on Public Agencies defines the public agencies as organisations established to carry out developmental, specialised and/or regulatory tasks of public interest that do not require a constant direct political supervision, provided that such tasks can be more efficiently performed by this type of organisation than by a state administration authority and in particularly when the task can be entirely or mainly financed from the fees paid by the users of the services rendered (Article 2). The founding rights are executed by the state government, but the sub-national governments may also establish public agencies for the implementation of their affairs (Article 8 and 55). The public agencies have their own separate legal entity and, although they may exercise certain public competences conferred by law, they are not a part of the classical state administration system.

different names (e.g. bureau, register, fund, etc.). Accordingly, in wider sense, the term public agencies comprises all the mentioned bodies. 11

Until today, a large number of public agencies (in wider sense) have been developed based on sectoral regulations that make the state administrative organisation rather complicated. There is no comprehensive list of bodies that may be distinguished as (public) agencies, and even the Government puts different bodies into the category of public agencies in different documents.<sup>12</sup>

The mechanisms of accountability with regard to public agencies have been stipulated by law (Sigma, 2009: 20). Nevertheless, the Government is not very efficient in their control. There is no parliamentary control either (Jelinčić et al., 2011: 11). The lack of supervision, the artificial detachment of a narrow segment of administrative tasks from the ministries to public agencies, the unsatisfactory communication of the agencies with their parent ministry as well as the failure of ministries in policy formulation and drafting legislation are listed as the main reasons for the poor results of a number of agencies in Sigma 2009 Assessment.

### 2.3.2. Decentralization

Territorial Organisation in Serbia. Serbian citizens have been given constitutional right to provincial autonomy and local self-government (Article 176/1). There are two autonomous provinces, Vojvodina and Kosovo and Metohija, but the possibility of establishing new autonomies has been provided as well (Articles 182/2 and 182/3 of the Constitution). However,

 $<sup>^{10}\,</sup>$  More about the difference between the public agencies and special agencies in Šuput, 2009.

<sup>&</sup>lt;sup>11</sup> The distinction between the agencies controlled by the Government and the independent bodies that are not part of public administration and are not accountable to the Government, but directly to the National Assembly, should be improved (Jelinčić et al., 2011: 12).

The list of salaries of the directors of public agencies, published on the Government's web site since February 2009, comprises 25 public agencies, including registers, funds and other public organisations separated from the state administration and public enterprises. However, according to list of employees in state administration on September 29, 2009, there were 12 public agencies, including the Agency for Social Housing that was in the process of establishment. The latter number matches the one indicated in the Decision on the Maximum Number of Employees in the State Administration, Public Agencies and Organisations for Compulsory Social Insurance. Nevertheless, the lists do not comprise all public agencies (e.g. Agency for Fight Against Corruption, Anti-Doping Agency, Agency for the Development of SME, etc).

in 2008, Kosovo declared its independence from Serbia, and as of June 2011, 77 countries have formally recognized it as an independent state. The autonomous provinces should be distinguished from statistical territorial units established in 2009.

Pursuant to certain documents,<sup>13</sup> the establishment of regions (*regioni*) comprising one or more districts (*oblasti*) is provided. The state territory has been divided into two NUTS 1 statistical units, five NUTS 2 units (regions) and 30 NUTS 3 units (districts) by the Law on Regional Development (LRD) and the Decree on Statistical Territorial Units Nomenclature. However, those units are neither administrative nor political units and do not have legal personality due to their special purpose different from that of autonomous provinces and local self-government units (Lilić, 2009). In the past several years, there has been strong pressure for regionalization, i.e. introduction of regions as the medium tier of governance (Stančetić and Ilić, 2011), but the ruling party (Democratic Party) has not clearly expressed its willingness regarding this issue (see the Party Programme, http://dss.rs).

Serbia is divided into 29 administrative districts that are not part of the territorial organisation due to their status of deconcentrated state administrative bodies. There have been some proposals for their replacement by regions as forms of territorial self-government, but without any success (Šević, 2001: 429).

The local self-government system consists of 150 municipalities, 23 towns and the City of Belgrade as a special territorial unit regulated by the Law on the Capital City. One or more urban municipalities as a form of submunicipal autonomy may be established on the territory of the City of Belgrade according to its statute.

Legal Framework of the Process of Decentralization. Long tradition of local self-government in Serbia (Šević, 2001), dating back to the time of the Ottoman occupation and maintained even during the dictatorship of King Aleksandar I, was shortly terminated after the end of Word War II (Šević, 2001: 421). During the socialist period, strong autonomy of local units was established (Koprić, 2003: 185–187). However, in the first decade after the collapse of the SFRY, local autonomy was undermined by the

The Government adopted the Strategy on Regional Development for the period 2007–2012 (www.srbija.gov.rs) in 2007. The Strategy on Spatial Development (www. rapp. gov.rs) was prepared in 2009, but has not been adopted by the Government yet. The Law on Regional Development has been adopted as well.

strong centralistic state politics that considered local level issues unimportant (cf. Lilić, 2002: 49; Šević, 2001: 422).

The process of decentralization, based on significant widening of the self-government scope, was first attempted in 2002 by adopting the Law on the Establishment of Certain Competences of Autonomous Provinces<sup>14</sup> and the Law of Local Self-government (LLSG). However, the process could not be fully implemented without additional conditions: fiscal decentralization, changes of sectoral laws, creation of a stable basis of well-educated, professional local staff, etc. Unequal development of Serbian municipalities and towns required gradual transfer of public competences to the local level. Weak local units were not able to carry the burden of extended scope of activities and that caused the opposite effect, i.e. strengthening of centralisation (GRS, 2004: 30). However, according to an analysis, most towns and the City of Belgrade have sufficient capacities to execute the new tasks that should be delegated to them (Milosavljević and Jerinić, 2010: 31).

The main directives for continuation of the process of decentralization were identified by the PAR Strategy. The conditions thereof were established in 2006, after the constitutional changes had taken place. The new Law on Local Self-government (2007), the Law on Local Elections, the Law on Territorial Organization, and the Law on the Capital City have all been adopted. Primarily because of the legislative reform conducted in the area of decentralization, Serbia, as well as the majority of Western Balkan countries, has been ranked as 'advanced intermediate decentralizer' (Cohen, 2010: 37). However, the creation of a stable legislative basis was just the initial part of the reform, insufficient for the completion of decentralization process.

The Scope of Competences and Financial Autonomy of Local Self-government Units. The first significant extension of municipal competences (which are the competences of towns and the City of Belgrade) was made by the 2002 LLSG. The final number of 39 own competences to be exercised by the municipalities (self-government scope) has been defined by the new Law on Local Self-government. The possibility of establishing a local police force is earmarked for towns, i.e. the City of Belgrade, but not for municipalities (Article 24). In addition, the City of Belgrade has wider competences regarding particular tasks such as water management, construction

 $<sup>^{14}\,</sup>$  It was replaced in 2009 by the Law on Establishment of Competences of Autonomous Province Vojvodina.

and reconstruction of streets and roads, city police and fire fighting, and the establishment of television and radio stations (Article 8 of the Law on the Capital City). The possibility of entrusting a particular state administrative task to municipalities (transferred scope) has been stipulated (Article 137/1 of the Constitution and Article 21/1 of the LLSG).

The Law on Financing Local Self-Government, which was the legal basis for fiscal decentralization, was adopted in 2006 and came into effect in the budgets of 2007. However, a wide range of communal and utility services in the local self-government sphere cannot be managed properly as all the property is owned by the state. The new Constitution has created the basis for local units to become property owners, which is a precondition for strengthening their financial autonomy. Accordingly, this issue is regulated by corresponding laws. The problem is that special legislation prescribes that all property used by state organs, provinces, towns, municipalities, public companies and public institutions and other legal entities established by the state, province or local self-government is in state ownership: the ownership of the autonomous provinces and local units is not stipulated by law. The proposal of the necessary law, which would overcome the situation, has been pending the legislative procedure since January 2010. The National Assembly has ratified the European Charter of Local Self-government whereby it has taken over the obligation to provide resources for execution of the self-government scope. Subsequently, the amendments to the law regulating the ownership of local self-government units and the transfer of the state property are the imperative prerequisites for the harmonisation of the present situation with the Constitution and the Charter. The devolution of tax collection and tax administrative competences to local government units has produced poor results because of the lack of quality political and technical management (Sigma, 2009: 22).

Strengthening Political Legitimacy at the Local Self-government Level. The Serbian citizens exercise their right to local self-government directly or through elected representatives. There are three main political bodies at the local level: assembly (representative body), president of assembly, i.e. city mayor, and the council (executive bodies). Assembly councillors are elected based on free, general and equal right of election by direct and secret voting. <sup>15</sup>

The provisions on the right of the election lists' proposers to choose the candidates from the list to whom the obtained mandates will be granted, as well as the provisions regarding blank letters of resignation, as the instruments of political parties for disposal of citizens' votes were declared unconstitutional (Constitutional Court Desicion IV $_a$ -52/2008).

There was an attempt of strengthening political legitimacy in 2002 when the institute of direct election of mayors was introduced. Although the first such elections were held in 2004, the 2006 Constitution prescribed that municipal presidents should be elected by municipal assemblies, not directly by citizens (Article 191/4). The next local elections of 2008 were held only for assembly councillors, not for municipal presidents and town mayors. The direct election of mayors had lasted for just one mandate before it was abolished (Koprić, 2009). However, there is a new initiative for the introduction of direct election of municipal presidents and city mayor (May 2011), intended to overwhelm the disadvantages of previous legislation. Nevertheless, bearing in mind constitutional provisions (Article 191/4), the adoption of such a proposal would be unconstitutional in the part related to the election of municipal presidents.

The next step with regard to strengthening citizens' participation at the local level is related to harmonisation of the Law on Referendum and People's Initiatives of 1998 with the standards of the EU. The time framework provided by the Action Plan 2009-2012 for the adoption of the draft law has already been exceeded.

## 2.3.3. Privatisation as the Basis for the Reform of Public Services

The reform of public services is especially related to transformations in economic sector managed by public enterprises. Half the public enterprises are still owned by the state or have a mixed status, a combination of social and private property. The biggest 17 companies are founded by the state and the Autonomous Province of Vojvodina and there are about 550 companies managed by the local self-government units (Pešić, 2007: 14). The slow process of privatisation is the result of political parties' resistance to lose their power over those enterprises. There are many factors indicating the existence of state capture maintained mostly through the poorly controlled public companies (Jelinčić et al., 2011: 11; Pešić, 2007). Discretional decisions regarding the prices of electrical power supply as a way of benefiting the tycoons who finance the parties of the ruling coalition; public compani-

There are also proposals regarding introduction of combined proportional and majority election system with the purpose of providing the possibility for the citizens to know who the person they are voting for is (Tomić, 2010).

<sup>&</sup>lt;sup>16</sup> The 2006 Constitution recognises social assets separately from the private and public assets, and specifies that social assets should be transferred into private hands over time (Article 86).

es as a »tool« for media control; rewarding the loyal party members with the positions in public companies, are but a few of them (Pešić, 2007).

Because the top management positions in the public companies are filled by the political bodies, because there are no public competition procedures beforehand, and there is neither public nor independent external control of the use of financial resources, the public enterprises have become an arena of political struggle. This has led to uncontrolled spending of budget funds on the financing of political parties and on increased incomes of the management board members, occasionally followed by simultaneous reductions of employees' salaries. At the beginning of 2009, after a public controversy, the Government disclosed the salaries of the top managers in public companies and public agencies on its web site. The Act on Standards for Determination of the Highest Salary Amounts for Top Managers in Public Enterprises has also been passed.

It was suggested by the IMF that financial losses, ineffectiveness, partocracy and other problems in public enterprises could be resolved and the real reforms could start only if Serbia seriously entered into the well-designed and controlled process of privatisation (Pešić, 2007: 16).

## 2.3.4. Civil Service and Human Resources Management

Legal Framework and the Scope of the Civil Service. The Law on the State Administration, the Law on Civil Servants (LCS) and the Law on Salaries, and the corresponding by-laws, form the legal frame in this field. Article 3 of the LCS stipulates a clear distinction between political appointees and professional civil servants. There are certain groups of the state employees (e.g. police and security forces, defence and armed forces, etc.) whose status is defined by special laws, some of them being far from the standards in democratic countries (Sigma, 2010: 3). The LCS concerns neither the administration of the autonomous province(s) nor the municipal administration. Vojvodina has its own regulation, while the status of local civil servants is regulated by the (inappropriate) Public Administration Labour Code of 1991.

The status of the employees in public services (e.g. education, health, transport, etc.) as well as the status of general service employees (employees in state authorities in charge of exercising ancillary technical tasks) is regulated by the General Labour Law. The comprehensive legal framework for all the individuals employed in public services, with the specificities required for different groups of professionals, should be adopted.

Recruitment. There are two main types of civil service positions: appointed positions as posts where civil servants have powers and responsibilities pertinent to directing and coordinating work in a state authority, and executorial positions, defined negatively as those that are not appointed, i.e. executive job positions, including the positions of officers of subordinate organisational units in state authorities.

Serbia has not fully implemented the merit system in its civil service – the recruitment procedure includes head's discretion as the final criterion for employment.<sup>17</sup> Although this shortcoming was highlighted in the Sigma 2008 Public Service Assessment, the amendments to the LCS in late 2008 and 2009 did not include the changes that would ensure improvements.<sup>18</sup>

The 2005 LCS classified some 360 positions formerly reserved for political appointees as senior service positions and declared them vacant. However, the obligation of the Government to complete the process of appointing senior civil service personnel had been postponed three times between 2005 and the end of 2010. These positions ought to be filled by competition open to internal and external candidates and selected by a selection panel appointed by the High Civil Service Council (HCSC). A wide range of appointments exercised by the Government, which may reject the candidates shortlisted by the HCSC, obviously still makes the senior civil service rather politicized (Fuller, 2010: 17 according to Žarkovic-Rakić, 2007). Furthermore, it seems that ministers and state secretaries have various means to jeopardise the selection based on professional qualifications (Sigma, 2008: 7). This leads to conclusion that the Serbian civil service is still influenced by political parties (opposite assessment in UNDP RCPAR, 2010: 30).

Competitions for the recruitment of executorial positions are managed by a selection panel consisting of the senior civil servants. Due to the fact that the first selection panels had shown a lack of capacity to fulfil their tasks as well as insufficient understanding of the terms of reference for recruitment, the Human Resources Management Service (HRMS) started to provide training for their members. Each recruitment procedure has four successive phases in case of failure of the preceding one: an internal

<sup>&</sup>lt;sup>17</sup> Heads and managers can choose one candidate from a shortlist made up of the three best-scored candidates without any legal obligation to give the reasons thereof.

<sup>&</sup>lt;sup>18</sup> Weak professionalisation and persistent politicization have had detrimental effect on democratic accountability and effectiveness of public administrations in the Western Balkans (Nikolov, 2005, according to Cohen, 2010: 12).

recruitment procedure within the institution, recruitment based on the agreement on assumption, recruitment within the civil service based on internal or public competition and, finally, an external recruitment procedure announced to the public at large. A novelty introduced in 2009 is that the internal competition is not a compulsory phase for the recruitment of executorial positions anymore. Accordingly, the civil service is more accessible to outsiders, but the possibility of politicisation is higher. In addition, individual ministries are empowered to advertise vacancies in order to speed up the recruitment process, which makes the HRM procedures more decentralised (UNDP RCPAR, 2010).

However, Sigma has emphasized that the idea of publicity of vacancies and the idea of merit-based recruitment should not be mixed because the publicity of vacancies *per se* does not guarantee the merit principle, especially in the situation where there is a lot of room for discretion, as in the case of Serbia (2008: 8).

Severe HRM measures have been conducted: cost cutting, reducing personnel budgets, salaries and number of staff by more than 10 per cent. In 2009, the laws on determination of the maximum number of employees in state and local administration were passed and the upper limit on the number of employees in public administration with precise figures for each body was published by the Government. <sup>19</sup> Although the package of social measures aimed at softening the impact of the crisis has been accepted, these measures have not been supported by the citizens. Saving measures may slow down the reforms and/or make Serbia more reliant on donors (Sigma, 2010b: 2).

Salary System. The salary system provides for fixed salaries with little room for management to pass discretionary decisions. Performance-based payments are expected to be introduced in 2011. The legislation is rather restrictive with regard to bonuses, overtime, and other types of remuneration beyond standard salaries. Former different classification of similar jobs that made distortions in salaries has been eliminated and the new system of classification has been established.

Salaries in the Serbian civil service increased by an average of 41.2 per cent in 2007, except for the lowest grades, which formed a stable basis

The total number of employees employed for indeterminate period must not exceed 28.400 in state administration (not including the employees in the Ministry of Interior, the Ministry of Defence, the Intelligence Service, and the Authority for Implementation of Penalties), and four servants per 1.000 inhabitants in local self-governments.

for attraction and retention of the qualified staff in public administration. However, all remunerations in the state administration and public sector were cut in 2009 due to recession and the external pressure.

There are separate pieces of legislation regulating the salaries of local government emplyees, public officials and employees in public services. The new legislation regarding two latter groups of public employees is pending the parliamentary procedure.

Performance Appraisal System. In spite of the proclamations of the LCS, there is no strong link between assessment results, on one hand, and appropriate training programmes and mechanisms of promotion, on the other. In fact, these evaluations are almost without any impact on the career or bonuses of the civil servants. Although the guidelines for evaluators have been adopted and the adequately trainings delivered, more than 70 per cent of employees receive two highest possible performance marks (UNDP, 2010: 10).<sup>20</sup>

The 2009 amendments to the LCS particularly concerned, in addition to the recruitment system, the issue of performance appraisal. The introduction of three-month evaluation period (in comparison to previous annual performance appraisal) will perhaps facilitate restructuring and dismissals from the service, but it also may weaken the professional impartiality of the staff (Sigma, 2010b: 3) and impose unnecessary burden on managers obliged to carry out the performance evaluation (Sigma, 2010: 7). Assessment frequency per se will neither strengthen the motivation of staff nor increase the effectiveness of their work, especially if the high proportion of staff is still awarded the highest performance marks. As of 2011, performance appraisal will be taken into account for determination of net pay and for career advancement. Furthermore, the termination of employment of the civil servants who receive negative performance mark occurs only after four months (in comparison to 15 months earlier on). Additional efforts should be devoted to linking the individual performance appraisal and the needs of specific organisations as well as to the improvement of the evaluation system so as to make the grades more suitable to real performance of the evaluated civil servants (Koprić, 2010: 24).

<sup>&</sup>lt;sup>20</sup> Civil servants' perception of rating distribution confirms this as well. As the study conducted in 2009 shows, 78.5 per cent of civil servants and experts responsible for HRM activities from the Western Balkans countries (Albania, Bosnia and Herzegovina, Croatia, Macedonia, Kosovo, Montenegro, and Serbia) state that no or very few civil servants receive a negative appraisal and 77.3 per cent of them believe that far too many civil servants receive the highest ratings (Koprić, 2010: 20). Accordingly, Serbia does not make an exception among the countries in the region.

Training of the Civil Servants. The LCS distinguishes between the vocational training and additional education. The vocational training is based on the annual general and special programmes. In early 2010, the fourth General Programme of Professional Development for Civil Servants encompassing a wide range of topics was adopted by the Government.

The training centre has not been established yet and there are numerous training programmes carried out by different state authorities. The HRMS mostly strives to coordinate all these activities. In certain cases there is overlapping between the different bodies that organize the trainings, as well as uneven approach to different target groups within public administration (MPA, 2008: 10).

Until now, a considerable amount of training for civil servants has been delivered. The progress has been made with regard to the special induction training programme. The training on human resources management within the judiciary and parliament is not carried out to the same extent as those in the civil service (MPA, 2008: 10). In June 2010, the Law on Ratification of the Agreement Establishing the Regional School of Public Administration was adopted.

Civil Service Management. There are several institutional arrangements created for coordinated management of the civil service. MPALSG transferred its HRM responsibilities to the HRMS, which was established in 2006. The problem is that the HRMS lacks necessary power to carry out these tasks because the centralized system (against the plan provided in the PAR Strategy) has been established. As a central administrative body, the HRMS plays mainly a technical role and has almost no influence in the sphere of civil service policy development (Sigma, 2010a: 4). However, the HRMS plays an important role in the movement towards the modern concept of HRM.

The LCS has prescribed the established of the HCSC, an independent advisory body consisting of nine expert and professional members appointed by the Government. It is authorized to pass the regulations on the type of professional qualifications, knowledge and skills to be evaluated in the selection and recruitment procedures, as well as on the methods of their verification, on the selection criteria for appointments, on the Code of Conduct, etc. The HCSC also appoints the members of selection panels for the recruitment procedure concerning the senior civil servants.

The uniform implementation of the civil service legislation is further ensured by the Appeals Commission that decides on civil servants' appeals against decisions of administrative bodies concerning their rights and du-

ties. Previously, complaints were submitted to the immediate superior. The Appeals Commission is an independent body with eight members – civil servants from various ministries, and it reports to the Prime Minister. Since January 2010, appeals against its decisions are decided upon by the Administrative Court.

## 2.3.5. University Education in the Field of Public Administration

Serbia has not fully recognised the requirements for the specific university educational system with regard to employment in public administration. There is no special state-supported faculty established to conduct the type of education that would provide knowledge and competences to the future senior civil servants, employees in local self-government units and top managers in public services. However, the Faculty of Organizational Sciences in Belgrade in cooperation with the Faculty for Administration from Ljubljana has created an interdisciplinary joint master study programme *Management in Administration*, which comprises a variety of subjects in administrative law, economy, organization and management. The same Faculty taught a one-year specialist programme *Management in Public Administration* that does not exist anymore.

Furthermore, the Faculty for State Administration (*Fakultet za državnu upravu i administraciju*) has been established within the private University Megatrend. However, except for the name, there is not a significant connection between this faculty and specific administrative education, at least with regard to undergraduate and graduate studies. Most of the courses concern legal subjects and just a few of them may be placed within the field of public administration. The situation is slightly better with regard to doctoral studies in public administration.

# 2.3.6. Control Mechanisms of Public Administration and the Protection of Legality

The internal administrative control is exercised by administrative inspectorates whose objective is to control the legality and procedural regularity. Such an approach has been criticized by Sigma as formalistic and not concerned with results, i.e. with the efficiency and effectiveness of public organisations (2009: 3, 21).

The control of legality of administrative acts is exercised through two-component mechanism: the administrative control is carried out by supervisory bodies on the basis of the Law on General Administrative Procedure

(LGAP), and the judicial control is carried out by the court based on the Law on Administrative Disputes (LAD). The FR Yugoslavia had applied the 1977 LAD of socialist Yugoslavia before the new LAD was passed in 1996 (Koprić, 2005: 5). This was in force until 2009, when a completely new LAD was adopted. The significant novelties are the extension of the concept of reviewable acts<sup>21</sup> and adjudication on the basis of the facts determined on public hearing (Articles 2 and 3). There is no possibility of appealing against a judgment passed in an administrative dispute, but the appeal for revision thereof may be filed to the Supreme Court of Cassation (Article 9). Nevertheless, the new LAD has been evaluated as "a missed opportunity to create a strong European-like administrative justice system" (Sigma, 2010: 4). The preparation of the law within a short period of time resulted in unsatisfactory arrangements that are not in line with EU standards, so further reviews and alignments are required.

The LGAP was changed in 2010 only with regard to terminology, without any substantive procedural change.<sup>22</sup> It needs to be modernized in accordance with theprinciples of New Public Management and good governance doctrines (Koprić, 2005a: 3) and harmonized with European principles, because the respect for the legality and equality before the law in administrative decision-making and administrative action is evaluated as insufficient (Sigma, 2010: 4).

The Administrative Court, whose establishment was stipulated in 2001 by the Law on Organization of Courts, was established only in January 2010 and got approximately 10,000 unresolved cases (Sigma, 2010a: 2).<sup>23</sup> As a specialized court, exclusively authorized for the supervision of legality, it should contribute to the quality and efficiency of control of public administration and to better protection of citizens' rights. The one-instance control is provided although the countries in the region are oriented towards the introduction of two-instances (Koprić, 2005: 6). However,

<sup>&</sup>lt;sup>21</sup> The acts of public administration that may be subject to judicial review have been expanded (besides administrative acts, it includes other final individual cases, if judicial protection against them is not provided), but the LAD still departs from the recommended doctrine of the CoE that upholds challenging all administrative acts (individual and normative legal acts as well as physical acts of public administration) in the administrative dispute (CoE, 2004).

 $<sup>^{22}\,</sup>$  Until 1997, the LGAP adopted in 1956 (with its final 1986 version) was applied (Koprić, 2005a: 2).

<sup>&</sup>lt;sup>23</sup> Previously, administrative disputes were decided by county courts and the Supreme Court (Koprić, 2005: 5).

judicial decisions issued by the Administrative Court are subject to review procedure before the Supreme Cassation Court.

The Ombudsman (Protector of Citizens) was introduced in 2005 by the Law on the Ombudsman. The first Protector of Citizens took office in 2007. The Ombudsman's Office needs further capacity strengthening and citizens need to familiarise with Ombudsman's role and activities in order to overcome the existing mistrust.<sup>24</sup> The 'trend' of establishment of various commissioners and ombudsman-like institutions may cause the overlap of their competences with those of the Ombudsman (see, for example, Sigma, 2009: 8). There is possibility for local self-government units to establish their protectors of citizens also. So far, 14 local protectors as well as the Protector of Citizens in Vojvodina have been appointed (Milosavljević and Jerinić, 2010: 12). The relationship between local self-government ombudsmen and the State Ombudsman is not clearly defined, so there might occur overlapping of the competences.

The Public Prosecutor is given wide constitutional standing »to protect constitutionality and legality« that exceeds limits of public prosecutor's authority set out by the European standards. There are number of provisions in different laws prescribing its competences in the field of public administration, some of which may stagger the principle of legal certainty (Sigma, 2009: 6).

Since public companies and public agencies have not been controlled by the supreme audit institution before (the State Audit Authority has not been operational), lack of adequate financial supervision has resulted in uncontrolled spending of budget funds. The external audit institution is now beginning to work effectively but needs additional staff.

The new Law on the National Assembly that came into force in 2010 specifies the constitutional right and obligation of the National Assembly to control the Government and administration (Article 56). The reality is the predominant role of the Government that controls the other two branches of power due to the fact that the mandates of representatives in the National Assembly are at the disposal of their political parties (Sigma, 2010: 2).

<sup>&</sup>lt;sup>24</sup> In 2009, more than 1,700 written complaints were submitted to the Ombudsman, the majority of which were related to economic, social, cultural rights and principles of »good administration«. Only a small number of cases concerned violations of civil or political rights (Sigma, 2010: 6).

# 2.3.7. Access to Information of Public Importance and Personal Data Protection

Since its adoption in 2004, the Law on Free Access to Information of Public Importance has been amended several times. New proposals on amendments initiated by citizens are currently undergoing the parliament procedure. There is a general dissatisfaction with the current state of legal and practical affairs in this field. As Sigma stated, »a better regulation is needed to ensure transparency on the one hand and on the other to protect state secrets, personal data and confidential information, so as to set a sounder balance between transparency and confidentiality in administrative action« (2010b: 2). The new Law on Personal Data Protection (LPDP) was adopted in 2008.

Late adoption of those laws indicates the lack of political will in this sensitive field (Lilić, 2003: 28–30). The LPDP provides limited access to information for the Commissioner for Information of Public Importance and Personal Data Protection, violating the principles of transparency and openness in public administration (Lilić, 2008a: 36).

The protection of access to public sector information and personal data protection have, uncommonly, been put together, since January 1, 2009. There is a major problem because the Commissioner's Office is understaffed (Sigma, 2010a: 2). Furthermore, until the amendments to the Law on Free Access to Information were adopted in May 2010, the Commissioner had lacked sanctioning powers. The problem has been resolved by introducing a mechanism for the enforcement of his/her decisions; the Commissioner is empowered to impose fines on persons responsible for breaches of the law.

# 3. Conclusion

After the turmoil in the 1990s and the initial shiftlessness in searching for the best possible way of implementing the reforms in almost all parts of the state system, the first pro-reform Serbian politicians did not dedicate much attention to changing the poor situation in public administration. Lack of political willingness and non-existent strategic approach to the reform resulted in disorientation in the reform process. The first serious action was the adoption of the PAR Strategy and the Action Plan for its implementation in 2004. The Strategy and the Plan contained the me-

asures for public administration reform but most of them were limited to enacting the appropriate legislation. The implementation thereof has been carried out rather poorly due to various reasons. Legislation is of low quality and, although the Regulatory Reform Strategy for the period of 2008-2011 has been adopted, only few changes occurred in practice (Sigma, 2010c: 2). Internally, bad implementation can be connected with weak motivation for work in public administration that is still present. The raising of staff motivation should itself be a part of the reform so as to insure the implementation of the reform legislation. It seems that weak motivation in public administration is a result of weak political willingness for real changes. Frequent political alterations have negative impact on civil servants' perception of the possibility of implementation of any new idea (Cohen, 2010: 15). However, Serbia's pro-European aspirations are a useful contribution to the process of reforming its public administration, but they should not be the main driver and the final goal of public administration reform process. Political forces in the country must realize that the changes in public administration system and functioning should primarily contribute to better quality of life for Serbian citizens.

There has been major progress, but there are obviously still many difficulties rooted in the past. The reform of public administration is advancing at a slow and uneven pace. The following obstacles for its implementation are identified as the main ones:

- 1. Partocracy as the main characteristic of the whole political situation in Serbia. The legitimacy as well as institutional capacity of the National Assembly is questionable because of the constitutional power of political parties to dispose of representatives' mandates as well as the legality of the blank letters of resignation (Article 102; more in Jelinčić et al., 2011: 3). In spite of the division of constitutionally based division of powers, there is the predominant role of the executive branch. The influence of the political parties on public administration is obvious in the sector of public services where the appointments of top management in public companies are conducted on the basis of political criteria. The situation in the civil service is slightly better, but there is still enough space for avoiding the merit principle, especially with regard to the appointments of senior civil servants.
- 2. Lack of legal culture (Sigma, 2010b: 2) manifested in disregarding of legal provisions by public sector institutions that results in citizens' distrust in public authorities; the independent and regulatory bodies authorized to control the activities within the public sector have to be empowered with

more efficient instruments for implementation of their decisions, but also subjected to adequate governmental, i.e. parliament control.

- 3. Unsatisfactory capacity of ministries responsible for managing the PAR process due to overall lack of strategic approach, weak internal coordination and centralization of decision-making process.
- 4. Poor quality of legislation due to the lack of human resources capacity and coordination between various sectors in the process of draft-law preparations as well as the »production« of regulations on short notice without consideration of all the relevant aspects and without involving the stakeholders in the preparation process.
- 5. Hierarchic nature of decision making inherited from the communist regime and then continued until the overthrow of S. Milošević still influences the functioning of public organisations;
- 6. Weak local budgets and administrative capacities for appropriate carrying out of decentralized functions and in some cases, badly organized implementation of decentralisation process.
- 7. Lack of capacity to benefit from foreign support.

Serbia has to overcome these obstacles in order to continue its way towards a modern, democratic country. There is no alternative for the current Serbian pro-European orientation since the EU will not tolerate the existing shortcomings in the field of public administration. However, the pace of the reform is questionable and, at the moment, it may be characterized as slow and uneven. Serbia has taken the right road after years of the authoritarian, repressive system of governance and a slight progress is evident, but the inherited cultural habits and traditions are difficult to change and plenty of time as well as strong willingness are required for implementation of significant changes. Accordingly, the following statement may be applied to the case of Serbia: »Although the formal legal restructuring of state administrations is not particularly difficult under EU conditionality pressures, the actual replacement of old administrative habits by new »European behaviour« has proven very difficult« (Elbasani, 2009, according to Cohen, 2010: 12).

## References

- Cohen, L. J. (2010) Administrative Development in 'Low-Intensity' Democracies: Governance, Rule-of-Law and Corruption in the Western Balkans. Simon Fraser Papers in Security and Development no. 5. Vancouver: School for International Studies, Simon Fraser University
- EC (2008) Serbia 2008 Progress Report. Commission of the European Communities, COM(2008)674
- EC (2009) Serbia 2009 Progress Report. Commission of the European Communities, COM(2009)533
- EC (2010) Serbia 2010 Progress Report. Commission of the European Communities, COM(2010)660
- Eriksen, S. (2007) Institution Building in Central and Eastern Europe: Foreign Influences and Domestic Responses. Review of Central and East European Law no. 32: 333–369
- Fuller, D. E. (2010) Public Administration Reform Theory in Transition Countries. Paper presented at the 18<sup>th</sup> NISPAcee Annual Conference
- Gercheva, D., J. Hooper, A. Windisch-Graetz (2009) Towards more effective state institutions. Development and Transition no. 12, Apr. 2009: 8–10
- GRS (2004) Action Plan for Serbian Public Administration Reform Implementation 2004–2008. Government of the Republic of Serbia
- GRS (2009) Action Plan for Serbian Public Administration Reform Implementation 2009–2012. Government of the Republic of Serbia
- GRS (2004) Public Administration Reform Strategy in the Republic of Serbia. Government of the Republic of Serbia
- Jelinčić, J., M. Milosavljević, J. Stojanović, A. Šanjević, S. Đurović (2011) Serbia 2011: Democracy, Rule of Law, Human and Minority Rights. Contribution to the 2011 European Commission Consultations on Enlargement Package, www.fosserbia.org
- Koprić, I. (2003) Local Government Development in Croatia: Problems and Value Mix. In: H. Baldersheim, M. Illner, H. Wollmann (eds.) Local Democracy in Post-Communist Europe. Opladen: Leske + Budrich
- Koprić, I. (2005) Administrative Justice on the Territory of Former Yugoslavia. Paper presented at Sigma Workshop in Budva, 4–6 December, 2005, www.sigmaweb.org
- Koprić, I. (2005a) Administrative Procedures on the Territory of Former Yugoslavia. Paper presented at Sigma Workshop in Budva, 4–6 December, 2005, www.sigmaweb.org
- Koprić, I. (2008) Managing Public Administration Reform in Croatia. Hrvatska javna uprava 8(3): 551–565
- Koprić, I. (2009) Neposredno birani načenici: institucionalno oblikovanje, tradicija i kultura javnog sektora. Anali Hrvatskog politološkog društva 2008 (5): 399–416

- Koprić, I. (2010) Managing Performance in the Western Balkans Civil Service Structures. http://www.rcpar.org/mediaupload/publications/2011/20110314\_ Managing\_Performance\_WeBa\_FINAL.pdf
- Lilić, S. (1998) Challenges of Government Reconstruction: Turbulence in Administrative Transition (From Administration as an Instrument of Government to Administration as Public Service). Facta Universitatis, series Law and Politics 1(2): 183–193
- Lilić, S. (2002) The Rule of Law, Administrative Reform and Local Self-Government. In: Executive and legislature at local level: structure and interrelation in countries of South-East Europe. Zagreb: Friedrich Ebert Stiftung
- Lilić, S. (2003) Dostupnost javnih informacija. In: S. Lilić, D. Milenković (eds.) Free Access to Information. Beograd
- Lilić, S. (2007) Poslovi državne uprave u zakonodavstvu i novom ustavu Srbije. In: S. Taboroši (ed.) Razvoj pravnog sistema Srbije i harmonizacija sa pravom EU. Beograd: Pravni fakultet
- Lilić, S. (2008) Europen integration process in Serbia with reference to »jurisprudence research lines« in Serbia and Slovenia. Libertia di coscieuza e diversita di appartenenza religiosa nell'est Europa
- Lilić, S. (2008a) Primena koncepta evropskog upravnog prostora u procesu pristupanja Evropskoj uniji. In: S. Lilić (ed.) Pravni kapacitet Srbije za evropske integracije, knjiga III. Beograd: Pravni fakultet
- Lilić, S. (2009) Regionalizam, EU i pravni okviri regionalizacije Srbije. In: Izazovi evropskih integracija
- Milosavljević, B., J. Jerinić (2010) Analysis of Competences of Local Self-Government Units in Serbia, www.drzavnauprava.gov.rs
- MPA (2008) Overview of Realization of the Strategy of Public Administration Reform in the Republic of Serbia. Ministry of Public Administration and Local Self-Government, Republic of Serbia
- Pešić, V. (2007) State Capture and Widespread Corruption in Serbia. CEPS Working Document no. 262, Centre for European Policy Studies (CEPS)
- Plavšić-Nešić, A. (2010) Organizacija državne uprave u Republici Srbiji i Crnoj Gori. In: V. Čolović (ed.) Pravo zemalja u regionu (Law of the Countries in the Region)
- Sigma (2008) Serbia Public Service Assessment, www.sigmaweb.org
- Sigma (2009) Serbia Administrative Legal Framework Assessment, www.sigmaweb.org
- Sigma (2010) Assessment Serbia 2010, www.sigmaweb.org
- Sigma (2010a) Civil Service and Administrative Law Assessment, www.sigmaweb.
- Sigma (2010b) Democracy and Rule of Law Assessment, www.sigmaweb.org
- Sigma (2010c) Policy-Making and Co-ordination Assessment, www.sigmaweb.

- Stančetić, V., N. M. Ilić (2011) Self-governing regions and decentralization: Slovak experience and opportunities in Serbia. Policy paper prepared by the Pontis Foundation and the Center for Democracy Foundation and supported by the Slovak Aid, www.nadaciapontis.sk
- Šević, Ž. (2001) Local Government in Yugoslavia. In: Kandeva (ed.) Stabilization of Local Governments. Budapest: OSI/LGI
- Šević, Ž., Z. Vukašinović (2000) Local Politics, and Politico-Administrative Relationship at Local Government Level in Yugoslavia. Paper presented at the 8th NISPAcee Annual Conference
- Šuput, D. (2009) Samostalna regulatorna tela u pravnom sistemu Republike Srbije. Telekomunikacije no. 3
- Tomić, N. (2010) Samo DS za reformu političkog sistema. Danas, November 16th
- UNDP (2010) Performance Appraisal in the Western Balkans: Overview and good practices from a capacity development perspective
- UNDP RCPAR (2010) Challenges for Public Sector Human Resources Management in the Recent Economic Downturn, comparative research
- Verheijen, T. (2009) The what, when and how of governance in Europe and the CIS: a reform agenda sui generis. Development and Transition no. 12, Apr. 2009: 3–5
- Žarković-Rakić, J. (2007) Bureaucratic Behavior: A Review of the Theory and Its Application to Serbian Public Administration. Panoeconomicus no. 2: 235–242

# Legal sources

CoE (2004) Council of Europe, Committee of Ministers, Recommendation Rec(2004)20 of the Committee of Ministers to member states on judicial review of administrative acts, December 15, 2004

Constitution of the Republic of Serbia, Official Gazette of the Republic of Serbia 83/06

Law on Intelligence Agency, OG 42/02, 11/09

Law on Civil Servants, OG 79/05, 81/05-corr., 83/05-corr., 64/07, 67/07-corr., 116/08, 104/09

Law on State Administration, OG 79/05, 101/07, 95/10

Law on Financing of Local Self-Governments, OG 62/06

Law on the Capital City, OG 129/07

Law on Public Agencies, OG 18/05, 81/05

Law on Local Elections, OG 129/07

Law on Local Self-Government, OG 49/99, 27/01

Law on Local Self-Government, OG 9/02

Law on Local Self-Government, OG 129/07

Law on Ministries, OG 27/02

Law on Ministries, OG 35/03

Law on Ministries, OG 19/04, 84/04

Law on Ministries, OG 48/07

Law on Ministries, OG 65/08

Law on Ministries, OG 16/11

Law on National Assembly, OG 9/10

Law on Determination of Maximum Number of Employees in Local Administration, OG 104/09

Law on Determination of Maximum Number of Employees in State Administration, OG 104/09

Law on General Administrative Procedure, OG 33/97, 31/01, 30/10

Law on Salaries of Civil Servants and General Service Employees, OG 62/06, 63/06-corr., 115/06-corr., 101/07, 99/10

Law on Ratification of the European Charter of Local Self-Government, OG 70/07

Law on Ratification of the Agreement Establishing the Regional School of Public Administration, OG-International Agreements 7/10

Law on Temporary Reduction of Salaries, Net Payments and Other Remunerations in State Administration and Public Sector, OG 31/09

Law on Free Access to Information of Public Importance, OG 120/04, 54/07, 104/09, 36/10

Law on the Property Owned by the Republic of Serbia, OG 53/95, 3/96-corr., 54/96, 32/97, 101/05

Law on the Territorial Organisation of the Republic of Serbia, OG 129/07

Law on Administrative Disputes, OG 111/09

Law on the Establishment of Certain Competences of Autonomous Provinces, OG 6/02

Law on Establishment of Competences of Autonomous Province Vojvodina, OG 99/09

Law on Personal Data Protection, OG 97/08

Decree on Statistical Territorial Units Nomenclature, OG 109/09, 46/10

Desicion of the Constitutional Court of the Republic of Serbia no.  $IU_3$ -52/2008 from April 21th, 2010

### PUBLIC ADMINISTRATION REFORM IN SERBIA

### Summary

The position and role of the Serbian public administration after the collapse of the Socialist Federal Republic of Yugoslavia are analysed. Two main phases in public administration development are indentified. The first one was characterized by the repression of authoritarian system of governance (1990–2000) and disorientation afterwards (2000–2004). The second, reform oriented phase began in 2004 when the PAR Strategy was adopted. The main goals, key reform areas as well as the shortcomings of the PAR Strategy are shown in the article. As the five-year period provided for implementation proved to be unrealistic, the reform process has been prolonged for another four years. The measures conducted in different fields of public administration as well as the results obtained are analysed. Special attention is given to the issues considering the rationalization of state administration organization and management, decentralization, privatisation, the civil service and HRM, high education for public administration, control mechanisms of public administration and protection of legality, access to information of public importance and personal data protection. Finally, the (still) existing partocracy, lack of legal culture, unsatisfactory capacity of ministries responsible for the management of the PAR process, poor quality of legislation, hierarchic nature of decision-making, weak local budgets and administrative capacities and a lack of capacity to benefit from foreign support are indicated as the main obstacles for the PAR Strategy implementation. In the future, Serbia should be more effective and faster in the realisation of set reform measures because of its pro-European aspirations.

Key words: public administration reform – Serbia, Serbian Public Administration Reform Strategy, state administration, local self-government, services of general interest, civil service, implementation

### REFORMA JAVNE UPRAVE U SRBIJI

### Sažetak

Analiziraju se položaj i uloga javne uprave u Srbiji nakon raspada SRFI. Utvrđene su dvije glavne faze u razvoju javne uprave. Prva je obilježena autoritarnim sustavom vlasti (1990-2000) i dezorijentacijom koja je zatim uslijedila (2000-2004). Druga, reformski orijentirana faza počinje 2004. kada je usvoiena Strategija reforme državne uprave u Republici Srbiji. U članku se navode glavni ciljevi, ključna područja reforme te nedostaci Strategije. Budući da se četverogodišnji period za implementaciju pokazao nerealističnim, provedba reforme je produžena za još četiri godine. Analiziraju se mjere poduzete u različitim područjima javne uprave i postignuti rezultati. Posebna pažnja je posvećena pitanjima racionalizacije organizacije državne uprave i menadžmenta, decentralizacije, privatizacije, službeničkog sustava i upravljanja ljudskim resursima, visokog obrazovanja za javnu upravu, mehanizama kontrole javne uprave i zaštite zakonitosti te pristupa informacijama od javnog značenja i zaštite podataka. Na kraju, kao glavne prepreke implementaciji Strategije navode se još uvijek prisutna partitokracija, nedostatak pravne kulture, nezadovoljavajući kapacitet ministarstava nadležnih za upravljanje procesom reforme javne uprave, loša kvaliteta propisa, hijerarhijska priroda donošenja odluka, nedostatni lokalni proračuni i upravni kapaciteti te nedostatak kapaciteta za preuzimanje strane pomoći. S obzirom na proeuropske aspiracije, Srbija bi ubuduće trebala biti učinkovitija i brža u realizaciji postavljenih reformskih mjera.

Ključne riječi: reforma javne uprave – Srbija, Strategija reforme javne uprave u Srbiji, državna uprava, lokalna samouprava, službe od općeg interesa, službenički sustav, provedba