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Republika Kosova / Republic of Kosovo



**Agjencia kundër Korrupsionit**  
Agencija protiv Korupcije / Anti-Corruption Agency

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# Annual Report

January – December

2014

*Prishtina, March 2015*

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## List of Acronyms

<b>SP</b>	<i>State Prosecutor</i>
<b>SPRK</b>	<i>Special Prosecutor of the Republic of Kosovo</i>
<b>DPP</b>	<i>District Public Prosecutor</i>
<b>MPP</b>	<i>Municipal Public Prosecutor</i>
<b>BP</b>	<i>Basic Prosecutor</i>
<b>IP</b>	<i>Police Inspectorate</i>
<b>FIU</b>	<i>Financial Investigation Unit</i>
<b>UP</b>	<i>University of Prishtina</i>
<b>CC</b>	<i>Constitutional Court</i>
<b>MEST</b>	<i>Ministry of Education Science and Technology</i>
<b>MEF</b>	<i>Ministry of Economy and Finances</i>
<b>CEC</b>	<i>Central Election Commission</i>
<b>PPRC</b>	<i>Public Procurement Regulation Commission</i>
<b>KEK</b>	<i>Kosovo Energy Corporation</i>
<b>KDI</b>	<i>Kosovo Democratic Institute</i>
<b>KCPSED</b>	<i>Kosovo Centre for Public Security, Education and Development</i>
<b>FLSA</b>	<i>Financial Law Smart Agency</i>
<b>KIPA</b>	<i>Kosovo Institute for Public Administration</i>
<b>LDC</b>	<i>Leadership and Development Consultancy</i>
<b>RESPA</b>	<i>Regional School for Public Administration</i>
<b>BRC</b>	<i>Bratislava Region Centre</i>
<b>UNDP</b>	<i>United Nation Development Program</i>
<b>SAKA</b>	<i>State Agency of Kosovo Archives</i>
<b>SACIK</b>	<i>Support Anti-Corruption Institution of Kosovo</i>
<b>EU</b>	<i>European Union</i>
<b>MDA</b>	<i>Management Development Association</i>
<b>SAP</b>	<i>Anti-Corruption Agency Strategy and Action Plan</i>

## 1. EXECUTIVE SUMMARY

Anti-Corruption Agency has been working for many years with commitment towards creation of a social environment free from the influence of corruption. In this regard, clear priorities for implementation of legislation, prevention of corruption, promotion of transparency and strengthening the institutional integrity have been set.

Despite an overall commitment from relevant institutions for concrete steps against corruption, the corruption related criminal offenses continue to constitute the lowest number of criminal offences sanctioned.

Based on the data of this report, it is noted that joint efforts from the entire justice system and other mechanisms whose mission is fighting corruption are needed, in order to build a strong institutional system that produces concrete results in the fight against corruption and eventually create the spirit of civic trust.

Regarding ACA, since its establishment up to date, forwarded a total of 552 investigated cases, where found proves confirming the allegations of corrupt activities, to the competent prosecution offices, EULEX prosecution office, Kosovo Police, Kosovo Police Inspectorate and Financial Investigation Unit. As it can be noted in following chapters of this report, ACA, during this reporting period, addressed the largest number of criminal charges in comparison with the previous years. This is due to the fact that Criminal Code of Kosovo (entered into force in early 2013) stipulates the failure to declare the property and false declaration of property constitutes a criminal offences.

A characteristic noticed during the reporting period is the rejection of cases of the Agency by prosecution offices, especially those cases related to allegations of violations of the principles and rules provided for by the Law on Public Procurement.

This the eighth annual report covering the period 1 January to 31 December 2014, and is submitted to the Assembly of Kosovo. The report is disaggregated into several chapters, and indicates, in detail, all the activities and initiatives undertaken by the Agency during this period.

## 2. LEGAL FRAMEWORK

The following acts represent the basic legal framework according to which the Agency exercises its mandate:

1. Law no. 03/L-159 on Anti-Corruption Agency
2. Law no. 04/L-050 on Declaration, Origin and Control of Property of Senior Public Officials and on Declaration, Origin and Control of Gifts of all Public Officials
3. Law no. 04/L-228 on Amending and Supplementing Law no. 04/L-050 on Declaration, Origin and Control of Property of Senior Public Officials and on Declaration, Origin and Control of Gifts of all Public Officials, (which entered into force in 2014);
4. Law no. 04/L-051 on prevention of Conflict of Interest in Discharge of Public Functions

During 2014, the Agency worked also in the field of secondary legislation, respectively in the issuance of bylaws, in order to facilitate the work of the Agency. During this year, the following legal acts have been issued:

1. Regulation no. 01/2014 on the Rules of Procedure of the Anti-Corruption Agency;
2. Regulation no. 02/2014 on the Organization, Operation and Management of the Archives of Anti-Corruption Agency;
3. Regulation no. 03/2014 on Rules and Procedures of Action of the Security Service in the Facility of the Anti-Corruption Agency.

Law no. 04/L-228 on Amending and Supplementing Law no. 04/L-050 on Declaration, Origin and Control of Property of Senior Public Officials and on Declaration, Origin and Control of Gifts of all Public Officials, had a positive impact on the progress of the declaration of properties and gifts. The law extended the list of persons obliged to declare their property; the value of movable property which must be declared is reduced (from 5.000 decreased to EUR 3.000); also regulated the regular annual declaration of property; the value of random gifts has been specified; property control procedures and minimum percentage subject of this control have been specified, etc.

Also, the issuance of new bylaws, during the reporting period, facilitated work of the Agency and clarified the legal framework provisions.

Failure to adopt the law on Supplementing and Amending of the Law 04/L-051 on prevention of Conflict of Interest in Discharge of Public Functions hampered the fulfillment Agency's mandate in relation to the prevention of conflict of interest, based on the fact that during the implementation in practice of the basic law for the prevention of conflict of interest are highlighted many uncertainties and gaps which hampered the work of the Agency, with special emphasis on the exercise of two or more positions at the same time by public officials.

### **3. ABOUT THE AGENCY**

Anti-Corruption Agency (ACA) is an independent institution established in July 2006, and commenced operation on 12 February 2007. The legal basis for the establishment of the Agency is the Anti-Corruption Law (2004/34) which defined its responsibilities and scope of work.

The mandate of the Agency is focused on detecting and investigating corruption cases, on efforts to prevent and combat corruption and increase public awareness with the aim of building a sound society based on the rule of law.

Competences of the Agency are stipulated in Article 5 of the Law no. 03/L-159 on Anti-Corruption Agency.

Current Anti-Corruption Law, on the basis of which ACA conducts its activities, provides measures against corruption within the scope of the Anti-Corruption Strategy and Action Plan, particularly in the initial investigation of corruption, analyzing and eliminating the causes of corruption, the incompatibility of holding public office and the conduct of the profitable activities by the official persons, restrictions regarding the acceptance of gifts related to the performance of official duties,

monitoring of their property as well as the persons in close relation to them and restrictions on contracting entities on participation on public tenders.

Pursuant to the legal framework, ACA, regarding its work, must report annually to the Assembly of Kosovo. While this is the eighth report that the Agency submitted to the Assembly, and reflects in detail the activities and initiatives undertaken during 2014.

These activities were focused on:

- Law enforcement, including the proceeding of criminal charges to competent prosecution offices, submission of requests to initiate the disciplinary proceeding for alleged administrative violations, monitoring the implementation of the Anti-Corruption Strategy and Action Plan;
- Prevention or elimination of corruption related causes through performing the property declaration of senior public officials, publication of the registers of asset declaration of senior public official in the ACA website, prevention of conflict of interest and registration of the gifts received by officials, as well as prevention of corruption in public procurement activities;
- Education of public officials and citizens on the legal framework and current mechanisms dealing with fight and prevention of corruption, as well as public awareness raising on the fight against corruption in the sense of promoting a strong partnership between public and ACA.

#### **4. INTERNAL ORGANIZATION**

The internal organization of ACA is regulated by the ACA Rules of Procedure and Regulation on Organization and Systematization of the job positions in ACA. Both define, in details, the procedures regarding the work performed and responsibilities of each official within ACA.

ACA consists of the Office of the Director, Departments, Divisions and Office for Support, Cooperation and Information ([Annex I](#)).

Currently, within the Agency are engaged 40 officials as follows:

- Office of the Director of ACA, 5 officials;
- Department of Combating Corruption, 11 officials;
- Department of Prevention of Corruption, 15 officials,
- Division of General Operations and Finances, 5 officials, as well as
- Office for Support, Cooperation and Information, 4 officials.

During 2014, the internal organizational structure of the Anti-Corruption Agency undergone no changes.

Commission for Dispute Settlements and Appeals and Disciplinary Commission continued their mandate from the previous year.

The following chapters represent a thorough overview of the activities conducted by the Agency during the one-year reporting period, 1 January - 31 December 2014.

The Agency address is as follows: str. "Nazim Gafurri", no. 31, in Prishtina. The Agency operates in an old building, however it largely meets the needs for work, for a staff of 40 members.

## **5. ACTIVITIES DURING REPORTING PERIOD**

This is the eighth annual report covering the period 1 January to 31 December 2014, and is submitted to the Assembly of Kosovo. The Report is disaggregated into several chapters, and indicates, in detail, all the activities and initiatives undertaken by the Agency during this period.

### **5.1 COMBATING CORRUPTION**

Activities in combating the corruption in the ACA are performed by the Department of Combating Corruption. In accordance with the mandate given by the Law No. 03/L-159 on Anti-Corruption Agency and other secondary legislation, the work of the Department of Combating Corruption is mainly focused on following fields: Law Enforcement, monitoring of Anti-Corruption Strategy and Action Plan, improvement of legal framework and public awareness.

#### **5.1.1 Law enforcement**

ACA, respectively the Department of Combating Corruption regarding law enforcement, is responsible for the following activities

- Conducting preliminary investigations related to the allegations of corruption in the cases when no criminal procedure is initiated by any other mechanism;
- Proceeding the investigated cases to the competent public prosecution office for further criminal proceeding, as well as forwarding the requests for initiation of disciplinary proceedings in relation to allegations for administrative violations;
- Cooperation with all local and international authorities responsible for law enforcement during the investigation proceedings conducted by these authorities.

#### **5.1.2 Conducting investigations**

During this reporting period, the priority of the Department for Combating was the admission, initiation ex officio and preliminary investigation of suspected cases of corruption. Consequently, cases reported by citizens have been investigated, as well as cases which were initiated ex officio when ACA found grounded information on potential corrupt activities.

In relation to investigated cases with allegations on potential corruption, and final decisions regarding this reporting period, below is presented the general overview.

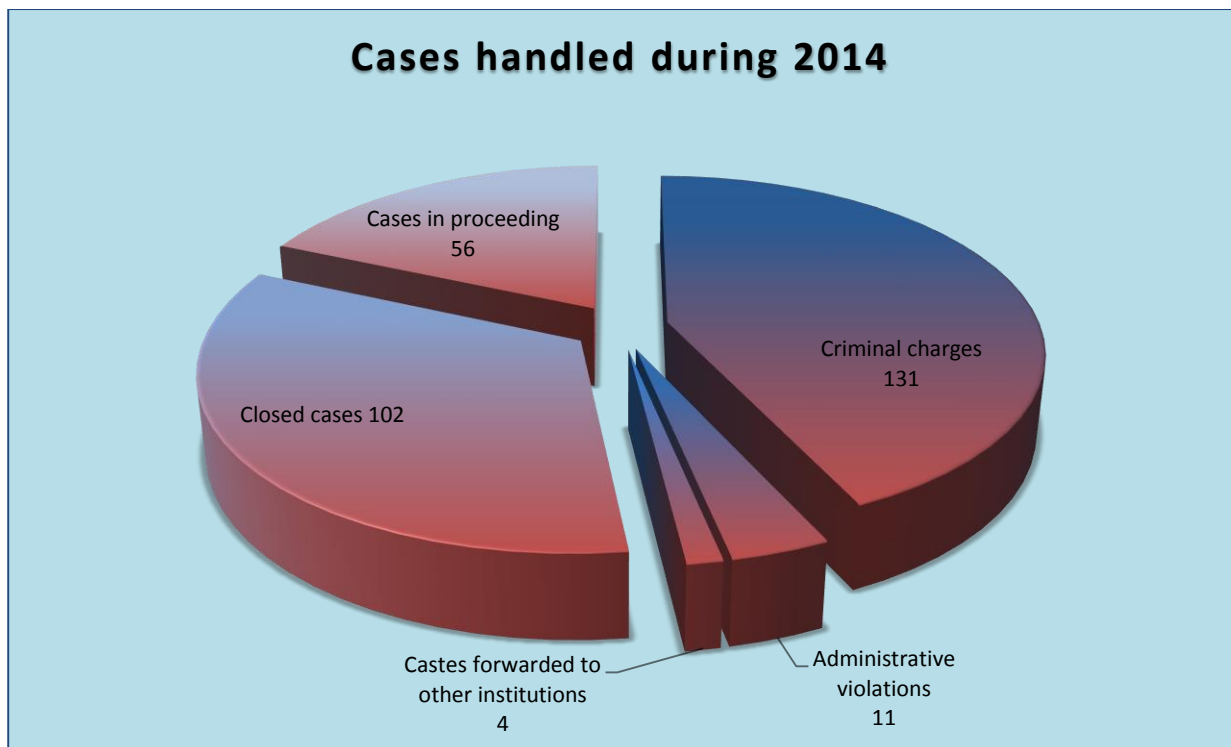


- **Cases reported to ACA during 2014**

ACA, during the reporting year, received information from citizens regarding allegations of corruption activities through different ways of reporting. ACA, for citizens who wish to report suspected cases of corruption, provided several reporting options, such as: reporting directly to the ACA, through toll-free telephone line 0800 10 800, mail and via e-mail (online form) on [www.akk-ks.org](http://www.akk-ks.org). For persons who in good faith have disclosed information on the existence of corruption and in order to prevent harmful consequences to them, the ACA has enabled them to report cases of alleged corruption anonymously in order to protect the identity of reporters and encourage citizens to report these cases.

During 2014, ACA has conducted preliminary investigation procedures in a total of 304 cases, of which 56 are carried from previous years, whereas, in 2014 ACA received 248 new cases. Of these cases, 131 are proceeded to the Prosecution Office and Police for further proceeding, 11 are proceeded to competent administrative bodies with a request for initiation of disciplinary proceeding, 4 cases are proceeded to the competence of respective bodies, 102 cases are closed, while 56 cases are in proceeding. Total number of handled anonymous reporting is 37. During the reporting year, the Agency handled a total of **124** cases initiated ex officio).

Cases in proceeding are all cases registered during 2014. The following chart represents the proceeding of 304 cases handled during 2014.



*Chart 1. Overview of the proceeding cases handled during 2014*

- **Cases forwarded to competent institutions for further proceeding**

During the reporting period, **131** information and criminal charges were forwarded to competent institutions for further proceeding.

**121** criminal charges were forwarded to the Office of the Chief State Prosecutor, for which the Office of the Chief State Prosecutor notified the Agency that they are delegated to the competence of the

respective prosecution offices. While to the Directorate for Investigation of Economic Crimes and Corruption/Kosovo Police, are forwarded in total **10** information.

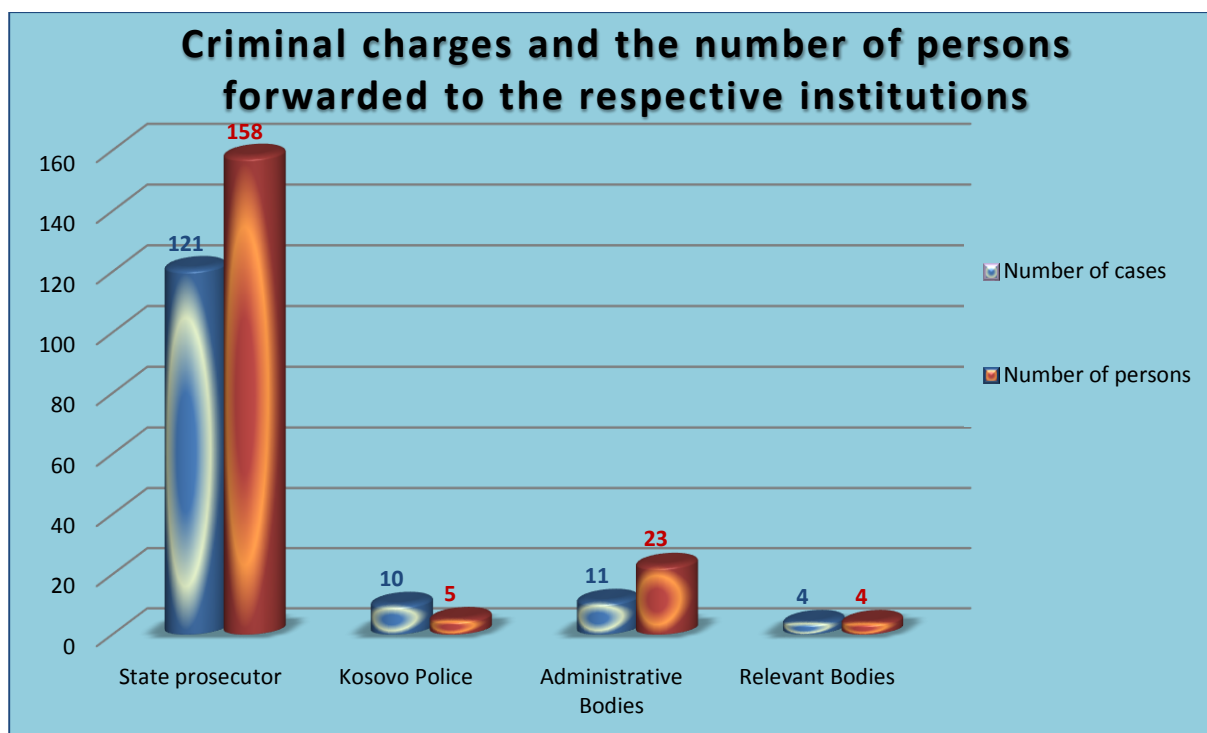
Whereas, in eleven (11) cases, following the completion of preliminary investigation proceedings, it is determined that there is no sufficient data and/or reasonable suspicion that the case could constitute a criminal offense, however, alleged for administrative violation, and the Agency forwarded these cases to the competent administrative bodies, with a request to initiate disciplinary proceedings.

Also, in 4 cases it was determined that the absence of ACA competence, therefore these 4 cases are delegated to the competence of the respective bodies.

The total damage amount caused by the cases forwarded to the competent prosecution office and police is estimated to be from € 500.00 euro – €1, 276, 000. 00.

- **Persons suspected for corruptive activities**

ACA, in 131 cases forwarded to public prosecution offices and competent police bodies for further criminal proceeding, after finding that there are sufficient data and/or grounded suspicions for involvement in corruptive activities, reported 163 persons, out of which 158 persons are forwarded to the Office of the Chief State Prosecutor, and 5 persons to DECCI-Kosovo Police. In 8 cases forwarded to the DECCI-Kosovo Police, the identification of persons was not reached. These data are presented in the following chart.



*Chart 2. Overview of Criminal Charges and the number of persons forwarded to the relevant institutions*

ACA, during the reporting period has forwarded 11 cases to the competent administrative bodies with request to initiate disciplinary proceedings against 23 officials of the institutions of the Republic of Kosovo. Whereas for 4 cases delegated under the jurisdiction to the respective bodies were followed 4 persons.

- **Proceeded cases according by the structure of criminal charges**

Among the 131 cases proceeded to Prosecution Office and DECCI - Kosovo Police for further proceeding, some of them consist two or more offences. Criminal offences mainly belong to Chapter XXXIV on official corruption and criminal offenses against official duty under the Criminal Code of Kosovo, but there are also cases with suspicion on sanctioned actions in other chapters under the Criminal Code of Kosovo. While in 9 cases, for alleged actions it has not been managed to qualify that what criminal offences represent due to the exceeding the Agency's investigative opportunities.

- **Structure of criminal offences forwarded to competent institutions**

The structure of criminal offenses forwarded to the competent institutions and the level suspected officials:

**Abuse of official position or authority** - From the total number of cases forwarded to Prosecution Offices and DECCI-Kosovo Police, corruption actions, foreseen under Article 422 of the CCK, constitute the second highest share of offences. According to the concerned criminal offence, 19 information and criminal charges of this nature were forwarded. In some cases, this criminal offence is accompanied by other criminal acts, as the **Trading in Influence** (Article 431 of the Criminal Code of Kosovo), **Fraud in Office** (Article 426 of the Criminal Code of Kosovo), **Unlawful construction work** (Article 368 of the Criminal Code of Kosovo), **Irresponsible economic activity** (Article 285 of the Criminal Code of Kosovo). Persons involved in these cases are from different levels: former MP of the Assembly of Kosovo; former Mayor; former Rectors, Secretaries and Director of Procurement in the Public University; members and former members of the Board of Independent Institutions; former Chief Executive of Public Enterprise, central level; Director, Manager and Head of the Organizational Unit within the Public Enterprise, central level; Procurement Manager of the institution within the Ministry; Directors of Departments within the Ministry; Directors and former Directors of Municipal Departments; Managers and former Managers of Municipal Procurement; Municipal Attorney; Members of Commission for the evaluation of procurement activities; Members of Commissions for evaluation of candidates; Officials from other levels; representatives of the EO and private investors. By institutions, this criminal offence in 7 cases was committed by officials of other institutions, 7 cases from local government officials and 5 cases from officials institution within government.

**Misappropriation in office** – under the definition of this criminal offence from the Article 425 of the Criminal Code of Kosovo, 1 case was forwarded to the Office of the Chief State Prosecutor against the director of the secondary school which falls under local government institutions.

**Accepting bribes** - under the definition of this criminal offence in Article 428 of the Criminal Code of Kosovo, 1 case was forwarded to DECCI-Kosovo Police against medical staff, which fall under local government institutions. In this case, this work is accompanied also by the criminal offence Giving Bribes (Article 429 of the Criminal Code of Kosovo).

Failure to report or falsely reporting of assets, revenue/income, gifts, other material gains or financial obligations - The actions sanctioned under the Article 437 of the Criminal Code of Kosovo constitute the largest number forwarded to the prosecution office, a total 101 of criminal charges.

Of these cases, 93 are forwarded in relation to failure to report the assets, revenue/income, gifts, other material gains or financial obligations-the actions sanctioned under the Article 437 of the CCK.

Cases forwarded related to failure to report, by types of the declaration:

Two (2) for failure to submit annual regular declaration from the senior financial official at the independent institution and Member of Municipal Assembly;

Forty one (41) for failure to declare upon taking the office; Mayors, Chairman of the Municipal Assemblies and Members of Municipal Assemblies;

Fifty (50) cases for failure to declare after the termination or dismissal from the office by former Mayors, former members of Municipal Assemblies and former Directors of Municipal Departments.

If disaggregated by institutions, this criminal offence (paragraph 1) in 92 cases was committed by local government officials and in 1 case from the official of other institutions.

On suspicion of false reporting of assets, revenue/income, gifts, other material gains or financial obligations-the actions sanctioned under the Article 437 of the CCK, are forwarded 8 cases. Of these cases, 4 for false declaration of annual revenues from diplomatic staff - Ambassador and Advisors, Manager of the Enterprise under the management of KPA, Director of the Department within the Ministry, 3 cases for failure to declare the possession of shares in commercial companies by the Chief Executive of the Executive Agency within the Ministry, Director of Audit Unit within the Ministry and Internal Auditor of Municipal Public Enterprises, as well as 1 failure to declare the immovable property from Political Advisors in Ministry.

If disaggregated by institutions, this criminal offence (paragraph 2) in 6 cases was committed by officials of institutions within the government, 1 from local government officials and 1 case from official of other institutions.

- **Characteristics of the violations found during the preliminary investigation**

ACA has conducted the procedure of preliminary investigations regarding allegations of corruptive activities, in respect of offenses from Chapter XXIX of CCK – official corruption and Criminal Offenses against official duty. Despite institutional general commitment, corruption offenses continue to constitute the lowest number of criminal cases investigated by the prosecution but also constitute criminal offenses for which there were least convictions imposed.

Characteristic of investigated cases dealing with the criminal offense of **Abuse of Official Position or Authority** of Article 422 of the CCK, which included all institutions of the Republic of Kosovo, is the abuse of official duty or authority by the official whom by acting or non-acting violate the applicable laws in order to obtain unlawful material benefit for himself/herself or another person, or with the purpose to harm the other persons or certain business, or severely violate the rights of the other person, exceeds the powers and disregards official duties.

Upon performing procurement activities, the actions or omissions mentioned, refer to violations of procurement procedures, or in the worst cases to complete avoidance of these procedures thus avoiding transparency and fair competition. Violations of procurement procedures are presented starting from planning and preparation of tender dossier, such as:

- ✓ Compiling of tender files in contrary to public procurement law and regulation;
- ✓ Setting unlawful selection criteria with the aim of favouring certain EO;

- ✓ Allowing the continuation of procurement procedures even when they are followed by violations of procurement law;
- ✓ In procurement planning, which is envisaged as a co-funded project, it is prepared and signed the "Statement of Needs and Determination of Availability of Funds" in the projected amount, although there were no sufficient funds available for this procurement activity in its projected amount.

Upon bid evaluation phase are noted violations as follows:

- ✓ The recommendation for awarding the contract to the irresponsible EO, who based on the lowest price is ranked as the 7 (seventh) of EO's, enabling to the same unlawful winning of different value between the other responsible economic operator with lower price, respectively OE that was cheaper than the other EO with lower prices than the winning EO;
- ✓ Signing the contract with EO contrary to the Law on Public Procurement, even though the procurement procedures shall have been terminated due to lack of two responsive bids, because only the winning EO was responsible economic operator, even though for this procurement activity submitted bids only three EO, and the evaluation committee recommended the cancellation of this procurement procedure;
- ✓ Awarding the contract to EO, knowing that the same has manipulated the prices provided for certain items because the same EO possessed information that they (items) had not been used during last year, because it was contracted by the CA, which provided non-reasonable low prices and based on these prices it was announced as the most favourable EO, and the same is also announced as the winner of the contract for the specific procurement activity;
- ✓ Awarding the contract to EO, which had offered the lowest price, even though knowing that the same EO manipulated the prices provided for certain parts of the equipment in the procurement activity since the EO possessed information regarding the condition of the equipments from the preliminary contract;
- ✓ Signing the contract only with the funds collected from residents in the co-funded projects and not with the commitment of sufficient financial means to fulfil the obligations that emerged or could emerge from the contract, and also lacked the tender execution insurance in the amount of 10% of the contract value, but being agreed with EO winner that the deposition of tender execution insurance to be made in situations depending on the commitment of funds.

Execution of works, supply and service delivery oversight phase is characterized by:

- ✓ The oversight of works related to the entire restoration of certain facility, without the approval of the Chief Administrative Officer and without notice to the Procurement Manager, contrary to the tender dossier prepared by the Contracting Authority, as well as contrary to the contract, allowed to change the bill of quantities, where it is required the supply and installation of the other material, removing from the bill of quantities the material supply and the required installation;
- ✓ Despite delays in the delivery of goods/services of CA or the completion of works, no penalties are imposed, and as the result is damaged the institution budget, even though the criterion

for delivery of goods (delivery period) or time limit for completion of works according to the tender dossier qualified the EO as winner;

- ✓ Contrary to the specific provisions of the contract signed between the CA and EO, CA officer did not reported about the EO delay in performing the contract in compliance with the dynamic plan and the aforementioned contract, and thus liquidated shortcomings were never realized by CA, because the same at the time when managed the aforementioned contract, has been employed also in EO, a situation that represents a conflict of interest, and under Article 5 of the Procurement Code of Ethics 2007 should declared and avoided .

The criminal offence **Abuse of official position or authority** characterizes also other cases investigated for other violations, such as:

- ✓ Former senior public official, in the capacity as head of highest body in the institutional hierarchical line, requests by a letter from the head of the subordinated institution that during the establishment of the certain commission for selection of candidates for certain positions, to have regard to the composition of the Commission in order to change the composition of the commission set for the first time, so that the new commission may conduct unlawful acts, although the composition of the first commission is considered as competent for the selection of candidates according to the vacancy;
- ✓ The acceptance of investments and exclusion from the terms of the agreement at the request of the buyer, even though the respective estimates found the failure to fulfil the terms of the agreement and inappropriate investments;
- ✓ Transfer of the meter of certain public service by the owner of the house (where it was placed the meter) to tenant, without documentation or legal grounds and without the consent of the latter, where as a result of debt caused by the tenant, the owner was disconnected for a certain period of time;
- ✓ Lack of willingness to re-verify the real situation on the ground, preventing and denying in this way the potential beneficiaries from benefiting the financial support for certain periods of time related to the projects that are supported on certain activities, even though they meet the conditions set;
- ✓ Fulfilling the significant percentage of works foreseen in the project for which the procurement activity takes place, using other contracts and requesting the procurement office to terminate the tender process in question, because it was made a temporary solution;
- ✓ Failure to take any actions to demolish the multi-apartment/business building, built contrary to the law and construction terms and without construction permits by the investor;
- ✓ Giving the consent to the applicant for returning the remaining portion of unused immovable property taken from possession by the previous owner for certain general needs;
- ✓ The approval of the request for the return of the unused remained part of the immovable property taken from possession by the previous owner for certain general needs.

Some other activities that characterize this criminal offense due to their nature are not presented because their publication could damage the process of further investigating.

**Misappropriation in office** - under the definition of this criminal offence under Article 425 of the Criminal Code of Kosovo, it was suspected the official who acquired a greater amount of generated means (money) than is allowed by the relevant regulations.

**Fraud in office** -pursuant to Article 426 of the CCK, the investigated cases were characterized by the introduction of false reports on completion of works/supply/service related to certain projects, thus pretending that works/supplies/services are conducted under the contract, and the introduction of false of acceptance reports deceiving the authorized persons to conduct payments, even though the works/supply/services were not conducted under the contract, thus it can unlawfully acquire a material benefit for himself or for contractor/supplier or service provider.

**Accepting bribes** -under the definition of this criminal offence under Article 428 of the Criminal Code of Kosovo and **Giving Bribes** under the Article 429 of the Criminal Code of Kosovo, which under the Criminal Code are separate criminal offences and characterize the suspected case where it is paid a certain amount of cash in exchange for making a favour/advantage.

**Trading in Influence** -under Article 431 of the CCK, it is characterized by the exercise of undue influence by the certain official on the decision-making of the members of commission for assessment of the activity for certain engagement, even though it did not meet the conditions/requirements according to regulations, to which have been referred the conditions and criteria of engagement, so that directly or indirectly receives no benefit for himself.

Failure to report or false reporting of assets, income, gifts, and other material gains or financial obligations, under Article 437 of the CCK, is a new criminal offence which is stipulated by the Criminal Code of Kosovo, which entered into force on 01 January 2013. A characteristic of investigated cases related to this criminal offence is the failure to declare assets within the time limits prescribed under the applicable law (regular annual declaration, declaration upon taking over the function (office), declaration after completing or being dismissed from the function and declaration upon request of the ACA), as well as the failure to present required data, such as: immovable property, movable property in the amount of five thousand (5,000) Euro, holding shares in trade organizations, securities, cash saved in the bank and other financial institutions, financial obligations towards natural and legal persons and annual incomes, and their falsification or false reporting.

**Unlawful construction work** - pursuant to the Article 368 of the Criminal Code of Kosovo, is a characteristic of the cases investigated for actions contrary to the Law on Construction and other regulations related to the construction of business facility without construction permit and contrary to the construction terms so that the life or body of the people or the property of neighbours is endangered.

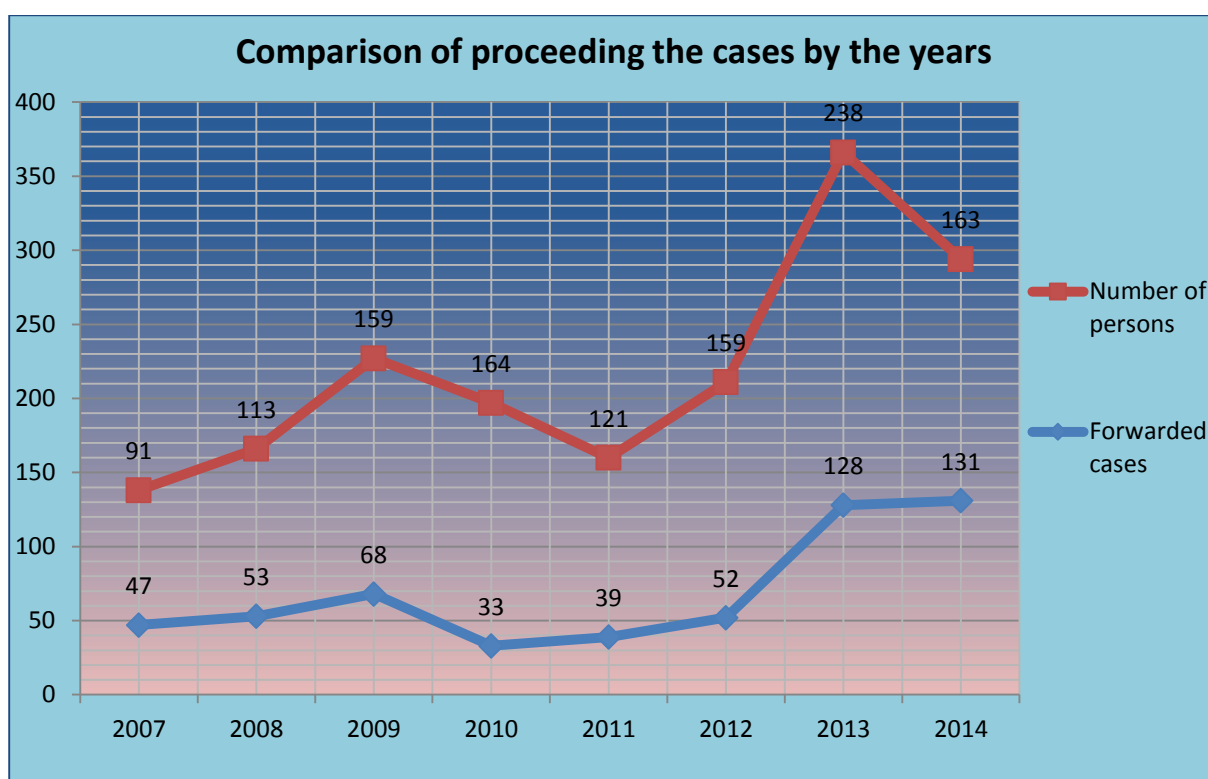
**Irresponsible economic activity** - pursuant to Article 285 of the Criminal Code of Kosovo, characterizes the cases investigated when in procurement activities EO offered extremely low prices considering the external market prices for similar equipment, as well as for parts of equipments that were not in use, since the EO possessed information related to the condition of equipment from previous contract, offering in this way extremely lower prices and thus affecting the total price which results to be the lowest. EO acted contrary to regular business standards.

- **Cases forwarded by years when the alleged corruption activity was committed**

In the reporting period, the cases for which ACA investigation found evidence to confirm the suspicions of corrupt actions which were referred to further criminal proceedings to the competent institutions belonged to different years of committing them, from 2008-2014.

- **Number of cases forwarded since the establishment of ACA**

ACA, since its full establishment up to date, from all investigated cases where found evidences to verify the allegations for corruptive activities, forwarded a total of 552 cases to the competent prosecution office, prosecution office of EULEX, Kosovo Police, the Police Inspectorate of Kosovo and the Financial Investigation Unit. During 2007, ACA forwarded 47 cases to the competent institutions; in these cases were involved 91 persons. During 2008, a total of 53 cases were proceeded against 113 persons, whereas during 2009, ACA has proceeded 68 cases against 159 persons. During 2010, 33 cases were proceeded against 164 persons, whereas during 2011, 39 cases were forwarded against 121 persons. During 2012, 52 cases against 159 persons, whereas during 2013, were 128 cases against 238 persons. While in 2014, a total of 131 cases against 163 persons involved.



*Chart 3. The number of cases forwarded to competent bodies, as well as persons involved (2007- 2014)*

From the total number of cases forwarded from 2007 to 2014 to the competent prosecution offices and Kosovo Police, prosecution offices and other institutions provided feedback confirming that 295 cases are under investigation, 47 indictments/summary indictments were filed and commenced the judicial process, for 124 confirmed to have been dismissed/terminated the investigations, whereas for 67 forwarded cases there is no feedback. One case was referred to the Court of Appeal.

These data are presented in table 1:



No.	Institution	Proceeded cases	Investigations	Indictments / Summary indictments / Judicial process	Court decisions	Dismissed/ Ceased cases	No feedback
1	SP	13	10	-		-	3
2	SPRK	27	19	1		5	2
3	P. of EULEX	45	7	-		24	14
4	BP. Prishtina	278	199	21		48	2
5	BP. Prizren	27	-	8		15	-
6	BP. Peja	19	5	3		11	-
7	BP. Mitrovica	8	3	1		4	-
8	BP. Gjilan	37	22	4		9	-
12	BP. Gjakova	15	-	8		3	-
15	BP. Ferizaj	12	7	1		4	-
16	Kosovo Police	60	22	-		-	38
17	IP	4	-	-		1	3
18	FIU	6	1	-		-	5
19	Appellate Court				1		
20	BC Prishtina				8		
21	BC Prizren				4		
22	BC Gjilan				2		
23	BC Gjakova				4		
<b>Total:</b>		<b>551</b>	<b>295</b>	<b>47</b>	<b>18</b>	<b>124</b>	<b>67</b>

*Table 1. Cases forwarded to competent bodies since the ACA full establishment*

Of 551 cases forwarded to the competent institutions for further criminal proceedings, the number of suspected persons involved is: **1208** identified persons, where in 47 of these cases ACA failed to identify specific individuals.

In cases for which summary indictment and indictments are filed by the competent prosecution offices, as well as a judicial process is being conducted, are involved 68 persons.

During the reporting period there have been progressive movement in relation to trial of cases suspected for corruption under charges raised by competent prosecution offices, on the grounds of ACA forwarding. For some of the forwarded cases is commenced the judicial proceedings respectively 37 cases, of which 19 cases are under judicial process, while for 18 cases are rendered court decisions. Court proceedings have mostly handled indictments filed for criminal offence failure to not report or false reporting of property, income, gifts, and other material gains or financial obligations of Article 437 of the CCK.

- **Case dismissal method by the Prosecution/cease of investigations**

The trend of dismissing the cases forwarded by ACA, by prosecution offices or ceasing investigations continued also during this reporting period.

The assessment of this situation on the basis of information received from prosecution offices has confirmed the grounds reported in the annual ACA work report for 2013 related to the manner of dismissing the cases by prosecution offices.

Prosecutors continued to request from ACA to prove the purpose of criminal offences as a constituent element of their figure, while in no case, despite the legal opportunities, they have not taken necessary investigative actions and have not managed to prove the purpose.

In most cases of dismissal justifications, the competent prosecution offices claim that ACA suspicions of committed corruption offences pose no offence but the same are considered and established as administrative violations. Therefore, considering them as such, investigations are dismissed preventing further investigation for suspicions raised by ACA. In several cases of filed criminal charges by ACA, the term of criminal prosecution expired or became prescribed by criminal prosecution due to the negligence of the Competent Prosecution. Also, in some cases, the Competent Prosecution ignored the evidence presented along with criminal charges by the ACA.

In most cases, prosecution offices, when dismissing or ceasing the investigations, are based mainly in special reports provided by Kosovo Police. In most of the cases, when prosecution offices dismissed or ceased the investigation according to the justification, it can be drawn as a conclusion that the prosecutor's knowledge about Procurement Law are basic and its violations are not handled properly, because the damage caused as a result of these violations remains unsanctioned.

Expertise to which Prosecutions offices gave confidence in cases of alleged violations during public procurement procedures, and which although ascertains violations, is justified by the fact that contracts are won by EO who bid lower prices, without assessing quality, and in some cases also the amount provided for works, services and supplies contracted.

There were some cases when within the prosecution office, the same information is handled by two separate prosecutors.

During receiving feedback regarding cases of ACA proceeded to competent prosecution office, we are informed that at least in one case, after dismissing and closing on the grounds of prescription, the same prosecutor returned the case for investigation after two years, resulting in filing a indictments. In some cases, prosecutors of cases withdraw their indictments filed during judicial proceedings.

- **Aspects related to handling the cases in court**

From the information, which were received from the respective courts, related to the cases suspected for corruption, according to indictments filed by competent prosecution offices on the basis of criminal charges forwarded by ACA, we were informed about their decisions that about 18 indictments were rendered 12 punitive judgments against 12 persons, 2 acquittals, 2 judgment on dismissal and 2 judgment on rejection. In one case, the Court of Appeal rejected the appeal of the respondent and confirmed the punitive judgment rendered by Basic Court in Gjakova.

In the table below are presented these data:

No.	Institution	Punitive Judgment	Acquittals judgement	Judgment on dismissal	Judgment on rejection
1	BC. Prishtina	6	1	-	1

2	BC. Prizren	1	1	1	1
3	BC. Gjilan	1	-	1	-
4	BC. Gjakova	4	-	-	-
<b>Total:</b>		<b>12</b>	<b>2</b>	<b>2</b>	<b>2</b>

*Table 2. Decisions of Courts according to Article 437 of CCK*

Through punitive judgements the Court imposed cumulative punishments with fine and imprisonment. Fines were imposed in the amount of EUR 150 to EUR 1,000, whereas the punishment with imprisonment from 2 months to 6 months. Fines are scheduled to be paid mainly after the final judgment, and in some cases by instalments from 4 to 7 instalments, with the possibility of revocation the punishment with imprisonment, where one day in prison is equivalent to EUR 20. If the accused does not pay it, the same cannot be executed under duress. The court imposed punishments with imprisonment as conditional punishments and ordered to not be executed if the convict does not commit another criminal offence within the time limit of 1 year, or have turned them in punishments with monetary fine.

The table below presents data on punitive judgment rendered by courts:

No.	Institution	Judgment of imprisonment	Punitive Judgement with fine
1	BC. Prishtina	2 months turned in the punishment with fine of EUR 1200	EUR 200
2	BC. Prishtina	4 month suspended sentence	EUR 1000
3	BC. Prishtina	6 month suspended sentence	EUR 500
4	BC. Prishtina	2 month suspended sentence	EUR 1000
5	BC. Prishtina	3 month suspended sentence	EUR 500
6	BC. Prishtina	2 months turned in the punishment with fine of EUR 1200	EUR 200
7	BC. Prizren	6 month suspended sentence	EUR 400
8	BC. Gjakova	3 month suspended sentence	
9	BC. Gjakova	3 month suspended sentence	
10	BC. Gjakova	3 month suspended sentence	EUR 300
11	BC. Gjakova	3 month suspended sentence	EUR 200
12	BC. Gjilan	4 month suspended sentence	EUR 1000

*Table 3. Judgment of convictions from the courts according to the Article 437 of CCK*

The imposed punishments refer to the criminal offence under Article 437 of the Criminal Code of Kosovo, where 8 cases are related to failure for regular annual declaration of assets, 2 cases for failure to declare over completing the function and 2 cases of false declaration of assets or failure to provide data required in the declaration form, one related to failure to declare the business (ownership of shares in a business organization) and one for failure to declare the accurate data on annual incomes.

With the acquittal judgements, the Court has acquitted the accused for failure to declare the business and in the other case, for failure to declare the accurate data on annual incomes.

A judgement on dismissal was rendered in one case for the criminal offence related to the abuse of official position or authority under Article 339 of the PCCK due to the absolute limitation of

prosecution and the procedure was set aside, and one case for failure to declare assets on annual basis, on the grounds that there is no sufficient evidences for reasonable suspicion of criminal offence.

A judgment on rejection is rendered in a case for criminal offence related to the abuse of official position or authority under Article 339 of the PCCK and in one case for failure to declare accurate data on annual incomes, because the prosecutor withdrawn the indictment during the trial.

### **Closed cases**

During the reporting period, ACA, after conducting the preliminary investigations, has closed 102 cases. Reasons for their closure are as follows:

- ✓ 65 cases were closed because after conducting preliminary investigations, it was concluded that there are not sufficient data and/or ground suspicion that the case is a criminal offence or administrative offence;
- ✓ 22 cases were closed because in accordance with applicable legal framework, the Agency has no power to conduct the proceeding of preliminary investigation; and
- ✓ 15 cases were closed because the criminal proceedings were being held before from the competent bodies, where 5 cases from Basic Prosecution Office in Prishtina, 4 cases from DECCI-Kosovo Police, 2 cases from Basic Prosecution Office in Peja, 1 case from State Prosecutor Office, 1 case for Special Prosecutor Office, 1 case from Basic Prosecution Office in Gjilan, 1 case from the Organized Crime Investigation Unit - EULEX.

### **5.1.3 Cooperation with other institutions, whose mission is to fight corruption**

Even during this reporting period, the Agency paid special attention to the commitment for advancing the mutual cooperation with national and international institutions, whose mission is to fight and prevent corruption. However, inter-institutional cooperation in fighting and preventing corruption remains a challenge.

ACA recommendation for the establishment of a joint coordination body of all anti-corruption institutions operating in Kosovo, where would be represented at the level of institutional leaders, is not addressed yet. National Anti-Corruption Council, initiated and led by the President of the country, has not given the expected results, and failed to address the ACA recommendation for a anti-corruption coordination body.

The cooperation with prosecution offices regarding feedback to the agency for further processing and final decision related to the forwarded cases was significantly advanced and has been stable. In most cases, the ACA has received written notifications from the prosecution office. Within the reasonable time limits, ACA received confirmation by the Prosecution Offices and Kosovo Police on a criminal procedure is initiated and being conducted whether the same cases reported in the ACA, in order to avoid the investigation of the same cases at the same time by two institutions and to not conduct two separate procedures. During the year, ACA exchanged information on monthly basis with the Basic Prosecution Offices related to the number of cases forwarded for harmonization of statistics.

Within the legal competences, ACA has exchanged information and documentation with all other institutions whose mission is to fight and prevent corruption. In this regard, ACA has provided information to the competent institutions concerning the verification of the past of certain persons.

As part of activities to enhance the cooperation and further strengthening, ACA, in February, hosted 30 candidates for judges and prosecutors in Kosovo as part of a training program organized by the *Kosovo Judicial Institute - KJI*.

On February 27, ACA signed, in Podgorica, a Memorandum of Understanding with the Commission for the Prevention of Conflict of Interest of Montenegro, with the aim of strengthening the cooperation and exchanging the experiences between both institutions for the implementation of international legal standards and their internal regulations.

Supported by the Anti-Corruption Programme of UNDP and SDC, on 26.05.2014, the officials of the Agency, State Prosecution Office, seven chief prosecutors of Basic Prosecution Offices of Kosovo, Kosovo Police officials from the Department for the Investigation of Economic Crimes and Corruption, were convened in a two-day workshop, held in Ohrid, to discuss current challenges (practical matters) between these mechanisms and how they can enhance cooperation in order to achieve results in the prevention and fight against corruption.

As a result of this workshop, all Basic Prosecution Offices assigned prosecutors as contact point with ACA, and ACA officials have already been contacted by prosecutors of the cases during conducting further investigations.

Considering the fact that new prosecutors and judges often requested consultations with ACA officials regarding the content of the Law no. 04/L-050 on Declaration, Origin and Control of Property of Senior Public Officials and on Declaration, Origin and Control of Gifts of all Public Officials and the Law no. 04/L-228 on Amending and Supplementing this Law, in order to proceed the cases as a result of failure to meet obligations, arising from there, for senior public officials, ACA, on October 23, organized a joint meeting with them.

On the occasion of International Anti-Corruption Day (December 9), ACA, supported by the European Union Rule of Law Mission in Kosovo, EULEX, launched the awareness raising campaign against corruption, which aims to drive Kosovo public to be part of the efforts of state institutions for prevention and fight against corruption in Kosovo.

This joint campaign focuses on how corruption jeopardizes the rule of law, social stability, equality and economic development. For the first time, Kosovo senior officials have jointly signed a Commitment Card, with public commitments that they will be united in the fight against corruption. The signed Card is placed at key public institutions in countries, in the most frequented places by citizens and was published in daily newspapers.

Within the campaign, television spots are broadcasted containing the appeal of the President of the Republic of Kosovo, Acting Chief State Prosecutor, Director of Anti-Corruption Agency, Kosovo Police Director, Head of Kosovo Judicial Council, the Director of Customs, Director of Kosovo Tax Administration, Director of University Hospital and Clinical Service for raising awareness against corruption, whereby committed to fight corruption. TV clips were broadcasted on Radio Television of Kosovo (RTK).

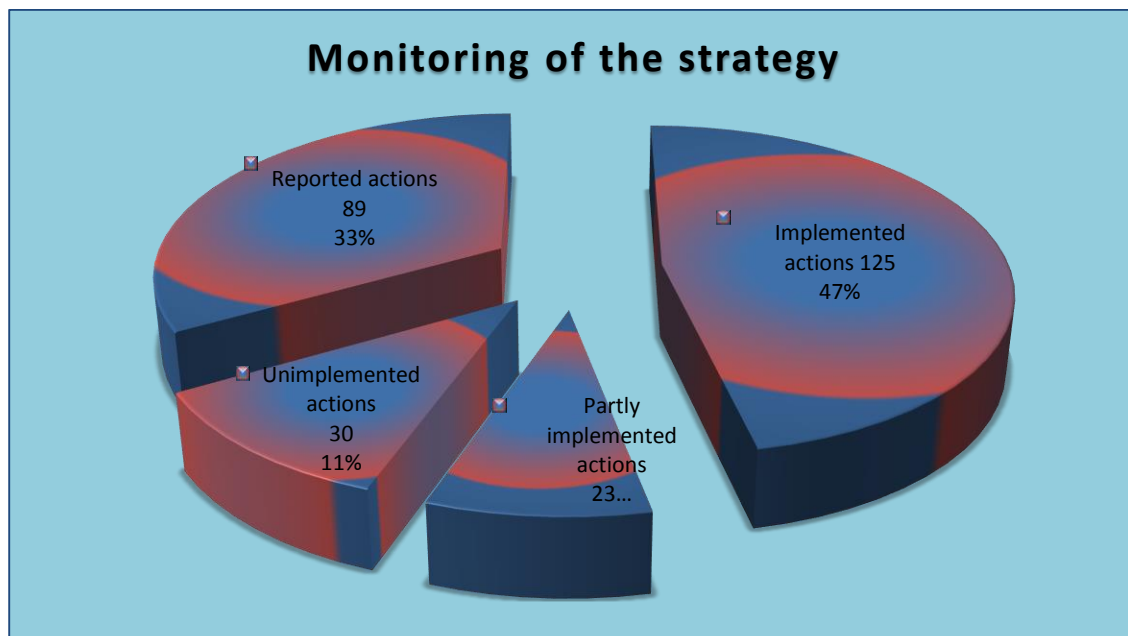
## 5.2 Monitoring the implementation of Anti-Corruption Strategy and Action Plan 2013-2017

Anti-Corruption Strategy and Action Plan 2013-2017 are two anti-corruption policy documents, adopted by the Assembly of the Republic of Kosovo in February of 2013. The Action Plan is designed to implement specific strategic objectives through specific and concrete measures against corruption. It consists of specific objectives of action plan, measures or actions along with indicators of success and are determined deadlines.

ACA is responsible for monitoring and controlling the implementation of the Strategy through measures against corruption, foreseen in the Action Plan.

On 7 July 2014, ACA requested from the contact points included in the Action Plan to submit reports until 18 July 2014 for the period January-June 2014 on the implementation of the Strategy and Action Plan 2013-2017. Also, on 12 January 2015, ACA requested by contact points to submit reports, until 20 January 2015, for the period July - December 2014. In the process of reporting were included central and local public institutions, private sector and civil society.

For the reporting period January - December 2014, the Action Plan 2013-2017 has provided a total of 267 actions or measures. Contact points, during this reporting period, have not reported at all for 89, or 33.33%, actions/measures. For 178 other actions reported by contact points and on the basis of received reports, ACA concluded that 125, or 46.81%, actions were implemented or are under implementation, 23, or 8.61%, actions are partially implemented and 30, or 23.11%, unimplemented actions, as shown in the chart below.



*Chart 4. Monitoring of the Strategy implementation*

Contact points, who did not report at all for the period January - June 2014, are: Public Procurement Regulatory Commission, Ministry of Education, Science and Technology, the Association of Professional Journalists of Kosovo, Kosovo Chamber of Commerce and Civil Society, including (Organizations "FOL "and" KDI").

While, contact points that did not report at all for the period July - December 2014 are: Association of Professional Journalists of Kosovo, Kosovo Chamber of Commerce and Civil Society, including (Organizations "Fol" and "KDI").<sup>1</sup>

## 6. PREVENTION OF CORRUPTION

The entire Agency corruption prevention activities are conducted by the Department for Prevention of Corruption. This is done in accordance with the mandate given by the Law no. 03/L-159 on Anti-Corruption Agency, Law no.04/L-050 on Declaration, Origin and Control of Property of Senior Public Officials and Declaration, Origin and Control of Gifts of all Public Officials, Law No. 04/L -228 on amending and supplementing the Law no. 04/L-050 on Declaration, Origin and Control of Property of Senior Public Officials and Declaration, Origin and Control of Gifts of all Public Officials, and Law no.04/L-051 on the Prevention of Conflict of Interest in Discharge of Public Functions.

Department for Prevention of Corruption conducts its activity through three divisions; Division for Monitoring of Property and Gifts, Division for the Prevention of Conflict of Interest and Division for the Prevention of Corruption in Public Procurement.

### 6.1 Monitoring and control of property and gifts

The legal basis on which ACA supports its work to monitor the property of senior public officials is defined in the Law No. 04/L-050 on Declaration, Origin and Control of Property of Senior Public Official and Declaration, Origin and Control of Gifts for all Public Officials, as well as the Law No. 04/L-228 on Amending and Supplementing the Law No. 04/L-050 on Declaration, Origin and Control of Property of Senior Public Official and Declaration, Origin and Control of Gifts for all Public Officials.

ACA monitors the property of senior public official based on information submitted by senior public officials in a special form, which is prepared by ACA in accordance with applicable law. Forms must be filled by senior public officials and submitted to ACA.

#### 6.1.1 Types of property declaration

Law on Declaration, Origin and Control of Property defines the following types of declarations:

- Regular annual declaration;
- Declaration upon taking the office;
- Declaration upon the request of the Agency;
- Declaration after the termination or dismissal from office.

**Regular annual declaration** - Senior public officials have the obligation to do the regular annual declaration of assets during the public service and within the time limits laid down by the law. Senior public officials are obliged to declare the status of their property to ACA, from 1 to 31 March of each

<sup>1</sup>On the ACA website are published data in detail on annual monitoring of the implementation of the Anti-Corruption Action Plan 2013-2017. <http://www.akk-ks.org/repository/docs/Raporti.pdf>

year. For this period of time or regular annual declaration for 2014, 3038 senior public officials were obliged to declare their assets. Of this total number, 3030, or 99.74%, declared their property and 2 officials failed to declare their property, whereas 6 officials could not declare their property for well reasons known.

For the reporting period, the overall status of the regular annual asset declaration process is presented in the table below.

Institutions	Number of officials	Declared		Failed to declare		
		Declarations	Percentages	Failure to declare	Justified failure to declare	Percentages
Presidency	17	17	100%	/	/	0.00 %
Assembly	138	137	99.27 %	/	1	0.73 %
Government	1143	1142	99.91 %	/	1	0.09 %
Courts	351	351	100 %	/	/	0.00 %
Prosecution Offices	129	128	99.22 %	/	1	0.78 %
Independent Institutions	356	355	99.71 %	1	/	0.29 %
Municipalities of Kosovo	608	604	99.34 %	1	3	0.66 %
Public Enterprises	296	296	100 %	/	/	0.00 %
<b>TOTAL</b>	<b>3038</b>	<b>3030</b>	<b>99.74 %</b>	<b>2</b>	<b>6</b>	<b>0.26 %</b>

*Table 4. Regular annual declaration*

**Declaration of senior public official upon taking the office-** Senior public officials who start working in public service, in a full and real manner declare in writing their property within the legal deadline. The employing authority is required within fifteen (15) days to notify the ACA for initiation or completion of the employment of senior public official, meanwhile the senior official is obliged to declare the property within 30 days after taking the official duty.

During the reporting year, 1052 senior public officials had the obligation to declare their property upon taking office, where from this total number, 1012, or 96%, have declared their property, while 41, or 4%, did not declare the property. The process of declaration of property upon taking office, for 2014 is presented in the table below.

Institutions	Number of officials	Declared		Failed to declare	
		Declarations	Percentages	Failures to declare	Percentages
Presidency	0	0	0%	0	0%
Assembly	78	78	100%	0	0%
Government	121	121	100%	0	0%
Courts	3	3	100%	0	0%
Prosecution Offices	22	22	100%	0	0%
Independent Institutions	07	7	100%	0	0%
Municipalities of Kosovo	802	761	95.01%	41	4.99%
Public Enterprises	19	19	100%	0	0%
<b>TOTAL</b>	<b>1052</b>	<b>1011</b>	<b>96%</b>	<b>41</b>	<b>4%</b>

*Table 5. Declaration when taking over the function.*



**Declaration upon request of Agency** - ACA may, at any time, require from the senior public official the declaration of assets and its origin in accordance with the Law. During this reporting period, ACA requested from 88 senior public officials to declare their assets.

The state of declaration of property by the request is presented in the table below.

Institutions	Declares		
	Number of officials	Declarations	Percentages
Presidency	0	0	0%
Assembly	0	0	0%
Government	16	16	100%
Courts	4	4	100%
Prosecution Offices	0	0	0%
Independent Institutions	0	0	0%
Municipalities of Kosovo	59	59	100%
Public Enterprises	9	9	100%
TOTAL	88	88	100%

*Table 6. Declaration upon the request of ACA.*

**Declaration of assets upon termination or dismissal from office** - After completion of the work in public service, senior public officials are under obligation of property declaration within thirty (30) days. During this period, 1018 officials were obliged to declare their assets. Of the total number, 968 officials, or 95%, declared, whereas 50 officials, or 5%, failed to. The overall status of asset declaration process upon termination or dismissal from a public function is presented in the table below.

Institutions	Number of officials	Declared		Failed to declare	
		Declarations	Percentage	Failure to declare	Percentage
Presidency	0	0	100%	0	0%
Assembly	78	78	100%	0	0%
Government	97	97	100%	0	0%
Courts	5	5	100%	0	0%
Prosecution Offices	0	0	100%	0	0%
Independent Institutions	2	2	100%	0	0%
Municipalities of Kosovo	817	767	93%	50	6.1%
Public Enterprises	19	19	100%	0	0%
TOTALI	1018	968	94%	50	6%

*Table 7. Declaration of the property after termination of or dismissal from a public function.*

In this reporting year, ACA was continuously engaged, starting with the asset declaration process at the municipal level that resulted in an extremely large number of officials who were appointed or elected and the ones ending the mandate. During this year, we started the asset declaration process newly elected and appointed officials in four municipalities in northern Kosovo. During the reporting year, the MPs of the Assembly of Kosovo ended their mandate, whereby now we have newly elected MPs and government cabinet. All declarations received during the year are registered in the database and published on the Agency official website. Overview of the annual declaration for all types of the declarations:

Type of declaration	Obligated	Declared	Failed to declare
Regular annual declaration	3038	3036	02
Upon taking the office	1052	1011	41
Upon request	88	88	0
Upon termination or dismissal	1018	968	50
Total number	5196	5103	93

*Table 8. Overview of the annual declaration for all types*

### 6.1.2 Control of the asset declaration

Based on its mandate, ACA conducted preliminary control and full control of asset declaration forms filed by public officials.

**Preliminary control**- Preliminary control is performed for each form in order to verify the existence / non-existence of material errors or wrong filling of the forms. We also made preliminary control during recording data in database, where we noticed many mistakes in filling the forms for declaration of property, we noticed significant mistakes at senior public officials who declared their property for the first time. In cases where we observed minor errors or errors which we could improve through telephone contact, we contacted them and avoided those technical errors. In most severe cases we addressed them with official letter. In 967 cases, we noticed technical errors in submitted property declaration forms, 879 senior public officials were contacted by telephone and we avoided the technical errors, whereas 88 senior public officials were addressed with an official letter to avoid the technical errors.

**Complete control** - Complete control is performed to verify the authenticity and accuracy of the information declared in the form. ACA has a legal obligation to conduct complete control for senior public officials who declare their property. During reporting period, ACA has conducted the complete control of 20% from the total number of declarations on random bases, this is was organised for the first time, as provided for in the Law on the Declaration of Property. Also, ACA handled all information regarding the declaration of property.

ACA compared the data declared over the years and data received from other institutions, such as: the Business Registration Agency, Kosovo Cadastral Agency, Ministry of Public Administration, Public Enterprises, Agency for Registration of Vehicles, Kosovo Tax Administration, etc. From total number of senior public officials that are obliged to declare their properties, 584 forms have been controlled, where in 187 forms we noticed changes and we requested additional explanations, whereas 77 forms were forwarded to be handled as cases with conflict of interest allegations, as well as 11 cases were submitted for filing criminal charges.

The agency handled ex officio 14 cases reported by citizens through various forms. The following table presents the overall asset declaration process, as well as the results of the findings from the complete control.

Obligation for declaration	Declared	Failed to declare	Complete control	Changes identified during the complete control and requests for explanations	Submitted to be handled regarding the conflict of interest	Forwarded to DCC	No changes
5196	5103	93	598	187	77	20	314

Table 9. overall asset declaration process, as well as the results of the findings from the complete control.

### 6.1.3 Gifts catalogue

Based on Law no. 04/L-050 and Law 03/L-151 public institutions are obliged to name responsible official for keeping a registry. All gifts received and their respective value, and names of persons who provided the gift, need to be registered in the register of gifts which from official person who is determined by the Agency and are held by the institution in which the official person is exercising official duties. Copies of the catalogues shall be sent to the ACA no later than 31 March of the following year.

- **Delivery of the gifts catalogue**

ACA, during March of 2014, has received from twelve (12) institutions notices regarding the gift receiving, while thirty two (32) other institutions have stated that they have not received gifts during the previous year. While we did not receive notices from other institutions on whether they received or not gifts.

Institutions that have submitted copies of gifts catalogue during this year for the previous year are: Presidency, 85 protocol gifts; Assembly of Kosovo, 7 protocol gifts; Office of the Prime Minister, 7 protocol gifts and 11 casual gifts; Ministry of Foreign Affairs, 6 protocol gifts and 1 casual gift; Kosovo Customs, 6 casual gifts; Ministry of European Integration, 1 protocol gift and 1 casual gift; Constitutional Court, 2 protocol gifts; State Prosecution Office, 7 protocol gifts and 2 casual gifts; Kosovo Judicial Institute, 5 protocol gifts; Institution of Ombudsperson, 2 protocol gifts; Municipality of Prishtina, 1 casual gift; Municipality of Podujeva, 1 casual gift.

The following table presents specific data on gifts catalogue copies delivered to ACA by institutions.

Institution	Protocol	Casual	The number of declared gifts
Presidency	85	00	85
Assembly of Kosovo	07	00	07
Office of the Prime Minister	07	11	18
Ministry of Foreign Affairs	06	01	07
Kosovo Customs	00	06	06
Ministry of European Integration	01	01	02
Constitutional Court	02	00	02
State Prosecution Office	07	02	09
Kosovo Judicial Institute	05	00	05
Institution of Ombudsperson	02	00	02
Municipality of Prishtina	00	01	01

Municipality of Podujeva	00	01	01
<b>Total</b>	<b>122</b>	<b>23</b>	<b>145</b>

*Table 10. Overview of the reception of gifts in institutions.*

- **Control of gifts**

Pursuant to the Law no. 03/L-159 on Anti-Corruption Agency and the Law no. 04/L-050 on Declaration, Origin and Control of Property of Senior Public Officials and on Declaration, Origin and Control of Gifts of all Public Officials and Law no. 04 / L-228 on Amending and Supplementing the Law no. 04/L-050 on Declaration, Origin and Control of Property of Senior Public Officials and on Declaration, Origin and Control of Gifts of all Public Officials, the Agency continued to perform the control in institutions regarding the maintenance and registration of received gifts.

During the reporting period, we visited 25 (twenty five) institutions. The purpose of Agency officials visit was to see closely on how the provisions of the abovementioned legislation are implemented concerning the registration and maintenance of gifts catalogues.

Specified data related to the catalogues and registry of gifts by institutions holding and submitted copies of the catalogues to ACA, are presented in the table below.

Table from the visits related to the control of gifts

Nr.	Institutions	Keep the catalogue	Types of gifts		
			Protocol	Casual	Total
1	Agency for Administration of Sequestered or Confiscated Assets	-	-	-	-
2	Correctional Service	-	-	-	-
3	Food and Veterinary Agency	-	-	-	-
4	Agency on Forensic	-	-	-	-
5	Kosovo Customs	+	0	1	1
6	Kosovo Police Inspectorate	-	-	-	-
7	Emergency Management Agency	-	-	-	-
8	Kosovo Tax Administration	-	-	-	-
9	Kosovo Security Council	-	-	-	-
10	Agency for Gender Equality	-	-	-	-
11	Kosovo Institute for Public Administration	-	-	-	-
12	Kosovo Forestry Agency	+	-	-	-
13	Kosovo Agency of Statistics	-	-	-	-
14	Agency of State Archives	-	-	-	-
15	Kosovo Cadastral Agency	-	-	-	-
16	Civil Registration Agency	-	-	-	-
17	Kosovo Police	-	-	-	-
18	Kosovo Academy for Public Safety	-	-	-	-
19	Municipality of Prishtina	+	-	1	1
20	Municipality of Gjakova	-	-	-	-
21	Municipality of Gjilanit	-	-	-	-
22	Municipality of Peja	+	1	3	4
23	Municipality of Prizren	-	-	-	-
24	Municipality of Mitrovica	-	-	-	-

25	Municipality of Ferizaj	-	-	-	-
Total			1	5	6

*Table 11. Overview of the control of gifts by institutions*

The main flaw is the lack of keeping gifts registry by vast majority of these institutions and the lack of coordination in terms of gifts declared by the officials of these institutions and personnel officials.

The Agency considers that a greater responsibility is needed by officials who accept gifts to fill the gift catalogue and declare it to the ACA contacting officials in institution which they belong. It is also very necessary that the officials of personnel or contact points to keep a gifts register despite having or not having declared gifts by officials of institutions since it is a legal obligation to keep the registry.

## 6.2 Prevention of Conflict of Interest

Anti-Corruption Agency, respectively the Division for Prevention of Conflict of Interest since its establishment as the competent and mandated institution, has been engaged in the handling, prevention, notification and awareness of the senior officials, public, on the prevention of conflict of interest, based on the legislation in force.

**Cooperation with the Institutions-** During 2014, the Anti-Corruption Agency has increased its cooperation with the institutions by exchanging information which had an impact on the increase of performance in identification, handling and prevention of the conflict of interest.

ACA during this period has extended cooperation with the institutions such as: Kosovo Business Registration Agency (KBRA), Tax Administration (TAK), Civil Registration Agency (CRA) all of these institutions provided additional information during the process of handled cases related to the conflict of interest.

**Problems identified-** Praising the activity and work done during 2014, we have also identified several problems related to the prevention of conflict of interest, noting that the problems identified are of technical nature, and it is worthy to mention the issue the senior officials had in dismissing of authorized persons from their businesses or where they were working previously due to the problems with the co-owner or with the owners of no contacts or who are not in our country, also material problems noticed by ACA related to the prevention of conflict of interest are related to the legislation in force which stipulates no circumstances that, in our opinion, should have been regulated by Legal acts, and would have a larger effect in prevention of conflict of interest.

**Requirements of institutions and senior officials for the evaluation of conflict of interest situations-** During 2014, ACA noticed an increase in relation to requirements by the institutions and senior officials to ACA related to evaluation of conflict of interest in discharge of public function. The reason behind these issue is the entry into force of the Criminal Code of the Republic of Kosovo, that considers conflict of interest as criminal offence in certain matters.

**Informational Meetings and Trainings with officials and institutions** – During this reporting year, ACA officials carried out a number of informational meetings and trainings with the senior officials of central and local level, as well as, with representatives of several institutions responsible for implementation of laws related to the conflict of interest area.

During 2014, the Division for Prevention of conflict of interest, marked an increase of its performance in terms of identification and handling cases related to conflict of interest situations in discharge of public function, as the number of handled cases has increased this year.

**Sources for identification of conflict of interest cases** - Based on current legislation in force, ACA uses many sources through which can identify the potential conflicts of interest.

As the main and basic sources of identifying the cases of conflicts of interest are: the asset declaration forms, media (electronic or print), complaints filed by citizens, various official registries, however, there are also other official sources that ACA uses, such as: Kosovo Business Registration Agency, Tax Administration of Kosovo, Civil Registration Agency etc.

**Conflict of interest cases in 2014** - In accordance with the Law on Prevention of Conflict of Interest in discharge of public function, and in general with the Anti-Corruption Law, Division of prevention of conflict of interest conducted certain activities that aimed at notification of senior officials to avoid the conflict of interest, as well as provided opinions to local and central institutions for the conflict of interests cases.

During the reporting period, ACA handled **264** suspected cases for conflict of interest. The entire process is done in cooperation that ACA had with Public Institutions, Responsible Authorities, with Public Officials, media, civil society, and through information obtained from legitimate sources.

The following table reflects the whole process and handled cases of conflict of interest during 2014.

Institutions	Cases reported for conflict of interest	Cases that avoided conflict of interest	Cases without conflict of interest	Opinions	Cases proceeded for investigation	Request for Dismissal /minor offense	Cases in procedure
Government	67	31	4	19	/	2	11
Assembly of Kosovo	5	1	1	3	/	/	/
Court /Prosecution	13	5	1	1	/	/	6
Independent Agencies	20	8	1	6	/	/	5
Public Enterprises	33	16	4	9	/	/	4
Local Government	126	77	23	8	3	5	10
Total	264	138	34	46	3	7	36

*Table 12. Total of Conflict of interest handled cases in 2014.*

Of 53 cases in procedure transferred from 2013 to 2014, in 44 cases the conflict of interest was avoided, 6 cases resulted without conflict of interest, and 3 opinions are issued.

In five (5) cases, the Agency required from the institutions, where the senior officials discharge function, to start with the dismissal procedure against Flamur Keqa- Ministry of Trade and Industry, Sretko Spasic- Municipality of Kllokot, Refki Gega- Municipality of Theranda, Viktor Mehana- Ministry of Labour and Social Welfare and Bojan Stamenkovic- Municipality of Ranillug. Of these cases, only for Flamur Keqa we received feedback, while there was no feedback on other cases.

In two (2) cases a minor offence procedure was initiated without the request for dismissal against Tasim Gubetini- Municipality of Vushtrri and Ndue Shabani – Municipality of Klina.

### **Multiple Functions**

Of the total number of forms received during the reporting period, senior officials exercising or holding two or more functions/positions have been identified. This phenomenon in legal aspect doesn't constitute a criminal offence, however it may pose potential risk of conflict of interest.

In figures, this finding is reflected as follows: 1509 senior officials who exercise or hold two or more functions/positions have been identified in total. In 1 case, a senior official holds 6 functions/positions, 10 officials hold 5 functions/positions, 31 officials 4 functions/positions, 312 officials 3 functions/positions and 1155 officials hold 2 functions/positions.

See the following figures on the below table.

6 functions/ positions	5 functions/ positions	4 functions/ positions	3 functions/ positions	2 functions/ positions	Total
1	10	31	312	1155	1509

*Table 13. Multiple Functions*

### **6.3 Prevention of Corruption in Public Procurement Activities**

The ACA activities related to prevention of corruption in public procurement is carried by the Division of Corruption Prevention in Public Procurement.

To carry out these activities, the Agency is initially based on the Law on Agency, the Law on Conflict of Interest and on monitoring the implementation of this legal framework: Law on Public Procurement, Law on Public-Private Partnership, the Law on Standardization, the Law on business organizations, the Law on Tax Administration, the Law on Trademarks and other laws relevant to the Prevention of Corruption.

In order to prevent the corruption, ACA researched many sources of information and intervened in cases suspected of violations of the law in the field of Public Procurement.

In addition to the above laws, ACA also ensures the implementation of secondary legislation documents from bidding entities, particularly of the following acts: Rules on procurement procedures; Procurement Code of Ethics; Review Procedure Regulation; Guidelines for Public Procurement Procedures.

Division for prevention of corruption in public procurement during 2014 has, continuously, observed the contracting authorities respectively publications of their activities on the website of Public Procurement Regulatory Commission (PPRC) and publications in media, which the Division considered them as source of information for potential legal violations in public procurement. The information received by the citizens and different economic operators are with special emphasis for this division related to suspicions on corruptive actions at any phase of procurement activity.

In 2014, 86 different cases have been identified for potential violations of LPP, for which is taken the decision to start procedures for prevention of corruption in public procurement, whereas on handled cases, we have filed **97** requests to the contracting authorities of the central and local level requesting

documentation for the certain activities of procurement whereby, we were timely provided with requested documentation.

In fulfilling the legal obligation to monitor the procurement activities, we filed **15** reports for participation in the observation, and have informed the contracting authority that we will be a part of the observation upon examination, evaluation and comparison of bids for specific procurement activities. It is worth mentioning that all authorities have informed the Agency for exact time and place of evaluation process. Therefore, prevention division officers participated, as observers, in several bid evaluation procedures, and in certain cases, we noted favours of economic operators, or breach of legal provisions, and as division we have made recommendations to the contracting authorities, where the same, then, acted in accordance with our recommendations based on law. It is worth mentioning that this year has been characterized with an increase of cooperation between the institutions of the Republic of Kosovo and Anti-Corruption Agency, and as a result of the increase of transparency we have received official invitation to observe the procurement process by these institutions: State Prosecutor, Ministry of Health, University of Prishtina, Kosovo Customs CPA, RTK, KEK, Municipality of Prishtina.

During the reporting year, DPCPP handled total of **86** cases in the field of prevention of corruption in public procurement, Upon handling, for **67** cases are provided opinions for prevention; **57** opinions for violations; for **7** cases opinion for no violation was provided; **3** cases the opinion was not considered; **6** cases they were closed without any proposal; **7** cases ACA participated as an observer; **2** cases were proceeded to the Department of Combating Corruption; **4** cases are being processed.

The following table reflects precisely cases that the Agency handled in 2014 on the prevention of corruption in public procurement.

Handled cases	Opinions	Without any proposal	Observer	Proceeded for investigation to DCC	In procedure
86	67	6	7	2	4

Table 14. The overview of processed cases results

### 6.3.1 Opinions on Prevention

**Opinions on prevention and opinions on violations** -ACA provided prevention opinions on 67 cases of procurement activity published in the website of PPRC. Agency reviewed these cases and found violations of relevant provisions of the Law on Public Procurement and recommended, to Contracting Authorities, to cancel the procurement. It is worth mentioning that in 10 activities where we took part in observer's capacity, the Agency provided 10 prevention opinions which contracting authorities observed them by cancelling procurement activities.

**Opinions on no violation** –ACA provided opinions on no violations of LPP, for which procurement activities the Agency considered that the process was regular and in accordance with applicable laws. (Pursuant to Article 18 paragraph 11 of Law no.03/L-159 on Anti-Corruption Agency, “The case may be reopened at any time when new circumstances may appear).

**Closed Cases** - on 6 cases, DPCPP issued a report for closure after receiving information from the contracting authority that such a procurement activity resulted in cancellation by PRB, or on the day that we made a request for documentation and in those cases where we provided advice by phone calls .



**Participation as observers** -On 7 cases where we participated in evaluation committees in observer's capacity, ended with a closure report on the grounds that there was no responsible operator, the authority has no interest in a further procurement.

**Opinions after notification of contract award** - In the opinion addressed to MH related to the tender "Supply with medicinal essential list" we came across actions which contravene the relevant provisions of the LPP. In this recommendation we requested to terminate the contract with the awarded operator who was suspected to have falsified the tender documents and put PRB and the Contracting Authority in aberration.

As for the case reviewed in KOSTT related to tender titled "Installation of measuring groups on the border between KOSTT / KEK / DSO" we provided an opinion considering that the actions of the contracting authority are contrary to the relevant provisions of the LPP, by damaging the budget in an amount of € 400,000.00 for which damage the competent authorities are conducting investigations. With regards to procurement activity "Maintaining of radiological appliances" in the University Clinical Centre of Kosovo, the Agency has been following this procurement activity for many years and considered it as a complex process, where we recommended to the concerned authority to provide the right solution to this issue as it concerns broad interest of Kosovo citizens.

**Observing cases under investigation** - We considered that there is breach of provisions of the Law on Public Procurement for 2 cases and due to lack of competence we forwarded them for preliminary investigations to Department of Fighting the Corruption within the ACA.

**Opinion on violations** (related to contract management) - In one case in 2014, we monitored administration of a public contract at the local level, therefore, based on the final acceptance report we considered that the entire procedure of was developed under LPP.

Below we present the cases in which procurement activity was discontinued after the recommendations of ACA, where 67 opinions were provided by ACA to the Contracting Authorities (Public Institutions), in 64 cases ACA recommendations for termination of procurement activities were observed.

The following table reflects the cases in which procurement activity was discontinued after Recommendations of ACA, whose total value was €28,680,803.83.

No	Institution	Tender denomination	Value of Tender
1	University of Prishtina	Accommodation of students and professors during the ski course subject	60,000.00
2	KOSTT	Security services to KOSTT facilities	163,000.00
3	Municipality of Prishtina	Cleaning and hygiene maintenance of primary healthcare facilities	250,000.00
4	QIRSK-Shtime	Services for maintaining hygienic sanitary environment and the indoor spaces	50,840.00
5	Kosovo Judicial Council Secretariat	Servicing and maintenance of IT equipment of KJCS and Courts in all regions of Kosovo along with branches.	93,427.00
6	KOSTT	Installation of measuring groups on the border between KOSTT / KEK / DSO	1,125,000.00
7	Regional Hospital-Peja	Supply with medical equipment	200,000.00
8	Regional Water Supply Company "Prishtina" JSC	Supply and application of GIS software, licenses and Hardware	250,000.00

9	TRAIKOS	Supply of diesel electric locomotives	1,430,000.00
10	Ministry of Security Force	Building sport and fitness gymnasium "KSF barracks in Pristina, divided in two phases 2014-2015	300,000.00
11	Ministry of Foreign Affairs	Service and maintenance of MFA official vehicles	1000.00
12	QKUK	Supply with medical equipment	120,000.00
13	Ministry of Education Science and Technology	Construction of primary school in Mitrovica	3,000,000.00
14	Ministry of Environment and Spatial Planning	Phase II of Drenica, Drenas and Verbovc river bed regulation	3,210,194.73
15	Municipality of Hani i Elezit	Paving the road Paldenica-Dermjak "-In Lot-s	176,000.00
16	Municipality of Klinës	Paving the roads in the town phase 2	100,000.00
17	Municipality of Vitia	Construction of wastewater sewage in the village Verbania	194,671.30
18	Municipality of Vitia	Construction of wastewater Sewage Trestenik-Sodovine e Çerkezëve	160,000.00
19	State Prosecutor	Supply of vehicles for state prosecutor	95,000.00
20	Municipality of Malisheva	Construction of primary school in village "Bubavec"	200,000.00
21	Ministry of Health	Supply with expendable medical material from essential list	272,361.71
22	KEKU	Supply with tyres	138,000.00
23	Kosovo Customs	Regular servicing, maintenance and supply, changing and balancing tires for Kosovo Customs vehicles	160,000.00
24	Ministry of Finance	Car Wash Services for Ministry of finance vehicles	2,500.00
25	QKUK	Supply with groceries	780,000.00
26	Kosovo Judicial Institute	Cleaning the facility	9,600.00
27	Private Agency of Kosovo	Security services of PAK and Socially Owned Enterprises administered by PAK	1,872,500.00
28	KEK	Health insurance services for KEK jsc workers	935,000.00
29	KEK	Capital repair of boiler and regulatory circuits of A% unit Kosovo A Power plant	4,500,000.00
30	Municipality of Prizrenit	Supply with composter for waste management in the municipality of Prizren	1,000,000.00
31	Hydro economic Enterprise "Iber-Lepenci"	Vehicle Technical Inspection of II	5000.00
32	Ministry of Economic Development	Laboratory of geological institute of Kosovo	700,000.00
33	Municipality of Klina	Supply, installation of window glass in schools and other institutions buildings	15,000.00
34	QKUK	Supply of medical equipment	50,000.00
35	Landfill Management Company in Kosovo	Supply of fuel for LMCK	700,000.00
36	Assembly of the Republic of Kosovo	Renovation of the Assembly of Kosovo facility	450,000.00

37	Municipality of Klina	Construction of sewage system fourth phase Sferka-re-tender	40,000.00
38	Municipality of Peja	Paving roads "Beteja e Shqiponjës and three annexes of road Agim Binak Qela, paving cubes in street Shefqet Mustafa and Selman Morina	48,000.00
39	Municipality of Lipjan	Construction of sewerage in village Lug	100,000.00
40	Financial Intelligence Unit	Supply of Information technology equipment	30,000.00
41	Ferizaj Regional Hospital	Supply of instruments for orthopaedics, urology surgery, abdominal surgery and gynaecology	150,000.00
42	Kosovo Property Agency	Physical security and alarm system maintenance of PAK facilities	82,200.19
43	Sheikh Zayed Hospital-Vushtri	Supply with medical and administrative inventory	30,000.00
44	Gjilan Regional Hospital	Supply with medical equipment	50,000.00
45	Municipality of Leposaviq	Supply of official vehicles for Municipality of Leposavic needs	44,000.00
46	PE" TERMOKOS" JSC	Supply with heavy oil (mazut)	3,000,000.00
47	State Prosecutor	Supply of vehicles- Re-tender	95,000.00
48	Prizren General Hospital "Prim .Dr. Daut Mustafa"	Purchase of medical equipment	200,000.00
49	Municipality of Prishtina	Repairing the plateau in front of PTK in Dardania neighbourhood	376,798.62
50	Municipality of Gjakova	Producing detailed urban regulatory plan of the area from street "Mother Teresa" Fehmi Agani "Sadik Stavileci" to street "Tivari"	15,000.00
51	KOSTT	Upgrade and update of existing RTU product	440,000.00
52	Municipality of Gjilan	Drafting regulatory plans in the Municipality of Gjilan-division into three lots	212,500.00
53	Ministry of Health	Supply and place of HIS Hardware in regional hospitals	80,000.00
54	Municipality of Prishtina	Repairing the plateau in front of Kinder Garden " Lulevera" in Dardania	210,253.48
55	Municipality of Prishtina	Creating cadastre of underground transmitters	100,000.00
56	Gjilan Regional Hospital	Supply of medical equipment: Digital Roentgen-Graph	120,000.00
57	Municipality of Lipjan	Towing of vehicles per order (tow-truck services)	<b>From own source revenues</b>
58	KEKU	Capital repair of boiler at A5 tc unit Kosovo A Power plant	<b>4,651,031.60</b>
59	Post and Telecommunications of Kosovo JSC	Supply of mobile phones ( smart phones)	55,000.00
60	University of Prishtina	Physical security of areas in UP facilities	50,000.00
61	Municipality of Ferizajit	Supply a mammography apparatus for diagnosing breast cancer, 10 handsets for ECG and 5 sterilizer for the needs of Family Health Centre	52,000.00

62	Ministry of Justice	Vehicle maintenance of (MJ, SCA, AAPSK)	67,025.20
63	Ministry of Health	Supply of medicine Mycophenolate Mofetil	143,000.00
64	Municipality of Ferizaj	Supply a mammography apparatus for diagnosing breast cancer, 10 handsets for ECG and 5 sterilizer for the needs of Family Health Centre (Administration of Contract)	64,900.00
			28,680,803.83

*Table 15. Discontinued procurement activities based on opinions of ACA*

The following table reflects the cases where procurement activity was not discontinued following recommendations by ACA in an amount of 3,961,700.19

No	Institution	Tender denomination	Value of Tender
1	Municipality of Podujeva	Supply with fuel for municipal institutions	34,460.00
2	KOSTT Sh. a.	Installation of measurement groups on the border between KOSTT / KEK / DSO	2,327,240.19
3	QKUK	Maintenance of radiological equipment	1,600,000.00
<b>Total:</b>			3,961,700.19

*Table 16. Overview of cases whose procurement activity was not discontinued by Contracting Authority*

## 7. Professional support and Public Relations

Within the Office of Director, there are certain units performing administrative and professional services and cultivate a spirit of transparency by providing professional support to agency staff. This support is provided by these offices and unit:

- Office for support, cooperation and information;
- Human Resources; and
- Procurement

### 7.1 Office for support, cooperation and information

Activities of ACA related to Office for support, cooperation and information are led by chief of office, senior legal officer, IT system administrator and senior official of archives. Regarding its activities

during the reporting period, the Office for support, cooperation and information, is concentrated in these activities:

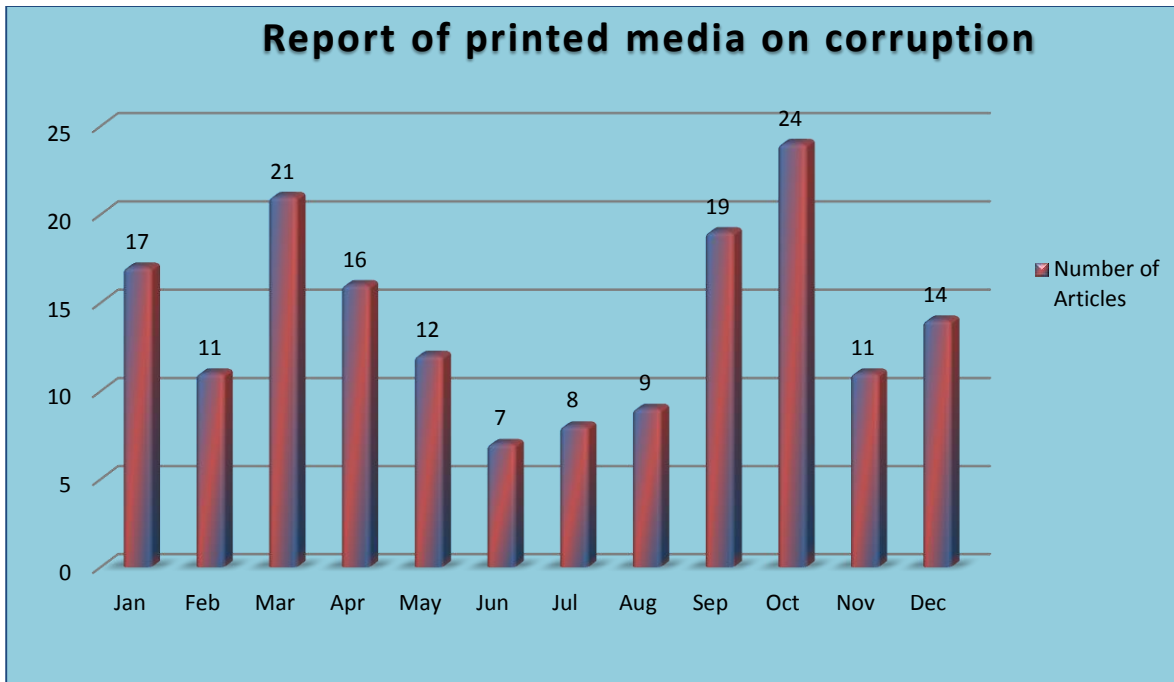
- International cooperation;;
- Meetings with journalists and citizens;
- Press conferences and releases;
- Media monitoring;
- Legal Aid
- Administration of information technology
- Central Archive.

Cooperation and information - ACA has consistently cultivated the spirit of good cooperation with international organizations and institutions. During 2013, the Agency officials participated in several local and international conferences, where they gained experience in fighting and preventing corruption. International student, have expressed continuous interest in ACA, they received the willingness of Director and staff of the Agency to inform them about the Agency's work in general.

Meetings with journalists and citizens -During the reporting period, there was a great interest for initiatives and activities of ACA, from the media community, civil society and from the public, where is demonstrated a willingness to cooperate closely in the fight against corruption. ACA officials was always willing to offer to any interested the professional help and cooperation in cases where there was grounded suspicion of corruption cases.

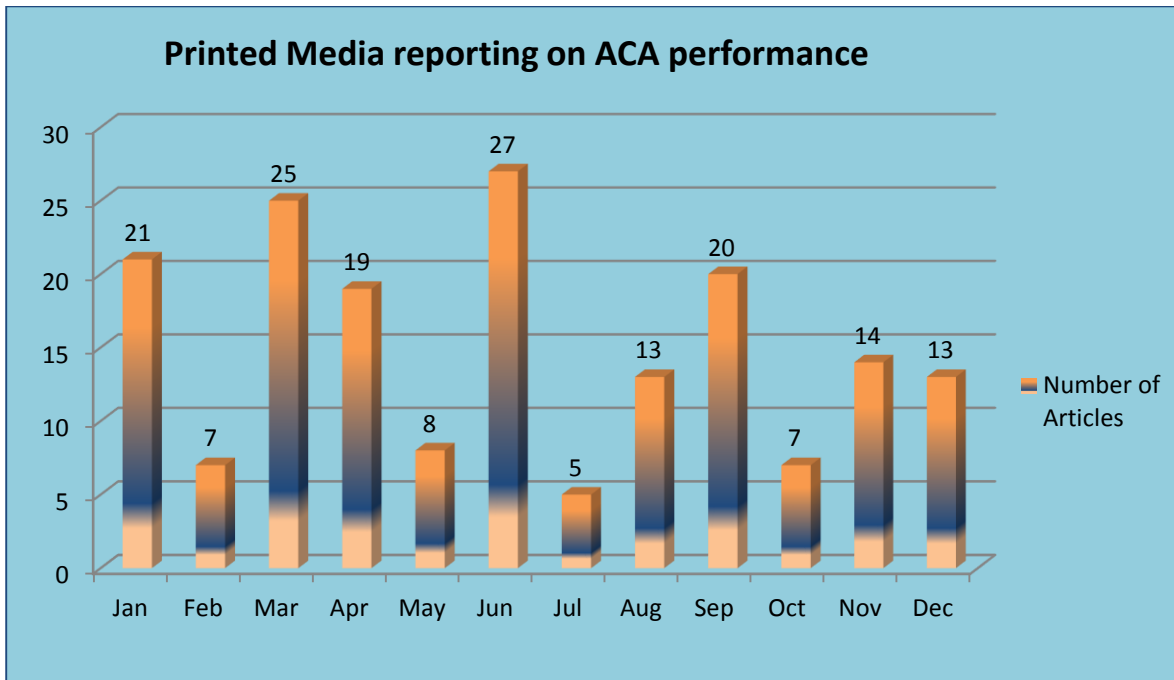
**Press conferences and releases** - During the reporting period, ACA played an important role in publicizing and distributing press releases about the activities for investigating suspected cases of corruption but also in declaration of assets of senior officials, in all printed and electronic media. During this period over 3000 declaration of assets, 288 decisions for conflict of interest, 64 opinions as well as tens of press conferences, notifications, reactions, meetings, published in ACA website and most of them were transmitted in the media. A high interest of the media and public in general has been expressed on the occasion of the announcement of the declaration of assets of senior public officials and conflict of interest and ACA annual report.

**Media Monitoring** -Media publication on ACA performance are collected and these reports of media are included in a brochure, where media have presented the work of Anti-Corruption Agency in 2014. Also another engagement was media monitoring related to reports regarding the suspected corruption activities by individuals in public institutions. During 2014 around 169 articles on suspicion of corruption were published in printed and electronic media. The table below reflects graphically the number of articles of corruption that were published by printed media in Kosovo in 2014.



*Chart 5. Articles about corruption in daily newspaper by months in 2014*

Regarding the work of the ACA total of 179 articles, interviews, comments, and various opinions about agency's work were published. In terms of assessment of positivity reports for this institution, it appears that over 80% of articles were positive for ACA work. The chart below reflects graphically the number of published articles in printed media of Kosovo on the work of ACA by months in 2014.



*Chart 6. Number of articles of all printed media about Agency's performance*

**Legal affairs** have been directed at providing Legal Advice concerning the legal scope and responsibilities of the Agency in providing professional legal support to employees of the Agency, in drafting decisions and other legal submissions to the needs of the Agency and in representation of cases initiated, by the Agency, in judicial institutions.

**Representations** During 2014 many cases initiated by the Agency were represented in judicial institutions. The representation was made in Basic Courts and when needed in State Prosecution.

**Legal requisitions**-During 2014 as per need and requests, legal requisitions were drafted and issued (decisions, requests, and other reports) as well as legal advice were prepared.

- **IT system management**

In terms of information technology (IT), data digitization, ACA noted improvement, respectively progress was made both in terms of hardware and software.

During 2013, ACA modified the web application - SDRP (Asset Declaration and Registration System) in accordance with changes made in the forms of declaration of assets, under current law of declaration of assets.

Along with this, ACA database called SDRP (Asset Declaration and Registration System)) advanced technically and practically. We also made further advancement in ADRS, especially in terms of extracting the analytical reports for declaration of assets of senior public officials.

Furthermore we developed SDRP-in Declaration and Registration of Property section, by enabling digital and real time extraction of report of senior public officials having declared their assets, whose assets are checked based on draw.

Also SDRP was established in department of Fighting the Corruption in ACA, providing an opportunity to digitalize the data in this department.

Even this year we continued to publish the declaration of assets in the same way, by using SDRP, in this case SDRP automatically does processing of inputted data, and issues specific registers for each officer in PDF format, which registers we publish on the website of ACA: <http://www.akk-ks.org/?cid=1,1178>.

During 2014 all ACA users were shifted from Windows XP operating system to Windows 7, as well as from MS Office 2007 to MS Office 2010.

We concepted and designed the establishment of computer and telephone local network, whereby successfully concluded the project on installing the new network, with cables and other supporting equipment of category 6. Also we built necessary telephone infrastructure so that we can transfer in future to "Voice Over IP".

Each year, system of information technology has improved and followed the technology along with professionalism.

- **ARCHIVE**

ACA archive office concluded the 2014 on 31.12.2014 with protocol number 04-5097/14 (five thousand and ninety seven). Two protocol books were used during 2014. First book started with number 01.01.2014 and ended with serial number 03-2000/14 (two thousand), on 02.06.2014, whereas second protocol book started with number 03-2001/14 (two thousand e one), on 02.06.2014 and ended with serial number 04-5097/14 (five thousand and ninety seven). All incoming and outgoing documents are registered in the protocol book, the internal ones are forwarded to the director of ACA

for signature, whereas external report, according to the internal policy for managing archive are forwarded to the Director, chiefs of divisions and to respective official for further procedure. The documents received in the Agency, upon recording in the protocol book they are forwarded to relevant organisational units, retaining evidence for received files and submitted. Declaration of assets is recorded in a special protocol managed by Division for Assets Oversight.

**Department for fighting corruption requisitions**-Department's documents are scanned and archived by protocol number, (signed by the director and registered in protocol with number 01, whereas incoming reports to this department were registered with number 02) such as: requests for documents, return documents, were forwarded to officials in charge, to Chief of Division and Director of Department. Based on declaration for safeguarding Agency's confidentiality, the following were not archived and scanned in electronic archive: criminal charges, confidential reports, notification for parties, requests for confirmation.

**Department of Prevention requisitions**- the signed files by Director of Agency were registered in protocol with number 01, whereas incoming reports for this department were registered in protocol with number 03, such as: requests for documentation, return documentation, opinions by Division of Prevention of Conflict of Interest, decision for closing the case of Conflict of Interest, requests for offense procedure about non-declaring assets, notifications for officials of Division for Assets Oversight .

**Division of General Operation and Finance requisitions**- Based on the decision of Director of Agency, with protocol number 01/3048/2010, on date 01.09.2010 the archive official was entrusted to hold the Agency-s change money-PTKSH-in. In 2014 ACA was entrusted with change money in an amount of 2000 euro. Of this amount ACA spent total 1577.33 euro and 422.67 were returned. During this period quarterly, biannual, three quarterly and the final one annual for payment made with PTKSH forwarded to Division of General Operation and Finance.

## **7.2 Human Resources**

During the reporting period, the Personnel Office has fulfilled its obligations and responsibilities prescribed under the rules of procedure established by law.

The main objective of this Office was staff capacity building through various training and workshops organized both nationally and internationally where a considerable number of ACA staff attended. Find attached the evidence of training for this period. ([Annex II](#))

## **7.3 Public Procurement**

During the reporting period the Agency, being the contracting authority, developed procurement activities by supply and services procurement types.

In the table below are outlined procurement activities:

Procedure	Type of procurement activity	Number of Activities	Contract Price, including all taxes, etc.
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Supply	Price quote	11	36,478.13
Services	Price quote	5	11,496.15
Supply	Minimal value	6	2,315.24
Services	Minimal value	3	1,226.80
Supply	Open procedure	1	12,898.45
Services	Open procedure	2	0.01
Total			64,414.77

*Table 17. Public Procurement activities Overview*

## 8. Administration, Budget and Finances

Administration and finances of the agency are managed by a separate division (Division of General Operations and Finances) that focuses his work on the performing administrative services, dealing with budget and finances, translations, warehouse, and management of property of agency.

Based on internal estimates of organizational units, requests for budgetary allocation have been prepared. Assembly of the Republic of Kosovo and the Government approved the request of ACA, by allocating funds for 2014. The following table reflects budgetary allocation by economic categories:

No.	Economic Categories	Approved Budget (initial)	Revised Budget (final)
1	Wages and Salaries	293,709.00	<b>340,204.00</b>
2	Goods and Services	181,291.00	<b>124,097.00</b>
3	Utilities	10,000.00	<b>8,500.00</b>
	Total	485,000.00	<b>472,801.00</b>
4	WB Grant (World Bank)	113,900.00	<b>113,900.00</b>
	<b>Grand total</b>	<b>598,900.00</b>	<b>586,701.00</b>

*Table 18. Budgetary allocation overview by economic categories*

The table shows that the difference between the initial and final budget, this difference resulted from Government's decision to raise wages and salaries, reducing the fund in Goods and Services category and Utilities category, also registering savings on the occasion of budget revision.

### o Implementation of expenditures

No.	Economic Categories	Budget	Expenditure	% e turnout
1	Wages and Salaries	340,204.00	340,202.41	<b>99.9</b>
2	Goods and Services	124,097.00	109,288.42	<b>88.06</b>
3	Utilities	8,500.00	3,588.24	<b>42,21</b>

	Total	472,801.00	453,079.07	95.82
4	WB Grant (World Bank)	113,900.00	101,994.01	89.54
	Grand Total	586,701.00	555,073.08	94.61

*Table 19. Reflects budget implementation by economic categories*

Budget implementation has been satisfactory in 2014. From total allocation of € 472,801.00, € 453,079.07 was spent, 95.82% expressed in percentage .

Anti-Corruption Agency, as beneficiary of the World Bank project, IDF Grant-P131030 Enhancing the Implementation of Public Procurement Project, has engaged two consultants, one international and one national.

World Bank allocated funds in an amount of € 113,900.00 to this project. For their Wages and Salaries € 101,994.01 were spent from this fund, or expressed in percentage 89.54%. Of the grand total of annual budget of € 586,701.00, € 555,073.08 were spent, or 94.61%.

## 9. ADDRESSING OF OFFICE OF AUDITOR GENERAL RECOMMENDATIONS

During the reporting period the Office of Auditor General, following the audit, provided several recommendations to the Agency. Below are presented recommendations and Agency's management actions related to them.

Recommendations	Management Actions	Planned End date	Responsible Person
1. Recommendation 1 Director of ACA shall ensure additional controls within the payments sector, so that costs are classified and recorded in accordance with approved accounting plan.	Director and Senior management will take the necessary measures so that cost classification and registration is in full accordance with the accounting plan and other legal and financial provisions.	Ongoing	Senior Management
2. Recommendation 2 Director of KTA shall ensure full competition and transparency in the development of procurement procedures, so that public money is used economically, efficiently and effectively	It has been and will be among the first priorities that the use of public money is done transparently, efficiently and economically, while respecting all procedures required by the Public Procurement Law.	Ongoing Process	Senior Management, Procurement Office
3. Recommendation 3 Director of ACA should review the issue of transport and to contract for supply of tickets with a travel agent. The contract shall be established through regular procurement procedures	Please be assured that in all cases of tickets purchase we decided for those with the lowest price. Procurement Office has initiated procedures for selection of an operator for providing these services, and now we have a contract.	In process	Senior Management, Procurement Office

4. Recommendation 4 Director of ACA should reinforce controls on payment execution process. Payments process shall be made in full compliance with the steps defined in LPFMA, and with the Treasury.	Senior Management and financial officials are committed that the process of payment will be made in full compliance with the LPFMA and the Treasury.	In process	Senior Management, MAO, MFO and other financial officials.
5. Recommendation 5 Director of ACA shall reinforce internal controls so that maternity leave payment is calculated and implemented in accordance with applicable provisions.	Personnel office undertook all necessary measures and all payments are made under Regulation on Civil Servants Leave.	In process	Senior Management, Personnel Office
6. Recommendation 6 Director of ACA shall ensure that assets records are harmonized with each other, so that the information reported is complete and accurate.	Please be assured that this process will be in full compliance with Regulation for Management of Non-Financial Asset of Budget Organizations.	In due time	Senior Management, Assets Officer

*Table 20. Overview of recommendations of Office of the Auditor General*

## 10. LESSONS AND RECOMMENDATIONS

While performing its mission, the Agency noticed that some issues need further improvement in the future, by taking some joint institutional steps in order to have an effective coordination between institutions that have for a mission the fight against corruption as well as other issues listed as follows:

**No frequent amendments of Legal framework** - whereas result of frequent amendment and supplementation of anti-corruption legal framework it was observed that is proving ineffectiveness. The Agency recommends not to amend the legal framework so frequently. There should be longer period of time to implement it before analyzing and upgrading it pursuant to Agency's demands when there is a real need to improve it;

**Establishment of common database** - with aim of establishing a common institutional system, the Agency recommends to establish a common database of all the mechanisms whose mission is fighting the corruption, in order for data to be used jointly based on each institution's mission;

**Common investigation methodology** - In order to become effective and have common methodology in investigation practices, ACA recommends organizing of joint trainings with Prosecution, Police and Agency. Also it is very important to establish joint investigative task forces between these institutions in order to become more effective;

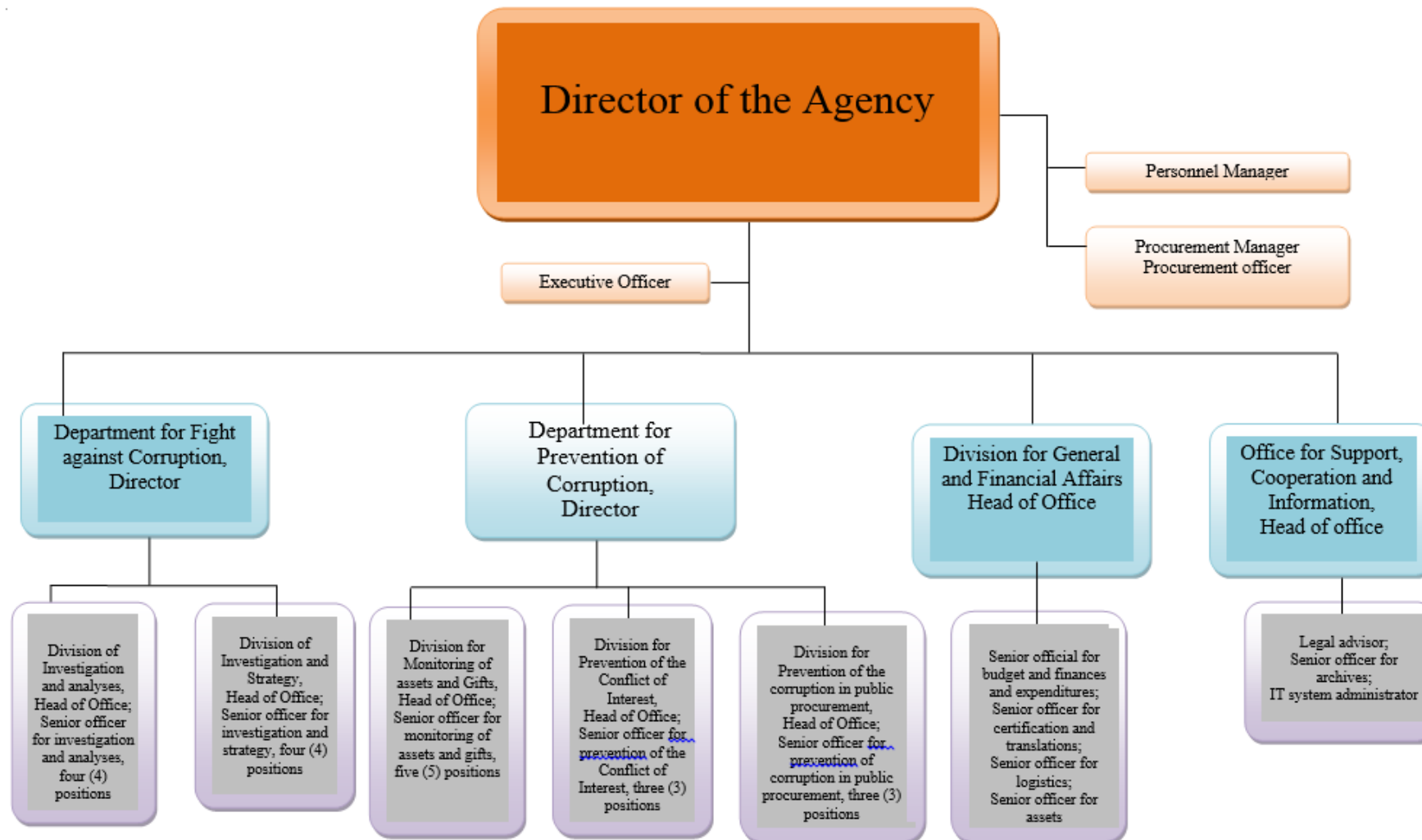
**Publication of indictments and judgments** - Publication of indictments, judgments, names of the accused persons and the names of convicted persons for corruption would have a positive impact in increasing citizens' confidence in the justice system in general;

## 11. CONCLUSION

Agency remains fundamentally committed in strict implementation of laws that define its mission, and will continue to be committed as a part of chain of other state mechanisms to do its best in strengthening the rule of law. We are aware that for succeeding against corruption, requires strong cooperation and commitment of all mechanisms. Therefore ACA is committed with strong readiness to cooperate with all stakeholders in Kosovo in order to produce concrete results in fighting and preventing Corruption.

## Annexes

### Annex I . Organizational Chart of the Anti-Corruption Agency



**Annex II -Table of trainings in 2014**

Nr.	Training type	Organized by	Location	Date	Number of attendees (officials)
1.	Communication -conflicts, teams and teamwork	KIPA	Prishtina	10-11.02.2014	2
2.	Project Management	KIPA	Prishtina	13,14,20 dhe21.02.2014	2
3.	Enhancing administrative capacities in procurement field in Kosovo	KRPP	Prishtina	21.01.2014	3
	Public procurement audit, monitoring, finding irregularities, frauds, mistakes	KRPP	Prishtina	18-19-20.02.2014	2
4.	Statistical package for the social sciences	KIPA	Prishtina	19-20-21.02.2014	1
5.	Improving Administrative Capacities in the Area of Public Procurement	The European Commission Kosovo	Prishtina	18-20.02.2014	2
6.	Workshop "Tracking the Money"	Economic Crime Institute	Prizren	21.02.2014	1
7.	Initial training for IPA2 (2014-2020)	KIPA	Prishtina	24-25.02.2014dhe 26-27.02.2014	2
8.	The right to protect informants and linking with public administration legislation	KIPA	Prishtina	26-27.02.2014	2
9.	Java Programming	AUK	Prishtina	25.02.2014	1
10.	Workshop on the collecting, storing and reporting of statistics for evaluation purposes	Council of Europe Project Economic Crime in Kosovo (PECK)	Prishtina	26-27.02.2014	1
11.	Conference about rule of law and democracy	Public University of Tetova	Tetova	12.03.2014	1
12.	Ethics and Anti- Corruption in Public Administration	KIPA	Prishtina	12-13.03.2014	1
13.	Functioning of state administration in RK	KIPA	Prishtina	24-25.03.2014	2
14.	Workshop Tracking Money	PK	Peja	04.04.2014	1
15.	Performance Evaluation	KIPA	Prishtina	31.03-14.04-2014	1
16.	„SPSS (Statistical Package for the Social Sciences )	KIPA	Prishtina	31.03-02.04.2014	1
17.	Financial Investigations Advanced Techniques	PK	Prishtina	22.04-25.04.2014	1
18.	Train the Trainers	UNDP	Prishtina	22.04.2014	7
19.	HRMIS-Human Resources Information System	MPA	Prishtina	29.04-06.05.2014	1
20.	EU Rule of Law and its implementation	KIPA	Prishtina	05-08.05.2014	2
21.	Analyzing current forms of corruption within Kosovo	Kosovo Police	Prishtina	06-07.05.2014	1

	police and justice and developing proposals for crime prevention based on analyses				
22.	Enhancing cooperation of mechanisms against corruption	ACA&UNDP	Ohrid	23-25.05.2014	7
23.	Human rights in Kosovo	KIPA	Prishtina	26.-27.05.2014	1
24.	Rules of Procedure for ACA	ACA	Ohrid	05-08.06.2014	7
25.	Basic Training for Public Procurement	KIPA	Prishtina	June-July	1
26.	How to train effectively in Integrity Management and Integrity Planning-challenges and solutions	UNDP	Prishtina	22.04.2014 21.05.2014 19-20.06.2014	2
27.	Ethical Leadership Accredited Training	RESPA	Danilovgrad	23-27.06.2014	2
28.	" Investigating money laundering, tracing assets and international mutual legal assistance "	Economic Crime Institute	Prishtina	23-27.06.2014	2
29.	Activity 4.4	Kosovo Police	Prishtina	24-26.06.2014	1
30.	Leading financial crimes investigations	Kosovo Police	Prishtina	14-16.07. 2014	1
31.	Procurement basic professional certificates	KIPA	Prishtina	2014-2016	1
32.	Smuggling, customs offenses and taxes investigation	Kosovo Police	Prishtina	08-10.09.2014	1
33.	Ethics and Protocol	Friedrich Ebert Stiftung	Prishtina	21.09.2014	1
34.	International Conference on "Enhancing international cooperation in the fields against money laundering and financing of terrorism"	PECK Project	Prishtina	23.09.2014	2
35.	Conflict of Interest in Public Administration	KIPA	Prishtina	29-30.09.2014	2
36.	International Conference on "Improving of cooperation in the fight against corruption	PECK Project	Prishtina	28.10.2014	2
37.	Increased communication and sharing information between the KJC and external stakeholders and the Bangalore Principles of Judicial Conduct	UNDP (UNODC)	Prishtina	29-30.10.2014	2
38.	Workshop on Stabilization and Association Agreement in Kosovo / Presentation of Aquis requirements for Chapter 23 - Judiciary and Fundamental Rights	GIZ project in Kosovo in cooperation with the Institute for European Policy headquartered in Berlin	Prishtina	30-31.10.2014	3

Table All. List of trainings in 2014

*Anti-Corruption Agency*

*Report corruption at:*

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