ADMINISTRATIVE REFORM IN THE MEDITERRANEAN REGION

Summary of Serbia and Montenegro

*Lello Esposito, an important contemporary Neapolitan artist, created and donated the cover artwork, which revolves around the colours of the Mediterranean featured in the web site: blue, green, and yellow
The views expressed do not imply the expression of any opinion whatsoever on the part of the United Nations and of Italian Department for Public Administration and Formez.
The very recent political events that have led to the creation of the Federal Yugoslav Republic of Serbia and Montenegro have caused a radical change in the institutional framework.

In 2002, the National Assemblies of the two States, along with the National Assembly of the Federal Republic, adopted a formal document that contains the constitutional principles for the Federation of Serbia and Montenegro.

The Union of the States took the name of Serbia and Montenegro and has the typical characteristics of a constitutional republic, with a mixed parliamentary-presidential system. The following constitutional bodies operate within Serbia and Montenegro: the Assembly, the President, the Council of Ministers, and the Court.

Following the formal adoption of the Constitutional Charter, elections for the constitutional bodies were called, with the objective of ensuring equal representation for both Serbia and Montenegro in all state institutions.

The Assembly is made up of a single Chamber that includes representatives from both Serbia and Montenegro, elected according to the electoral laws of each member state, compatibly with the principles established by the Constitutional Charter.

The President is elected by the Assembly of Serbia and Montenegro and is in charge of appointing the members of the Council of Ministers and supervising their work.

The Council of Ministers is made up of five departments: foreign affairs, defence, international economic relations, internal economic relations, protection of minorities and human rights. There are 9 Ministries.

The Court of Serbia and Montenegro, made up of a joint committee of judges from the two member states, is in charge of juridical functions at the constitutional and administrative levels and dictates criteria and modalities of action for each sector of the state administration.

Despite the recent efforts to unify Serbia and Montenegro in a single state, the two countries, although they are now part of a unitary state, still retain significant political and administrative autonomy...

The Republic of Montenegro is a democratic state and is a member of the Union of the States of Serbia and Montenegro. Its main constitutional bodies are: the Parliamentary Assembly, the President of the Republic, elected by universal suffrage to a five-year term, and the Government. There are 16 Ministries. Montenegro launched a reform process aiming mostly at long-term training for public sector employees, thanks to a train and bring staff up to date promoted by the Institute for Public Administration, for which the Ministry of Justice is responsible.

Serbia is a democratic republic, headed by the President who is elected by universal suffrage.

In terms of constitutional organisation, the Serb Republic has a parliament, called National Assembly, made up of 250 representatives elected by universal suffrage every four years.

The Government is made up of the Prime Minister, the Deputy Prime Minister, and 19 Ministers each in charge of a single sector.

Particular attention must be paid to the role played by public institutions operating within the government that are responsible for planning and implementing administrative reform.
**Agency for the Development of the Public Administration**

The Agency for the Development of the Public Administration was established by the Serbian Government in February 2001 with the goal of addressing and supporting government reforms in the field of bureaucratic and administrative development. It was created in order to support the implementation of the Serbian Government’s reform programme; it is a planning organism and offers skills and operational support in order to reach the standards of a modern public administration, by trying to adapt international best practices to the Serbian state’s available resources. The Agency aims to establish a long-term reform programme that involves all the sectors of the Public Administration, as well as implementing an immediate programme for change to renew the existing administrative apparatus, and to update human resources management techniques, administrative procedures, the professionalism of public sector staff and of the procedures to offer services to the citizenry. In fulfilling its institutional duties, the Agency is closely linked to the Prime Minister’s Office and to the Council for Public Administration, another consultative body of the Serbian government that was established in February 2001.

**PA Reform Unit assigned to the Office of the Prime Minister (PARU)**

This unit was recently created within the Office of the Prime Minister. Its internal role is merely consultative. It does not have operational tasks; instead it guarantees the legitimate implementation of administrative reform efforts by favouring the coordination of different administrations at the central level. It collaborates with the PA Council, the Ministry of Justice, institutions in charge of administrative control, the Government’s Secretary General, and the Ministry of Finance.

The PARU is staffed by experts and financed by the State. It has the obligation to report periodically to the government on its research, publication, and training activities.

It is in charge of evaluating the state of the PA, identifying its needs, helping institutions along their reform process, and gathering information and knowledge from other countries.

During the 1990’s the Serb Republic’s organisational model changed drastically from a completely decentralised system to a highly centralised one, in which most of the duties of the public administration were performed by the constitutional bodies themselves. The original 1991 law on Ministries identified the Ministry for Justice and Local Self-Government as the body responsible for implementing administrative policies, without specifying the actual tasks that the ministry had to perform.

This poorly defined legislative framework and lack of a long-term plan was therefore at the root the scarce attention paid to the PA and its lack of unitary, organic development.

Because of this, administrative reform was initially addressed to the highest levels of government, eventually reaching the local level and a direct contact with the population.

The immediate measures taken by the reform effort strongly emphasise macro-economic stabilisation and privatisation. The balance between economic policy and institutional reforms reflects Serbia’s conviction that privatisation, market creation and private sector development are essential components of reform.

Given that the country is not yet perfectly stable from a political point of view, the initial scope of reform focused mostly on the **reconstruction** and **modernisation** of the system, with a precise
goal: improving policies, improving the public administration’s receptiveness to the needs of the users, and making public services more efficient.

Serbia has been able to rely on basic strategies that have already been used in developed countries in order to manage pressures on the state apparatus: for example, through privatisation processes that are compatible with the structure of the PA and the consequent minimisation of the administrative system, through the direct management of certain public aspects at the hands of private institutions.

The new Serbian government is facing a growing need to integrate with Europe, and has therefore set a goal for itself to reach qualitative standards in state and administrative organisation that match those of Western European countries, in order to improve the efficacy and efficiency of the PA and to orient it towards meeting the needs of the citizens as its priority mission.

Immediate reform efforts have therefore focused on the central government’s primary need to acquire the necessary capacities to set strategic priorities and organise standard state functions.

Immediate reforms that have been undertaken by the governments have mainly addressed the following sectors:

1. Legislation
2. Organisation
3. Personnel

LEGISLATIVE ACTIVITY

Serbia has progressively adapted its existing body of laws to its reform needs, and has evaluated new legislative proposals for sectors in which legislation is lacking:

Numerous other legislative proposals have been made, including a law that would create the institutional position of ombudsman, a general law on PA, new regulations on PA staff, and new legislative proposals regarding territorial organisation in the Serb Republic.

ORGANISATIONAL CHANGES

From a strictly organisational and structural point of view, the public administration reform effort became operational starting from a detailed analysis of the state of the nation.

This was summarised in an official document, the so-called Diagnostic Study on Public Administration: “The central administration of the Serbian government – organisational challenges”, that was drafted in collaboration with experts from Denmark (based on data gathered between April and September 2001).

In May 2002, a law on the organisation of ministries created the Ministry for Public Administration and Local Self-Government, which is a central co-ordinating agency that has become the operational centre for PA reform. This institution’s main goal is to define the guidelines and co-

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1 The main laws that have been adopted deal with the following issues: local self-government (2002); elections for local institutions (2002); procurement and modifications of regulations on public employment (2001) which gave employers the right to evaluate the performance of PA employees on an individual, case-by-case basis; salaries in the PA and in public services (2001); state budget (2002); Ministry organisation and structure (2003); creation of the Agency for the development of small and medium-size firms (2001); creation of Chambers of Commerce (2001); creation of the Agency for privatisation (2001); introduction of regulations to protect consumers (2002).
ordinate the activities for the modernisation of public administrations and local authorities. The new ministry complements the already existing Serbian Government’s Council for Public Administration and the Agency for the Development of the Public Administration.

The year 2002 also saw the creation of the Serbian Government Commission for Access to the European Union and the Council for European Integration. This institution aims to harmonise legislation in order to allow the Serbian administration to pursue integration with the European Union, in close co-operation with the Ministry for International Economic Relations.

The Ministry for Public Administration and Local Self-Government also created a central agency for human resource management in the public administration. Its main task is creating a single registry for public sector employees that will allow for continuous evaluation of education levels and professional development, thus creating a database for planning personnel management and introducing modern human resource management techniques.

The Serbian government’s reform efforts have also tried to modernise the public administration by introducing new functions for public administration bodies and special units that focus on planning and implementing reforms.

The initial priority was to homogenise administrative reform in every sector of the PA, by creating European integration departments, centres for the development and management of human resources, and units for the promotion of ICT. The aim of these efforts was offering optimal working conditions and creating the skills necessary for the successful modernisation of the PA, through the application of managerial and professional principles to the public sector.

The next step was to analyse the functionality of ministry structures, in order to determine the adequacy of existing staff and working methods, as well as the needs of the ministries in light of their new responsibilities.

The introduction of ICT in the PA was another important step, especially from an organisational and operational point of view. It started with the purchase of hardware and the subsequent creation of networks regarding human resource management and law preparation. These innovations sped up the decision making process, improved the functioning of the PA as well as its internal communication structure, and increased the efficiency of public sector workers.

TRAINING OF PUBLIC ADMINISTRATION STAFF.
Reforms in the human resource sector have aimed to improve staff efficiency and efficacy. Serbia tried to create a new profile for its public sector staff, starting with recruitment, which is now focused on the ability and skills of candidates, evaluated according to objective selection criteria. The next step is a series of programs to train workers and update their skills. The overall goal of these efforts is to create a professional class ready to tackle upcoming changes in a positive way.


In general terms, the Serb Government’s administrative reform programme focuses on the following areas of intervention:
- Distinction between politics and administration and clarification of professional roles for public administration officials.
- Administrative decentralisation and creation of a new relationship between different levels of the administration.
- Improving service quality, efficiency, and efficacy.
- Public, transparent, and coherent decision-making processes.
- Simplification of procedures and of employment policies in the public administration.
- Developing and updating personnel skills in order to upgrade the professional level of public administration staff, in order to improve productivity and efficiency in providing services to the citizenry.
- Introduction of quality standards and ethical principles in order to fight corruption (in 2001-2002 the Council for the Fight against Corruption was created as a consultative Government body).
- Development of channels of communication with the citizenry and creation of a professional figure for the protection of citizens’ rights (the new legislative programme calls for the appointment of an ombudsman).
- Development of policies and mechanisms to keep public spending under control (creation of a Commission for the Optimisation of Public Spending).
- Progressive image and identity changes in the administrative apparatus in order to establish a new, trust-based relationship between citizens and the state (creation of a Special Commission for the Supervision of the Activities of Public Administration Bodies).
- E-government reform
- Legislative, regulatory, and judicial reform
- Reform for integration with the EU and subsequent membership.