



Fair Market Conditions for
Competitiveness in the Adriatic Region
Manual for Policy Makers
Serbia



Introduction

In the South East Europe (SEE) region, businesses continue to identify corruption and lack of transparency as key constraints to economic growth and competitiveness. Similarly, the *OECD Competitiveness Outlook for South East Europe* from [2018](#) and [2021](#) found a number of policy shortcomings. These range from limited practical support for whistle-blowers and a lack of business integrity mechanisms to insufficient fining for anti-competitive behaviour and risks of politicisation of state-owned enterprises' governing boards.

The OECD Project [Fair Market Conditions for Competitiveness in the Adriatic Region](#), funded by the Siemens Integrity Initiative, addresses these obstacles and provides the context for this manual. The Project aims to support the creation of a level playing field in three pilot countries from the region (Bosnia and Herzegovina, Croatia and Serbia) to enhance competitiveness and integrity. Levelling the competitive playing field can help boost productivity, efficiency, output quality and innovation. Eventually, a level playing field increases a country's level of competition and economic development as well as the economic well-being of its citizens. In this context, the Project's focus areas are 1) awareness raising about integrity standards and good practices; 2) capacity building and implementation support of recommendations on transparency and efficiency of anti-corruption and competition authorities; 3) promotion of knowledge on international standards and practices on anti-corruption and integrity in academic curricula.

By building on an extensive set of OECD analyses – primarily, the *OECD Competitiveness Outlook* – and good practices from OECD member countries, as well as input from external experts and stakeholders, several key recommendations have been developed. These recommendations are related to the areas of anti-corruption, competition and state-owned enterprises (SOEs) which are considered particularly relevant for creating fair market conditions.

To support efforts to create fairer market conditions, the Project has produced a number of key documents providing analysis and policy recommendations along implementation advice, notably three Country Profiles and a series of twelve Policy Briefs on key OECD instruments and standards.

This practical manual for Serbia brings together these different documents, thereby helping policy makers to navigate the extensive analysis and advice. It summarises the main policy recommendations for the country and maps, for each of them, where detailed guidance and practical implementation advice can be found to help policy makers advance concrete reforms and track progress in the implementation.

Reader's Guide to This Manual

This manual for Serbia brings together the different documents developed within the scope of the Project on [Fair Market Conditions for Competitiveness in the Adriatic Region](#) and helps policy makers to navigate this wealth of information.

Most crucially, this manual summarises in its core part – the “mapping” – the key policy recommendations developed in the Project across the three key components anti-corruption policy, competition policy and SOEs framework.

To help policy makers in Serbia access key information assisting them to design policy reforms and good practice advice in implementing them, the manual lists for each of the key policy recommendations the most important reference documents with policy guidance. It references, for instance, those chapters and sub-chapters of the Country Profile providing detailed information on the design of according policy reform. Similarly, it lists those Policy Briefs detailing key OECD tools that can assist policy makers in the design and the implementation of reforms. Additionally, it lists important OECD publications providing policy and implementation advice for the specific area that were developed outside the scope of the Project. As such, this manual gives policy makers in Serbia access to a wealth of information in a structured and easy-to-use way.

In its final section, this manual lists the relevant OECD bodies working on the relevant areas. This information is intended to allow policy makers to reach out to the OECD and its members to engage in policy dialogue and peer learning to benefit the continuous improvement of policy measures, thereby ensuring an enhanced impact of the implemented reform.

Mapping of Main Policy Recommendations and Key Reference Documents

	Suggested Reform Component	Key Reference Document	
		Name of Document	Type of Document
Anti-Corruption Policy	Extend public asset disclosure to the office staff of public officials	<ul style="list-style-type: none"> OECD Publication: Fair Market Conditions for Competitiveness in Serbia (2022), Chapter 1.1 	Country-specific diagnostics, policy recommendations and good practice advice
		<ul style="list-style-type: none"> OECD Policy Brief for the Adriatic Region on Open Government (2022) 	OECD instrument and good practice advice for the Adriatic Region
		<ul style="list-style-type: none"> OECD Publication: Public Integrity Handbook (2020), Chapter 9. Openness 	Thematic policy guidance and implementation advice
	Support whistle-blowers with measures such as free advice, financial and psychological assistance	<ul style="list-style-type: none"> OECD Publication: Fair Market Conditions for Competitiveness in Serbia (2022), Chapter 1.1 	Country-specific diagnostics, policy recommendations and good practice advice
		<ul style="list-style-type: none"> OECD Policy Brief for the Adriatic Region on Whistle-blower Protection (2022) 	OECD instrument and good practice advice for the Adriatic Region
		<ul style="list-style-type: none"> OECD Publication: Committing to Effective Whistleblower Protection (2016) 	Thematic policy guidance and implementation advice
	Develop a dialogue platform for civil society	<ul style="list-style-type: none"> OECD Publication: Fair Market Conditions for Competitiveness in Serbia (2022), Chapter 1.2 	Country-specific diagnostics, policy recommendations and good practice advice
		<ul style="list-style-type: none"> OECD Policy Brief for the Adriatic Region on Open Government (2022) 	OECD instrument and good practice advice for the Adriatic Region
		<ul style="list-style-type: none"> OECD Publication: How to Conduct Monitoring by Civil Society (2014) 	Thematic policy guidance and implementation advice

Raise awareness about relevant academic research, by supporting universities in information campaigns and in the creation of an online academic platform	<ul style="list-style-type: none"> OECD Publication: Fair Market Conditions for Competitiveness in Serbia (2022), Chapter 1.1 	Country-specific diagnostics, policy recommendations and good practice advice
	<ul style="list-style-type: none"> OECD Policy Brief for the Adriatic Region on Education for Integrity (2021) 	OECD instrument and good practice advice for the Adriatic Region
Introduce mandatory public reporting on assessments for corruption proofing of legislation	<ul style="list-style-type: none"> OECD Publication: Fair Market Conditions for Competitiveness in Serbia (2022), Chapter 1.2 	Country-specific diagnostics, policy recommendations and good practice advice
	<ul style="list-style-type: none"> OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions (1997, updated in 2021) 	Thematic policy guidance and monitoring instrument
Deploy reporting mechanisms such as business ombudsmen for corruption related issues in business	<ul style="list-style-type: none"> OECD Publication: Fair Market Conditions for Competitiveness in Serbia (2022), Chapter 1.3 	Country-specific diagnostics, policy recommendations and good practice advice
	<ul style="list-style-type: none"> OECD Policy Brief for the Adriatic Region on Whistle-blower Protection (2022) 	OECD instrument and good practice advice for the Adriatic Region
	<ul style="list-style-type: none"> OECD Publication: The Role of Ombudsman Institutions in Open Government (2018) 	Thematic policy guidance and implementation advice
Strengthen the law on lobbying by introducing the duty for institutions to publish reports on lobbying that approached them	<ul style="list-style-type: none"> OECD Publication: Fair Market Conditions for Competitiveness in Serbia (2022), Chapter 1.3 	Country-specific diagnostics, policy recommendations and good practice advice
	<ul style="list-style-type: none"> OECD Policy Brief for the Adriatic Region on Transparency and Integrity in Lobbying (2022) 	OECD instrument and good practice advice for the Adriatic Region
	<ul style="list-style-type: none"> OECD Publication: Lobbying in the 21st Century: Transparency, Integrity and Access (2021) 	Thematic policy guidance and implementation advice
Monitor the investigation and prosecution of high-level corruption by collecting, analysing and publishing data	<ul style="list-style-type: none"> OECD Publication: Fair Market Conditions for Competitiveness in Serbia (2022), Chapter 1.4 	Country-specific diagnostics, policy recommendations and good practice advice
	<ul style="list-style-type: none"> OECD Publication: Compendium of Good Practices on the Use of Open Data for Anti-Corruption (2017) 	Thematic policy guidance and good practices

	Support universities replicating anti-corruption legal clinics	• OECD Publication: Fair Market Conditions for Competitiveness in Serbia (2022), Chapter 1.4	Country-specific diagnostics, policy recommendations and good practice advice
		• OECD Policy Brief for the Adriatic Region on Education for Integrity (2021)	OECD instrument and good practice advice for the Adriatic Region

	Suggested Reform Component	Key Reference Document	
		Name of Document	Type of Document
Competition Policy	Strengthen the role of the Energy Agency of the Republic of Serbia by giving it more influence, more human resource and a role as a market enforcer by enabling it to impose sanctions	• OECD Publication: Fair Market Conditions for Competitiveness in Serbia (2022), Chapter 2.1	Country-specific diagnostics, policy recommendations and good practice advice
		• OECD Policy Brief for the Adriatic Region on OECD Recommendations on Competitive Neutrality (2022)	OECD instrument and good practice advice for the Adriatic Region
	Allow for the full transposition of EU Network Codes and fully transpose the Regulation on Wholesale Energy Market Integrity and Transparency	• OECD Publication: Fair Market Conditions for Competitiveness in Serbia (2022), Chapter 2.1	Country-specific diagnostics, policy recommendations and good practice advice
		• OECD Policy Brief for the Adriatic Region on OECD Recommendations on Competitive Neutrality (2022)	OECD instrument and good practice advice for the Adriatic Region
	Foster further alignment with the 2014 EU directives on public procurement	• OECD Publication: Fair Market Conditions for Competitiveness in Serbia (2022), Chapter 2.2	Country-specific diagnostics, policy recommendations and good practice advice
		• OECD Policy Brief for the Adriatic Region on the OECD Public Procurement Principles (2021)	OECD instrument and good practice advice for the Adriatic Region
		• OECD Recommendation of the Council on Fighting Bid Rigging in Public Procurement (2021)	Thematic policy guidance and monitoring instrument
	Complete the unbundling and third-party access in the gas sector	• OECD Publication: Fair Market Conditions for Competitiveness in Serbia (2022), Chapter 2.2	Country-specific diagnostics, policy recommendations and good practice advice
		• OECD Policy Brief for the Adriatic Region on OECD Recommendations on Competitive Neutrality (2022)	OECD instrument and good practice advice for the Adriatic Region

Monitor if state aid is granted in line with state aid control regulations	<ul style="list-style-type: none"> OECD Publication: Fair Market Conditions for Competitiveness in Serbia (2022), Chapter 2.2 	Country-specific diagnostics, policy recommendations and good practice advice
	<ul style="list-style-type: none"> OECD Policy Brief for the Adriatic Region on OECD Recommendations on Competitive Neutrality (2022) 	OECD instrument and good practice advice for the Adriatic Region
	<ul style="list-style-type: none"> OECD Roundtable Background Note: Competition, State Aids and Subsidies (2010) 	Thematic policy guidance and good practices
Establish a comprehensive registry of state aid	<ul style="list-style-type: none"> OECD Publication: Fair Market Conditions for Competitiveness in Serbia (2022), Chapter 2.2 	Country-specific diagnostics, policy recommendations and good practice advice
	<ul style="list-style-type: none"> OECD Policy Brief for the Adriatic Region on OECD Recommendations on Competitive Neutrality (2022) 	OECD instrument and good practice advice for the Adriatic Region
	<ul style="list-style-type: none"> OECD Roundtable Background Note: Competition, State Aids and Subsidies (2010) 	Thematic policy guidance and good practices

	Suggested Reform Component	Key Reference Document	
		Name of Document	Type of Document
SOEs Framework	Implement the new ownership strategy	• OECD Publication: Fair Market Conditions for Competitiveness in Serbia (2022), Chapter 3.1	Country-specific diagnostics, policy recommendations and good practice advice
		• OECD Policy Brief for the Adriatic Region on Anti-Corruption and State-Owned Enterprises (2022)	OECD instrument and good practice advice for the Adriatic Region
		• OECD Guidelines on Anti-Corruption and Integrity in SOEs (2019), Chapter B. Exercise of State Ownership for Integrity	Thematic policy guidance and monitoring instrument
	Strengthen transparency and professionalism of SOE board nomination process	• OECD Publication: Fair Market Conditions for Competitiveness in Serbia (2022), Chapter 3.1	Country-specific diagnostics, policy recommendations and good practice advice
		• OECD Policy Brief for the Adriatic Region on Anti-Corruption and State-Owned Enterprises (2022)	OECD instrument and good practice advice for the Adriatic Region
		• OECD Publication: Professionalising Boards of Directors of SOEs: Stocktaking of National Practices (2018)	Thematic policy guidance and good practices
	Improve SOE monitoring and disclosure practices	• OECD Publication: Fair Market Conditions for Competitiveness in Serbia (2022), Chapter 3.2	Country-specific diagnostics, policy recommendations and good practice advice
		• OECD Policy Brief for the Adriatic Region on Anti-Corruption and State-Owned Enterprises (2022)	OECD instrument and good practice advice for the Adriatic Region
		• OECD Guidelines on Anti-Corruption and Integrity in SOEs (2019), Chapter D. Accountability of SOEs and the State	Thematic policy guidance and monitoring instrument
	Raise awareness about the OECD guidelines on anti-corruption and integrity in SOEs and the OECD recommendation on big rigging in public procurement	• OECD Publication: Fair Market Conditions for Competitiveness in Serbia (2022), Chapter 3.2	Country-specific diagnostics, policy recommendations and good practice advice
		• OECD Guidelines on Anti-Corruption and Integrity in SOEs (2019)	Thematic policy guidance and monitoring instrument

Streamline SOEs legal status and eliminate any legislative difference that could fair distort competition	<ul style="list-style-type: none"> • OECD Publication: Fair Market Conditions for Competitiveness in Serbia (2022), Chapter 3.3 	Country-specific diagnostics, policy recommendations and good practice advice
	<ul style="list-style-type: none"> • OECD Policy Brief for the Adriatic Region on OECD Recommendations on Competitive Neutrality (2022) 	OECD instrument and good practice advice for the Adriatic Region
	<ul style="list-style-type: none"> • OECD Publication: Business and Finance Outlook (2019), Chapter 4. Trust and the Level Playing Field – The Evolving State Ownership 	Thematic policy guidance and implementation advice
Implement the amendments of the law on public enterprises by monitoring the compliance to appointment deadlines to professionalise SOE management	<ul style="list-style-type: none"> • OECD Publication: Fair Market Conditions for Competitiveness in Serbia (2022), Chapter 3.4 	Country-specific diagnostics, policy recommendations and good practice advice
	<ul style="list-style-type: none"> • OECD Policy Brief for the Adriatic Region on Anti-Corruption and State-Owned Enterprises (2022) 	OECD instrument and good practice advice for the Adriatic Region
	<ul style="list-style-type: none"> • OECD Publication: Professionalising Boards of Directors of SOEs: Stocktaking of National Practices (2018) 	Thematic policy guidance and good practices

Where do we go from there?

This manual for Serbia brings together the different documents developed within the scope of the Project on Fair Market Conditions for Competitiveness in the Adriatic Region and helps policy makers to navigate this wealth of information.

By mapping the main policy recommendations and key reference documents providing detailed advice on the design and the implementation of reforms, this manual is intended as a how-to-guide for policy makers in Serbia to access information as needed. In a concise and graphical way, it shows for each of the key reforms the relevant sources of information among the Country Profile chapters and chapter sections, the Policy Briefs and OECD documents developed outside the project scope.

As the economic context in Serbia evolves, so will need to change the policy settings.

Key insights on evolving policy practices are a key consideration for OECD bodies, including Committees and Working Groups. Accordingly, this section includes, an overview of the most relevant OECD bodies working on the relevant areas.

Should policy makers in Serbia wish to engage in further policy dialogue and peer learning, they can contact the OECD Committees and the Working Groups via the OECD Global Relations and Cooperation Directorate's [South East Europe Division](#):

- Ms Anita RICHTER, Acting Head of the South East Europe Division:
Anita.RICHTER@oecd.org
- Mr Hendrik BOSSHAMMER, Project Manager at the South East Europe Division:
Hendrik.BOSSHAMMER@oecd.org

Please access the region project website for more information [Fair Market Conditions for Competitiveness in the Adriatic Region Project Website](#)

1. Competition Committee:

The primary purpose of the Competition Committee is to protect and promote competition based on rigorous research and analysis. It focuses on effective competition law enforcement, pro-competitive economic reform and improving the awareness about the benefits of competition for businesses and consumers.

The Committee produces the Competition Assessment Toolkit that helps to address issues on regulatory reform. It also holds several roundtables on subjects like the competition in the financial sector or the challenges that the digital economy raises for competition policy. Moreover, the Committee serves as a place to have discussion between legal and economic experts and competition policymakers, which can lead to the identification of good practices.

The Committee also oversees the work of three regional centres for competition, including the Regional Center for Competition in Budapest which focuses on the Central, East and South-East European region.

2. Corporate Governance Committee:

The primary purpose of the Corporate Governance Committee is to improve corporate governance policies, support good corporate practices and fulfil its responsibilities as the single international standard-setter in corporate governance.

The Committee publishes key documents and standards such as the *Recommendations of the Council on Principles of Corporate Governance* and on *Guidelines on Corporate Governance of State-Owned Enterprises*. The Principles of Corporate Governance were endorsed by G20 leaders and are the international benchmark for policymakers, investors, corporations and other stakeholders worldwide. The Committee also assists with corporate governance reforms as well as country specific projects.

3. Regulatory Policy Committee:

The primary purpose of the Regulatory Policy Committee is to strengthen the rule of law, support rule-based collaboration and promote evidence-based and innovative policymaking. It also focuses on regulatory impact assessment and administrative simplification. As such, the Committee supports policy makers in creating a fairer and more transparent environment for all economic actors.

The Committee offers guidance for effective and comprehensible regulations. It also supports policy makers to design and deliver, in collaboration with those concerned, resilient and equitable regulations. Moreover, the Committee promotes good practices and offers opportunities for the exchange of experience on a global scale notably through a partnership with about 50 international organisations.

4. Working Group on Bribery in International Business Transactions:

The primary purpose of the Working Group on Bribery in International Business Transactions is to monitor and ensure the compliance of its members vis-à-vis the *OECD Convention against Bribery of Foreign Public Officials in International Business Transactions* and related legal instruments (e.g. the 2009 and 2021 *Recommendation for Further Combating Bribery of Foreign Public Officials* or the *OECD Recommendation on Tax Measures for Further Combating Bribery*).

The Working Group encourages synergies between policy communities through breaking the silos, through open and frank exchange of information, through close co-operation in achieving common goals and through the elimination of competition among different policy communities. The Working Group also focuses on the adoption of new or changed legislation, the development of the institutional set-up for fighting bribery and on ensuring effective investigations, of foreign bribery offences.

The Working Group leads the Anti-Corruption Network for Eastern Europe and Central Asia as a regional outreach programme in which Serbia is a member.



MANUAL FOR POLICY MAKERS
SERBIA

FAIR MARKET CONDITIONS FOR COMPETITIVENESS IN THE ADRIATIC REGION PROJECT

High levels of corruption and lack of transparency are key constraints to economic growth in many countries worldwide. This Manual for Serbia aims to provide support to policy makers to access the wealth of information assembled within the scope of the Project on Fair Market Conditions for Competitiveness in the Adriatic Region and help them navigate these different documents to advance policy reforms. As such, this Manual summarises the main policy recommendations for the country and maps, for each of them, where detailed guidance and practical implementation advice can be found to help policy makers design concrete reforms and track progress in the implementation.

This Manual, along those for Bosnia and Herzegovina and Croatia, is one output of the three-year OECD project to promote fair market conditions for competitiveness in the Adriatic region, which is supported by the Siemens Integrity Initiative. Through Collective Action, government officials from the region as well as business leaders, anti-corruption experts and practitioners, civil society representatives and academics have engaged to jointly enhance integrity and transparency.

These efforts are part of the engagement of the OECD South East Europe Regional Programme, which has been collaborating with the region since 2000 to advance private sector development, improve the investment climate and raise living standards for an inclusive and sustainable future for the people of South East Europe.

**www.oecd.org/south-east-europe
oe.cd/fair-market-conditions**