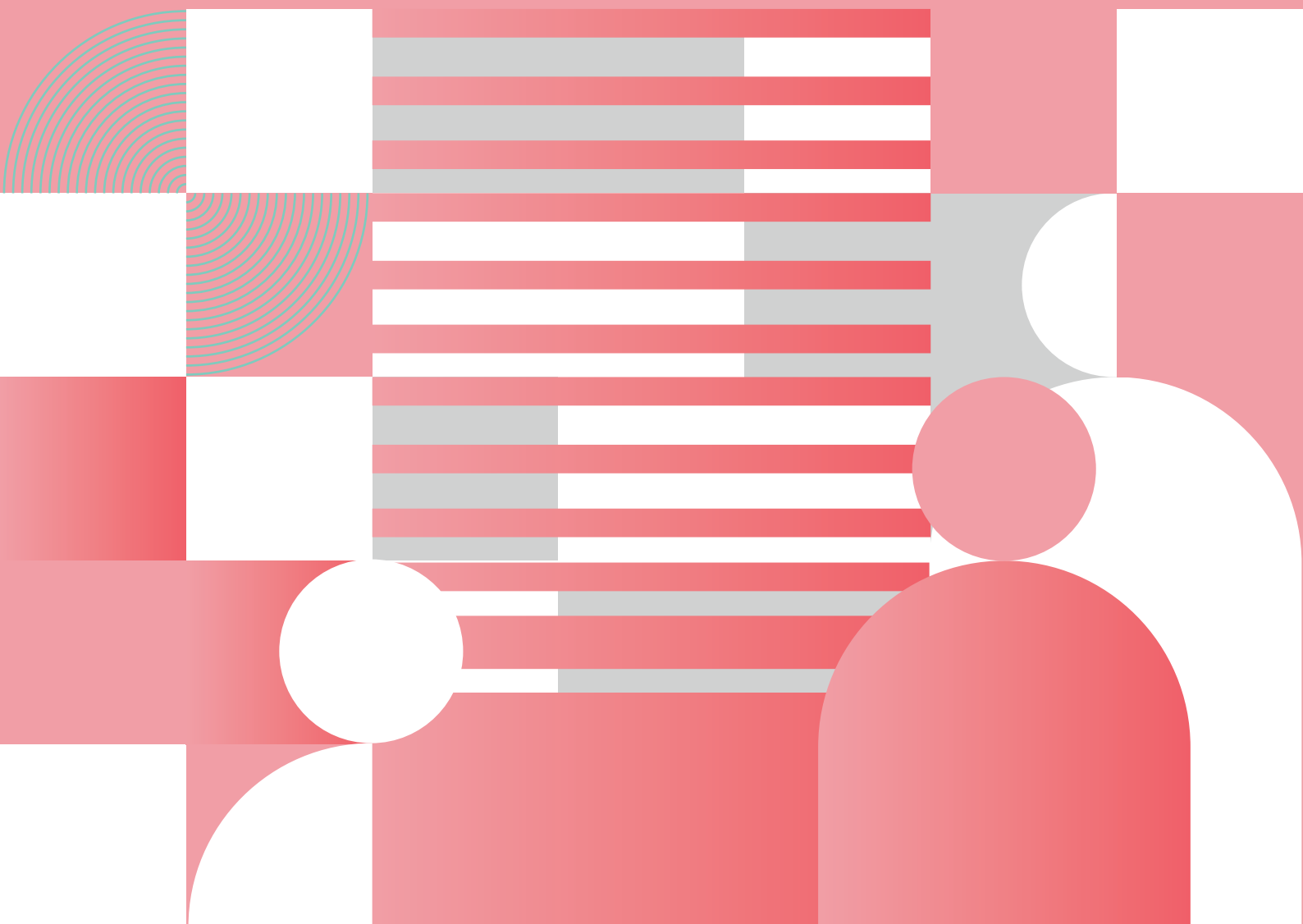


# 2020 Report on the work of the State Commission for Prevention of Corruption

Author: Misha Popovikj





The Monitoring the Success of the Work of the State Commission for Prevention of Corruption  
project is financed by Foundation Open Society - Macedonia.

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# Impressum

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**Title:** 2020 Report on the work of the State Commission for Prevention of Corruption

**Author:** Misha Popovikj

**Publisher:** Institute for Democracy 'Societas Civilis' – Skopje

**Design:** Matea Londza Shumkovska

This publication is available free of charge at:

<http://www.idscs.org.mk>

## Summary of findings and conclusions

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The structured monitoring of the State Commission for Prevention of Corruption provides an insight into the work of the new staff of the commission, which works within its remit related to the policy creation processes, monitoring and supervision, as well as cooperation with other state bodies in order to prevent corruption. This is an aggregate report of all the monitoring of the decisions made by the SCPC in 2020.

In the course of 2020, the State Commission for Prevention of Corruption has rendered its decision in 457 cases. Out of those, 25 cases in which the procedure continued have been identified, and in 19 cases the entities were charged with misdemeanor.

Of all the decisions rendered, the SCPC was primarily working on employment-related cases (a total of 176), and at the same time on cases related to public finance (65 decisions) and corruption in the course of executing the main duty of the institution (86 decisions).

If you look at the work of the SCPC on its initiative, most attention was directed to employment corruption and control of assets lists.

In 2020, the SCPC decisions were mainly related to the operation of the executive bodies at a central and local level (134 decisions), the judiciary (80) and education (72).

On average, it took 10 months to wrap up a case and make a decision.

If we cross-reference the areas covered by the work of the SCPC in 2020 with the identified vulnerable spots according to the expert survey provided on the Platform, we can see that work was done in the risk areas, excluding health and procurement, that is the relationships with the economic operators in which the SCPC has made decisions in the following period. Having in mind the pandemic and the state assistance, the SCPC needs to carry out a test assessment in some risky segments of the areas we have mentioned above.

It is evident that the SCPC needs to launch more cases on its own initiative, since the Commission is overwhelmed by cases that eventually turn out to be corruption-free. This situation is exacerbated by the delays caused by the pandemic. In 2021, the SCPC must expand its secretariat and optimize the processes in order to boost its efficiency.

## The work of the SCPC seen through the prism of the matrix of vulnerable zones

On the one hand, the SCPC is dealing with limitations in terms of resources (human, facility-related, financial), and on the other it is facing a considerable workload and it is expected to perform. It needs to be focused on its work and to “yield” to the areas that are more susceptible to corruption. For that reason, the Platform of civic organizations for fighting against corruption designed a matrix of vulnerable zones that have vertical and horizontal dimensions that should provide the foundation for a more focused operation.

Sixteen experts that work in the area of fighting against corruption were involved in establishing the vulnerable zones by means of an opinion poll. The areas that were covered in the opinion poll were part of the classification of the functions of the state, and in every area three dimensions were given scores (the scores ranged from 1 to 10, whereby 10 signified the biggest probability and harmfulness): (1) how likely it is for corruption to occur, (2) how harmful would it be for the society if it is to occur, and (3) how significant is the impact on society within each area.

**What is the matrix of vulnerable areas? The matrix of vulnerable areas is an expert risk assessment carried out by the Platform of civic organizations for fighting against corruption. It is representative of the assessment of probability and harmfulness caused by corruption in state sectors seen through the prism of the four typical infringements - misuses of rules, misuse of public finance and property, employment and supervision. The matrix is based on an annual expert opinion poll carried out by the Platform members.**

If the work of the SCPC is cross-referenced with the matrix of vulnerable zones that the Platform identified for 2020,<sup>1</sup> one can ascertain that, in broad terms, when it comes to the key areas, the expectations are met. The most striking difference can be seen in the areas of economic activities and health, which the Platform assessed as high-risk, but the workload of the SCPC in those areas is only average.

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<sup>1</sup> Martina Ilievska and Misha Popovikj. 2020. “Report on the work of the State Commission for Prevention of Corruption (January-June 2020)”. Platform of civic organizations for fighting against corruption. Skopje. Available at: <https://bit.ly/3uyAXI2>

Chart 1. Work of the SCPC in the vulnerable zones in 2020

	Influence on legislation	Public finance and property	Employment	Supervision
General public services		26	70	2
Defense			1	
Public order and security	1	5	18	2
Economic activities		18	15	2
Environmental protection			3	
Housing, communal amenities		1	1	
Health		2	16	
Leisure, culture and religion		2	6	
Education		11	43	1
Social protection			2	

Chart 2. Matrix of vulnerable areas in 2020

	Influence on legislation	Public finance	Employment	Supervision
General public services	20	15	18	19
Defense	40	37	37	39
Public order and security	16	13	6	14
Economic activities	10	4	10	8
Environmental protection	12	6	17	5
Housing and communal amenities	24	22	26	23
Health	9	1	2	3
Leisure, culture and religion	36	31	32	35
Education	29	24	21	29
Social protection	34	28	27	33

It is important to state that the matrix of vulnerable areas also takes into account the degree of harmfulness. As a result, the comparison with the work of the SCPC on account of the number of decisions made can be only oblique and qualitative. So, the dimension of

harmfulness may render a certain zone important, but it does not necessarily entail an increased level of corruption. As a result, in the future, the SCPC may design a section within its annual report that would assess the harmfulness of the cases it has worked on.

# An analysis of the decisions made by the SCPC in 2020

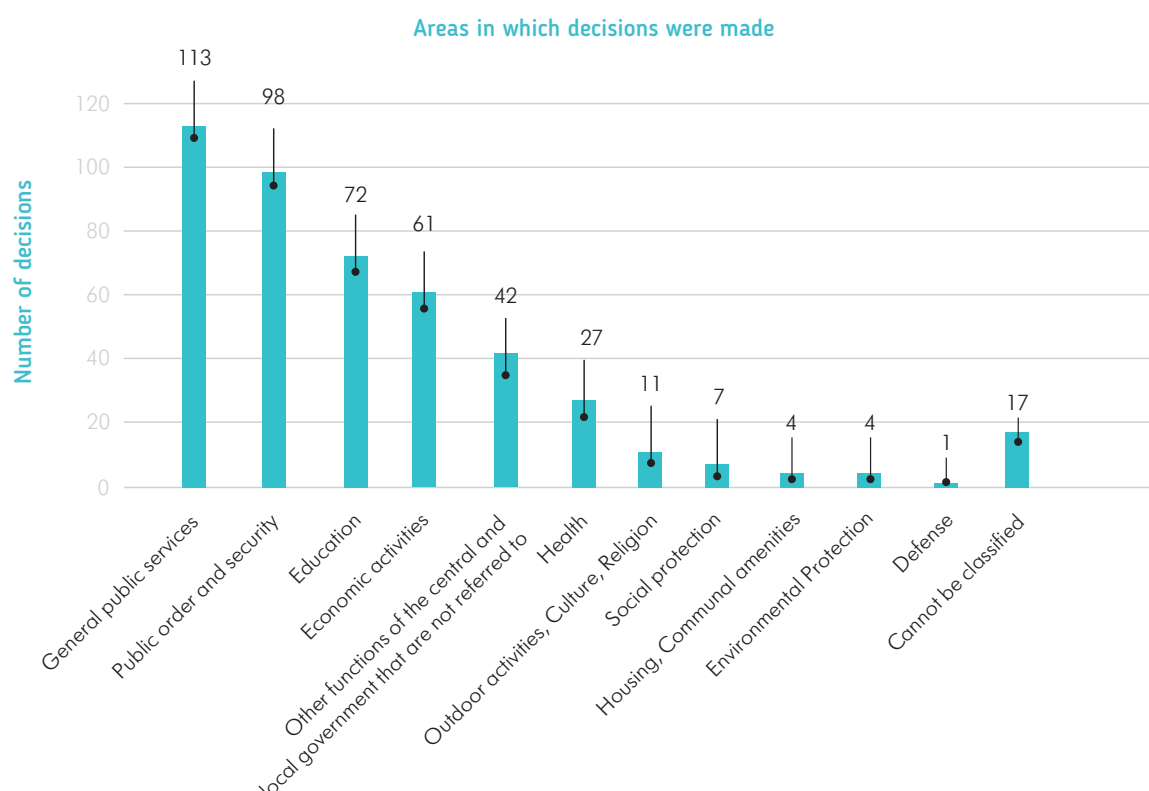
## Areas of operation of the SCPC

In the course of 2020, the State Commission for Prevention of Corruption has rendered its decision in 457 cases. If we analyze the areas covered by the decisions, the SCPC worked mostly on cases related to executive and legislative bodies at a central and local level (general public services) and to other government functions which have not been mentioned. So, in 2020 the SCPC decided on 113 cases in the area of general public services and on 42 cases in the area of other functions of the central and local government which have not been mentioned. Half of the cases in this area have to

do with employment procedures, and public finance and asset control were covered to a lesser extent.

Last year the SCPC has decided on 98 cases in the area that includes the police and the judiciary (public order and security) and 72 cases in the area of education. The procedures related to the legal authorities or the police mainly dealt with allegations of infringements of official action. This is significant, as the role of the SCPC is not only to deal with horizontal areas such as employment and public procurement, but also with possible misuse of the main competence of the institutions.

Figure 1. Areas in which the SCPC has made its decisions in 2020.





As evident in Figure 2, the focus is on the executive bodies of the central and local government, as well as on the work of the courts. If we take a closer look and if we divide them by area, it is evident

that in 2020 the SCPC worked on a total of 35 cases related to mining and construction, together with the sub-areas that make up the sector of education.

**Figure 2. A more detailed overview of the decisions, divided by sub-areas**

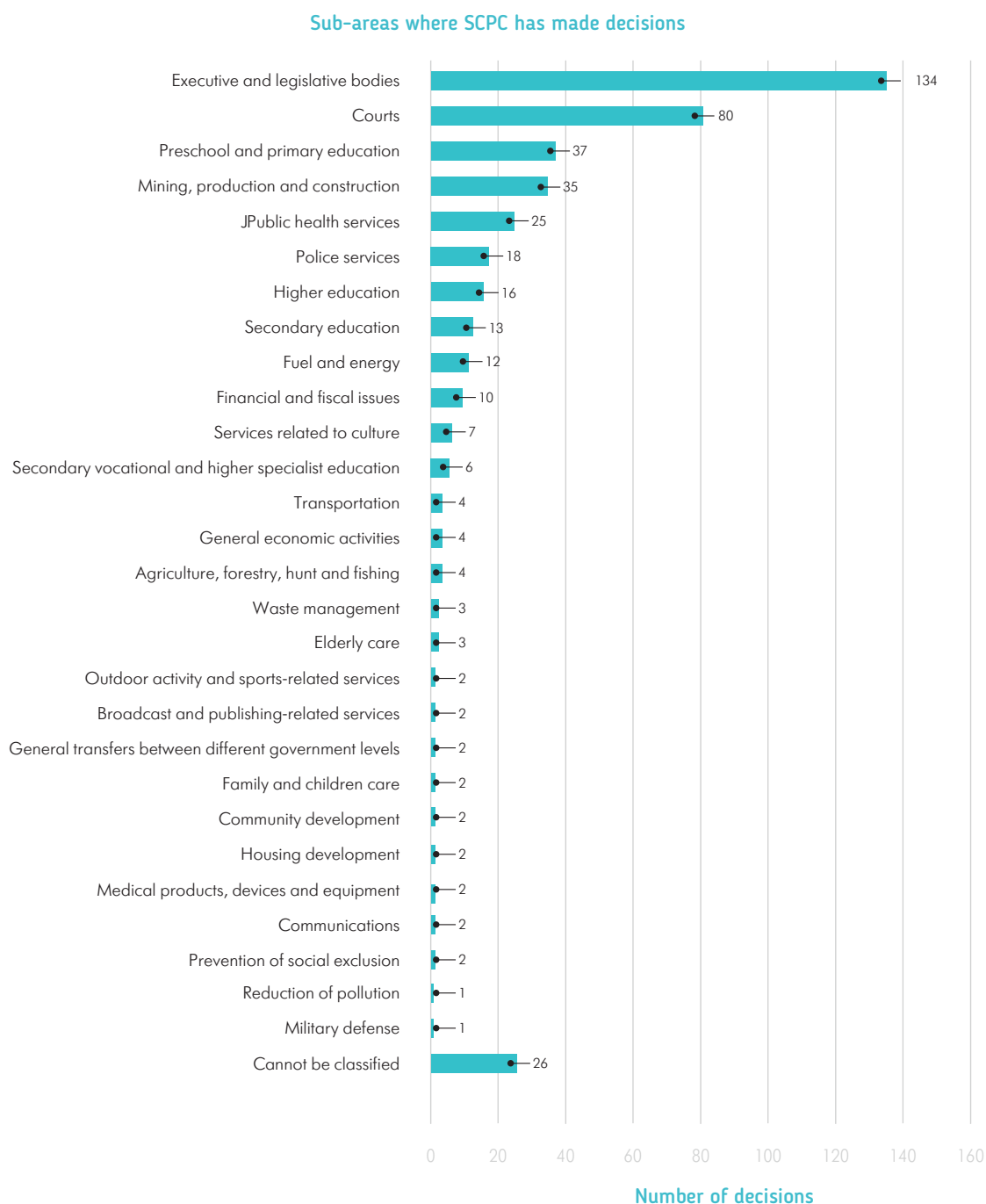
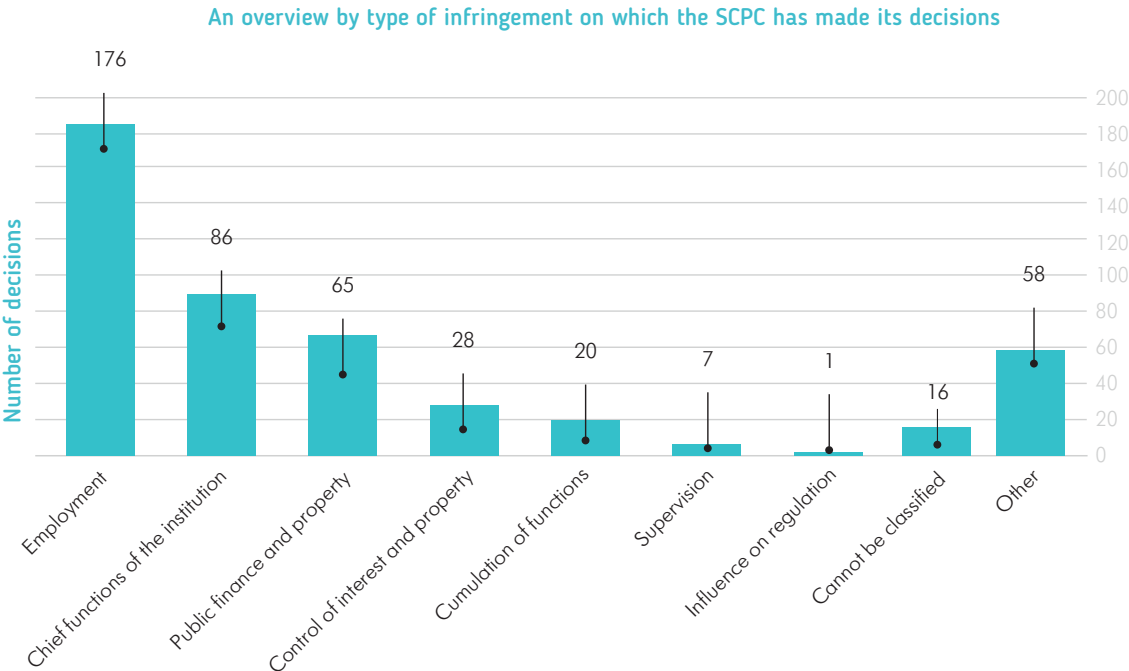


Figure 3 shows the work of SCPC by the type of infringement examined in the case. Thus, in all of the areas there is potential for corruption when making decisions (the main task of the institutions in the area), when establishing rules, in employment, in management of public finance and property (in general, this refers to public procurement) and in supervision, mainly corruption during inspections. The SCPC also makes decisions in cases of cumulation of functions and during inspection of assets lists.

Thus, in 2020, 176 out of a total of 457 decisions referred to cases where the alleged infringement had to do with corruption or conflict of interest during employment. In the course of last year, it is significant that the SCPC worked on 86 cases related to potential misuse of the main competence of an institution (for example, cases when a permit-issuing body has issued decisions for permits) and on 65 cases related to public procurement and similar misuse of public property.

**Figure 3.** Types of infringement on which the SCPC has made its decisions in 2020

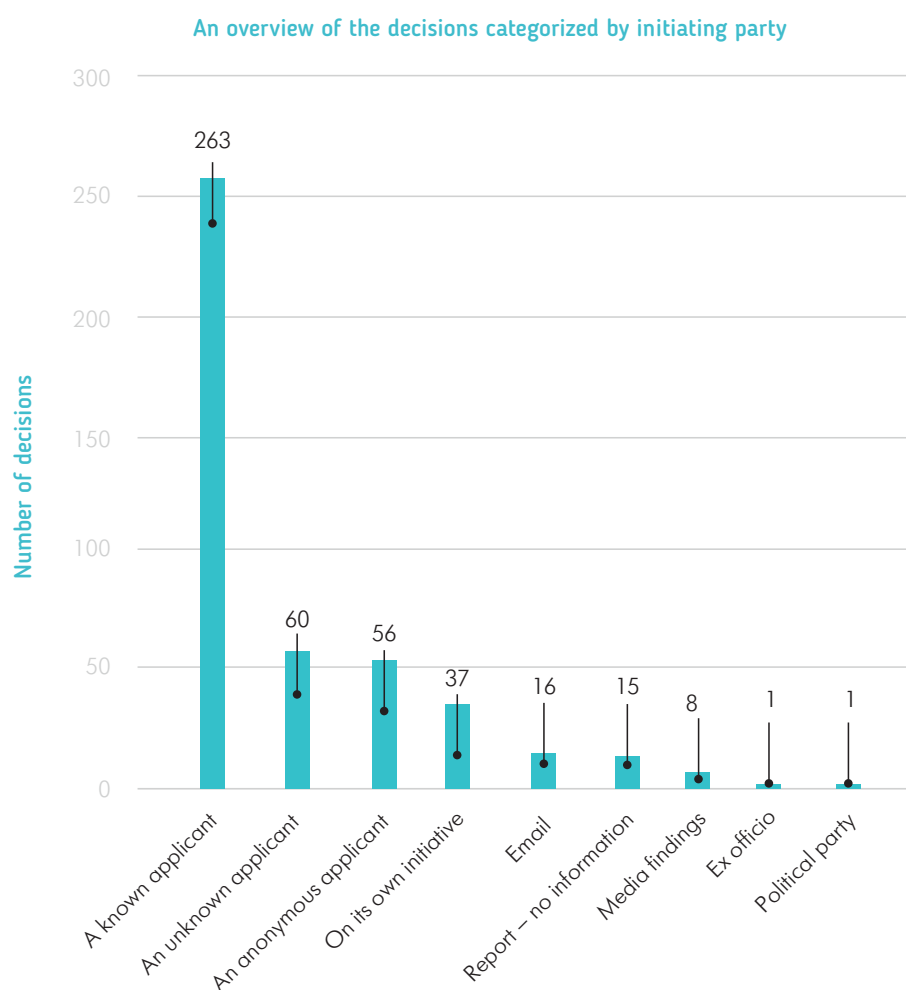


## Taking initiative

In this part of the research, an analysis was carried out of the initiating parties for cases it was decided upon. It can be seen that for the majority of cases, the applicant is known; this happened in 263 out of

a total of 457 cases on which a decision was made. It can be noted that the cases presented by SCPC's own initiative (37 and eight on the basis of tips from the media) take up 10% of its total caseload in 2020.

**Figure 4.** Initiating parties for cases on which decisions were made in 2020



It can be seen that the cases presented on the initiative of the SCPC were mainly focused on employment, as well as the specifically designated competences for

control of property and cumulation of functions. In the future, greater attention needs to be paid to the other types of corruption that may appear.

**Chart 3.** Initiating parties for cases it was decided upon by type of infringement

Initiating parties for cases it was decided upon by type of infringement

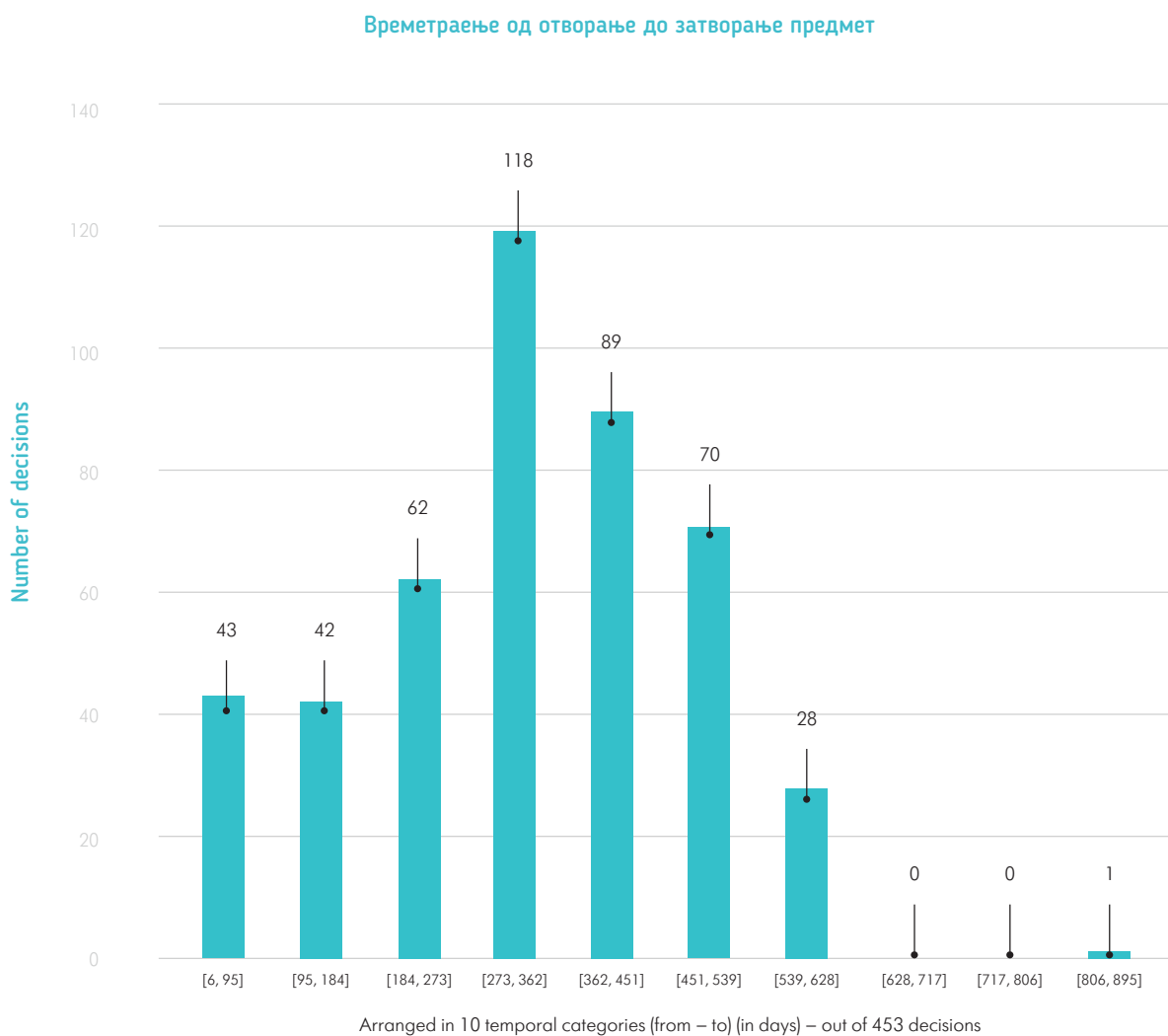
	Influence on legislation	Employment	Chief functions	Public finance and property	Control of interests and property	Cumulation of functions	Supervision	Other	Cannot be classified
<b>Anonymous applicant</b>		63%	2%	14%	7%	7%		5%	2%
<b>Email</b>		75%		6%		6%		13%	
<b>Unknown applicant</b>		42%	8%	33%		2%		13%	2%
<b>A known applicant</b>		29%	30%	12%	2%	3%	2%	17%	5%
<b>A political party</b>			100%						
<b>Report - no info</b>		40%		7%	27%	13%	7%		7%
<b>Ex officio</b>								100%	
<b>Media findings</b>	13%	<b>88%</b>							
<b>On its own initiative</b>		41%		<b>8%</b>	41%	11%			

## Length of procedure

In terms of the procedure length, the average duration increased in 2020. Thus, while in 2019 the average duration varied between approximately 60 days in the first few months and up to five months near the end of the year, the average time for settling a case in 2020 was 326 days. The slowing down of

the work in comparison to 2019 was linked to the pandemic, and another case, that was launched in 2018, also has an adverse effect on the average score. If we rule out the specific case that diverges from the norm, the average case length is reduced to 323 days.

**Figure 5.** Case length from the moment it was brought to light to the moment it was closed

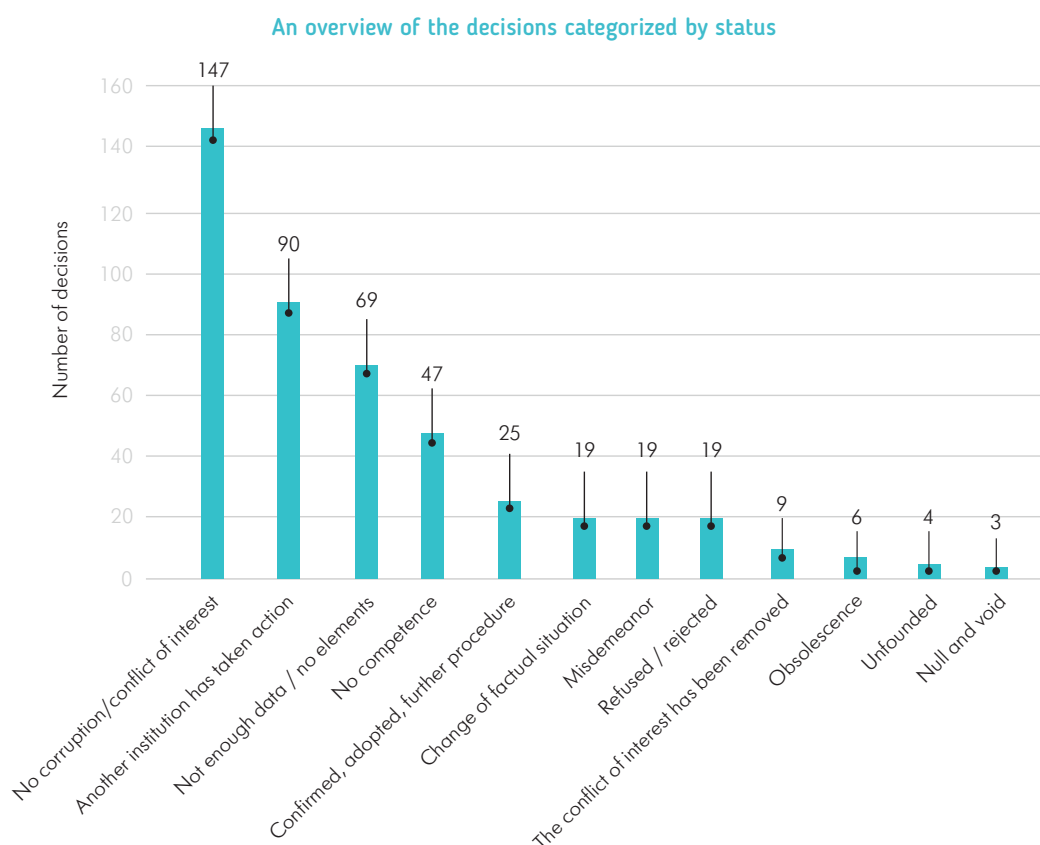


## Status of decisions

An important aspect of the efficiency of the work of the SCPC is the ratio between the total number of decisions and the decisions where infringements were found. In 2020, out of 457 decisions, the SCPC identified 25 cases of corruption, and the procedure was referred to other institutions. In other 19 cases, the entity was charged with misdemeanor. In 2020,

too, it is unclear what measures will be taken in cases when a change of the factual situation was found, i.e. when there are allegations of corruption, but the persons implied are no longer in office. There were 19 such cases, and in 90 cases the SCPC has found that another institution has taken action.

**Приказ 3.** Тип повреди по кои ДКСК одлучувале во 2020 година



In similar vein to 2019, in 5% of the decisions an infringement was found, and if we take into account the misdemeanor decisions, as well, the figure is 10%. This once again emphasizes the need of more work

on its own initiative, as it is obvious that there is a huge caseload where no infringements were found, and SCPC is frittering away its time on processing.

## Recommendations:

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The State Commission for Prevention of Corruption should present cases on its own initiative that are based on high-priority areas.

The Commission should, as much as it can, streamline the work and the processes it carries out in order to be more efficient in its work.

The SCPC should work on increasing its internal capacities by expanding the secretariat and enhance the skillset of the existing staff.

## Methodology

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The main goal of the monitoring of the work of the State Commission for Prevention of Corruption is to ascertain its progress by continuous, structured monitoring, but it is also meant to be the basis for recommendations in terms of how it should prioritize its work and focus on the vulnerable categories.

The current staff composition of the State Commission for Prevention of Corruption has been working for two years within its remit related to the policy creation processes, monitoring and supervision, as well as cooperation with other state bodies in order to prevent corruption.

The decisions made by the State Commission for Prevention of Corruption are the foundation for the monitoring of the work of this institution. The data the report is based on is collected from the website of the State Commission for Prevention of Corruption and is publicly available information and information received. The decisions made by the SCPC between January and December 2020 have been analyzed.

### A description of an analysis sample:

The subject of the analysis are the decisions made by the State Commission for Prevention of Corruption for the period between January and June 30, 2020. The total number of analyzed decisions of the State Commission for Prevention of Corruption is **457**.

## Description of variables

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The decisions have been analyzed according to the area in which there was intent for corruption or conflict of interest, by types of violations, by the status of the procedure (decided by SCPC), who has initiated the procedure in front of the SCPC and the duration of the procedure in its entirety. A detailed overview of the variables that are the subject of analysis is given in charts 4 to 8.



**Chart 4 - Areas**

GENERAL PUBLIC SERVICES	DEFENSE	PUBLIC ORDER, SECURITY	ECONOMIC ACTIVITIES	ENVIRONMENTAL PROTECTION	HOUSING, COMMUNAL AMENITIES	HEALTH	LEISURE, CULTURE AND RELIGION	EDUCATION	SOCIAL PROTECTION	OTHER FUNCTIONS OF THE CENTRAL AND LOCAL GOVERNMENT WHICH HAVE NOT BEEN MENTIONED
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**Chart 5 - Sub-areas**

Executive and legislative bodies	Military defense	Police services	General economic activities	Waste management	Housing development	Medical products, devices and equipment	Leisure and sports services	Preschool and primary education	Diseases and disability
Financial and fiscal matters	Civil defense	Fire protection	Agriculture, forestry, hunting and fishing	Waste water management	Community development	Outpatient services	Culture-related services	Secondary education	Old age
Foreign affairs	Foreign military aid	Courts	Fuel and energy	Pollution reduction	Water supply	Hospital services	Broadcast and publishing services	Secondary vocational and secondary specialist schools	Protection of people who barely make ends meet
Foreign economic aid		Prisons	Mining, production and construction	Protection of biodiversity	Street lighting	Public health services	Religious and other community services	Higher education	Family and children
Public debt transactions			Transportation						Unemployment

**Chart 6 – Type of violation determined in line with the decisions made by the SCPC**

<b>Influence on legislation</b>	Cases in which influence is exerted on the creation of rules, policies or standards for personal interest.
<b>Public finance</b>	Includes cases where public funds are misused for personal interest through public procurements, subsidies, purchases etc.
<b>Employment</b>	Includes cases where, out of private interest, persons were employed, e.g. Cases of clientelism, nepotism and patronage.
<b>Supervision</b>	Includes cases where, out of private interest, pressure was applied on the supervisory structures or they were systemically abused, weakened or repealed.
<b>Cumulation of functions</b>	Includes cases where the same person executes or is appointed to two or more functions.
<b>Control of interests and property</b>	Surveys, failure to submit, incompleteness
<b>Main functions of the institution</b>	The basic function of the institution has been violated
<b>Other</b>	Violations that are not already addressed by the categorization

**Chart 7 - Status of the decision that was made**

<b>Not enough data / no elements</b>	Not enough data and elements for starting a procedure in front of other bodies
<b>Rejected / dismissed</b>	Rejected and/or dismissed procedures
<b>Confirmed, adopted, further procedure</b>	Law violation is confirmed, the case has entered further procedure
<b>Change of factual situation</b>	During the procedure, the factual situation has changed, the procedure has been dismissed
<b>No competence</b>	The SCPC does not have the competence to act
<b>No corruption/conflict of interest</b>	It has been determined that there is no corruption or conflict of interest
<b>Unfounded, unconfirmed</b>	The claims listed in the application that was submitted are unfounded or unsupported
<b>Misdemeanor</b>	The measure that was imposed is a misdemeanor charge and a pay order
<b>Rejected</b>	The case has been rejected by the SCPC
<b>Null and void</b>	The procedure has been declared null and void
<b>Public notice</b>	The measure that was imposed was a public notice
<b>Irrelevant</b>	It has been determined that the procedure is irrelevant
<b>Obsolescence</b>	The case has been dismissed due to obsolescence
<b>Conflict of interest removed</b>	During the SCPC procedure, a change has been made and the conflict of interest has been removed
<b>Another institution has acted</b>	Another institution is acting or has already taken action for the same case/suspicion

### Chart 8 - Initiation of procedure

<b>On its own initiative</b>	The procedure was initiated by the initiative of the SCPC
<b>Anonymous applicant</b>	The application has been submitted by an anonymous applicant
<b>A known applicant</b>	The application has been submitted by a known applicant
<b>Media findings</b>	The procedure has been initiated upon a tip from the media
<b>Email</b>	The application was received by email
<b>Ex officio</b>	The procedure was initiated by SCPC ex officio
<b>Unknown applicant</b>	The application has been submitted by an unknown applicant
<b>A political party</b>	The application has been submitted by an unknown applicant
<b>No information</b>	There is no information within the decisions on the manner in which the procedure was initiated
<b>SCPC activity</b>	It is part of the scheduled (annual) activities of the SCPC

## List of acronyms

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State Commission for Prevention of Corruption - SCPC

Anti-corruption verification of legislation - AVL

Law on Prevention of Corruption and Conflict of Interest - LPCCI

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