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Corruption Benchmarking

Serbia

Perception of corruption at the household level
5th round, June, 2012

Report prepared for:
UNDP Serbia

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EXECUTIVE SUMMARY

1. General context

- *Serbian citizens are pessimistic regarding the country's direction (71%) and most think that their financial situation is bad or unbearable (58%).*
- *The main concern is unemployment, which is the largest and most important problem concerning the people of Serbia today (40%).*

2. Experience with corruption

- *One out of three respondents (35%) confirms that someone within their closest social circle has paid a bribe, while 14% confirm their personal experience with corruption during the last three months.*
- *Doctors, followed by police officers and civil servants, are the most frequently mentioned professionals given a bribe.*
- *The average value of a bribe is €103 –the lowest compared to all previous rounds, indicating an increase in financial and economic problems.*

3. Perception and understanding of corruption

- *Perceptions of the level of corruption in June 2012 are similar to results in November 2011. Almost half of citizens (48%) think that corruption has increased and 35% believe that it has remained the same. Expectations for the next year also remain unchanged: about 40% expect that the level of corruption will increase, 36% that it will remain the same, while 14% expect that the level of corruption will decrease.*
- *The belief that a certain level of corruption is to be expected and that it is acceptable is stronger than in the previous Survey round (48% in the previous round, compared to 59% in the current one). In addition, more citizens believe that bribery is the only way to overcome extensive bureaucracy (52% in the previous round, compared to 62% in the current one).*
- *In these citizens' opinion, only the government and state institutions have the power to confront corruption and they should assume the lead role in the fight against corruption. However these institutions are also perceived as being highly corrupt.*
- *The attribution of corruption to various sectors is stronger and more generalized compared to the previous Survey round, indicating higher socio-economical dissatisfaction overall.*

4. Anti-corruption measures

- *According to Serbian citizens, the police (47%) and Government (46%) should be leading the fight against corruption. Corruption is a social problem in Serbia and has a*

similar frequency as in the previous rounds (average 10% in the previous round, compared to 9% in the current survey).

- *The belief that the high efficiency of strong punitive measures is the most efficient means to prevent corruption has increased compared to the previous survey round (from 66% in November 2011 to 71% in June 2012).*
- *The media is the most common source of information on corruption (65%).*

5. Anti-corruption Agency

- *Awareness of the Anti-corruption Agency is increasing – 75% in June 2012 compared to 63% of citizens who had heard of the ACA in November last year.*
- *Perceptions of ACA's contribution and strength in fighting corruption remain unchanged. ACA's controlling capacity in the area of financing the political parties and the election campaigns is most frequently perceived as a small or moderate.*

6. Elections and corruption

- *One out of five (18%) citizens reports that he/she has been offered a bribe for a vote and 22% know of relatives or close friends who had a similar experience during the period of parliamentary, presidential and local elections in Serbia in May 2012.*

1. INTRODUCTION

1.1. SURVEY BACKGROUND

The United Nations Development Programme (UNDP) is supporting the Government of Serbia and civil society efforts to promote governance, accountability and transparency, and to combat corruption by monitoring the perception and incidence of corruption from the point of view of ordinary and average citizens. The survey will serve to inform future programming that will build capacities, as well as educate and raise awareness within the public and private sectors.

TNS Medium Gallup conducted an initial Corruption Benchmarking Survey in October 2009, the second round in March 2010, the third in October 2010 and the fourth in November 2011. This report presents the results of the fifth round, conducted in June 2012.

The main goal of the survey is to explore Serbian citizens' perceptions of the level of corruption in Serbia, as well as their experience with corruption.

1.2. METHODOLOGY

- Survey type: Ad hoc quantitative field survey, 5th round
- Technique: Direct, face-to-face interview
- *Questionnaire: Structured questionnaire, up to 30 minutes, standard questions in all rounds, plus a few specific questions each round.*
- Fieldwork period: June 15th – 25th, 2012.
- Territory and target group: Serbia, urban and rural, Voting population of Serbia (18+)
- Multi-phase random sampling
- Data weighted by age and education, according to national statistics

	Initial survey October 2009	2 nd round March 2010	3 rd round October 2010	4 th round November 2011	5 th round June 2012
TOTAL SAMPLE	N= 1014 respondents	N= 601 respondents	N= 600 respondents	N= 604 respondents	N= 600 respondents

Disclaimer note: the statements made in this report are those of the author and do not necessarily reflect the views of the Government of the Republic of Serbia or the United Nations Development Programme.

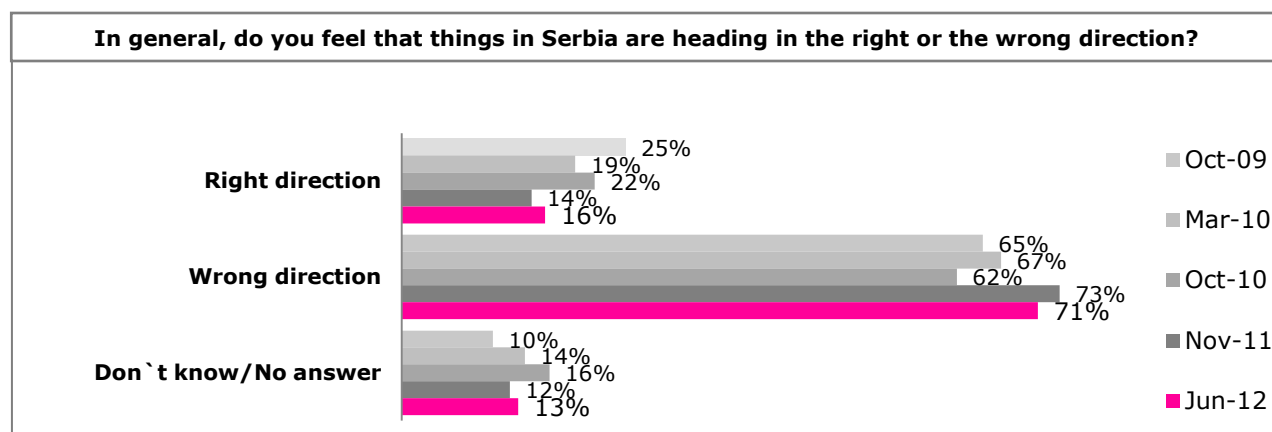
2. SURVEY RESULTS

2.1. GENERAL CONTEXT

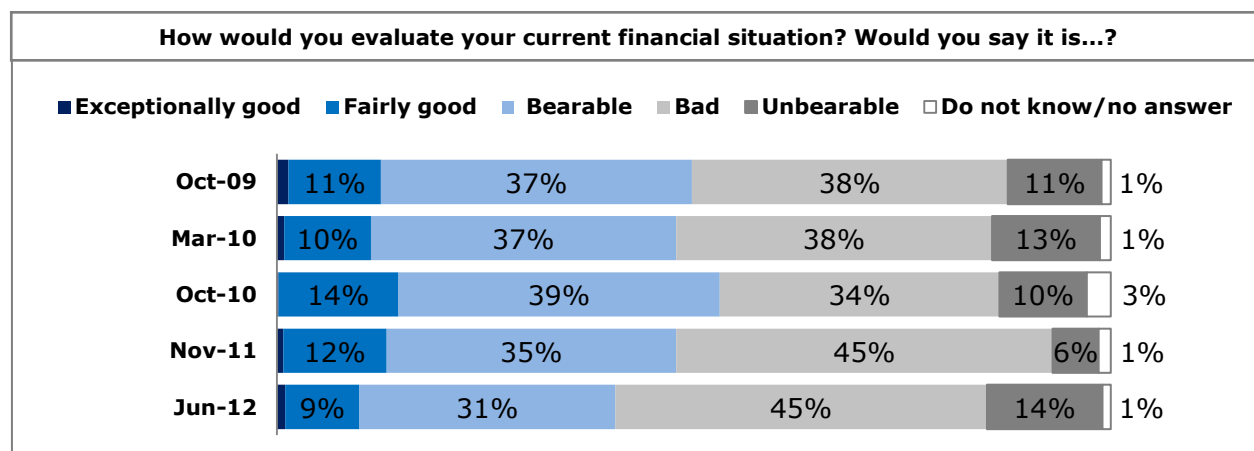
2.1.1. SOCIO-ECONOMIC SITUATION

The general impression of Serbian citizens regarding developments in their country is rather pessimistic, especially in last two rounds of the Benchmarking Survey. More than 70% feel that Serbia is heading in the wrong direction, while only 16% think that Serbia is heading in a positive direction.

A comparison of all previous survey rounds (in average) shows that fewer respondents currently think that things are heading in the right direction.



Results regarding the financial situation paint the grimmest picture so far. In June 2012, almost 60% of citizens described their financial situation as bad or unbearable. The smallest number of people report living exceptionally well or well since the first Benchmarking Survey was conducted.



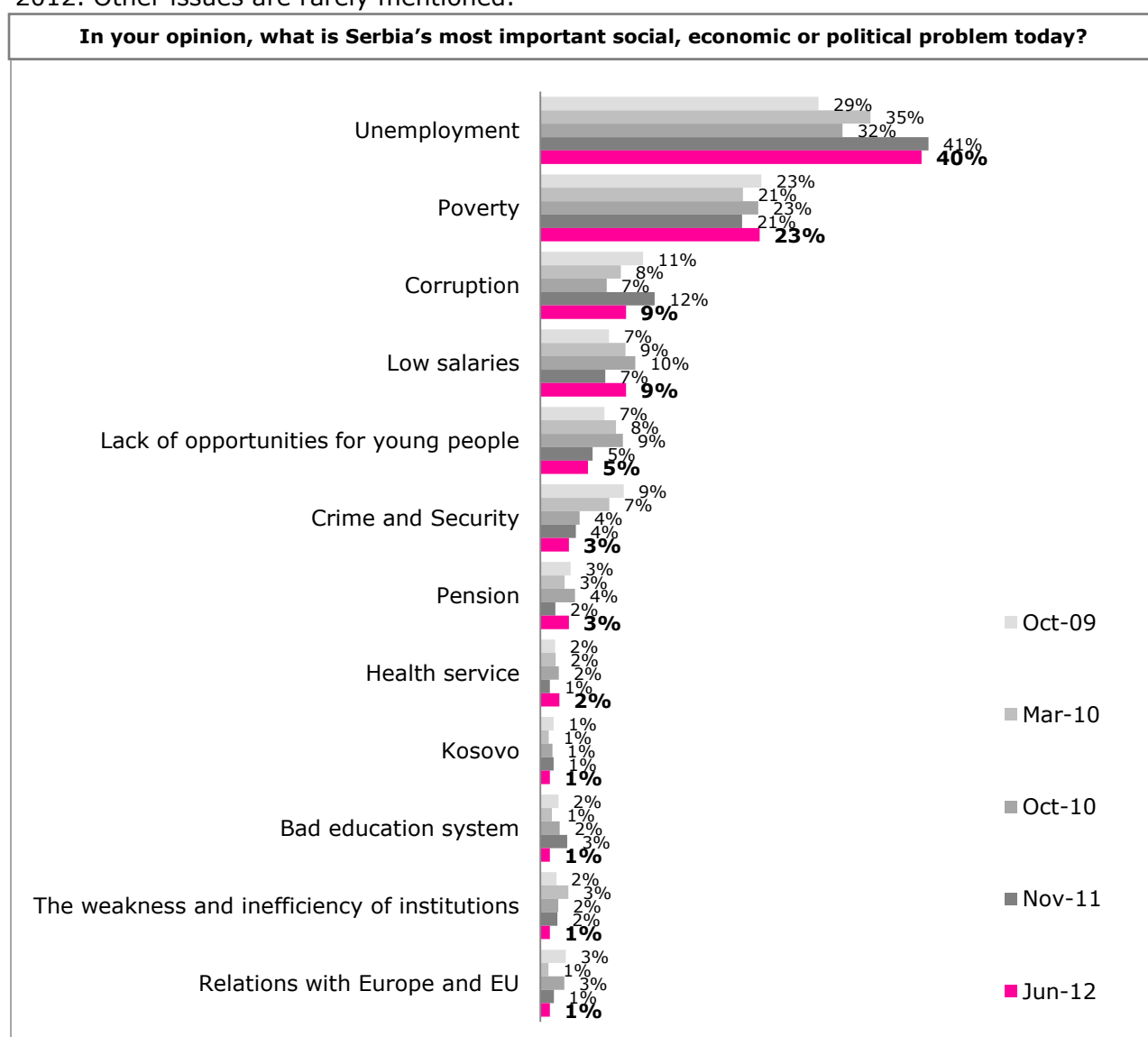
More than half of respondents (58%) say that their current financial situation is worse than 12 months ago, while 36% report that it has remained the same and only 5% say that it has improved.

Also, expectations regarding next year are not very optimistic either. Half of respondents (48%) expect there to be no change regarding their finances in the year ahead, 39% expect further deterioration, while 13% expect improvement. A more positive attitude is displayed among men - 16% of them believe they will prosper financially next year. Women more often believe that their financial situation will stay the same – 53%.

2.1.2. CONCERNS: BASIC SOCIAL ISSUES

Unemployment proves to be the greatest and most important problem concerning the people of Serbia today – 40% of respondents report this problem. Poverty (23%), corruption (9%) and low wages (9%) also prove to be major and frequently cited problems.

Unemployment is mentioned most frequently in all rounds of the survey – especially the last two rounds, indicating the economy as the main problem. Corruption is again ranked third. Lack of opportunities for young people was most important to 5% of the population in June 2012. Other issues are rarely mentioned.



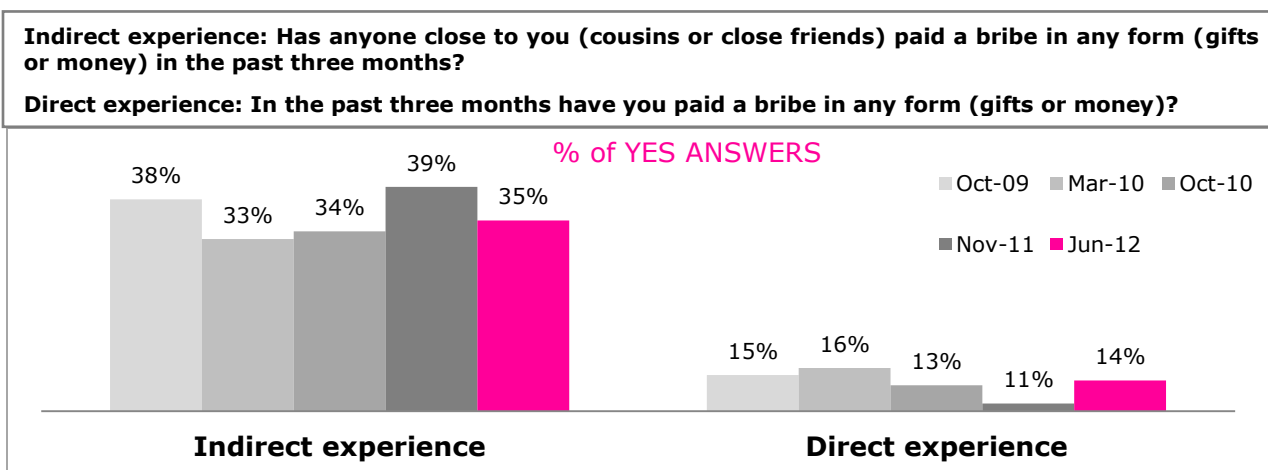
2.2. EXPERIENCE WITH CORRUPTION

Indirect experience

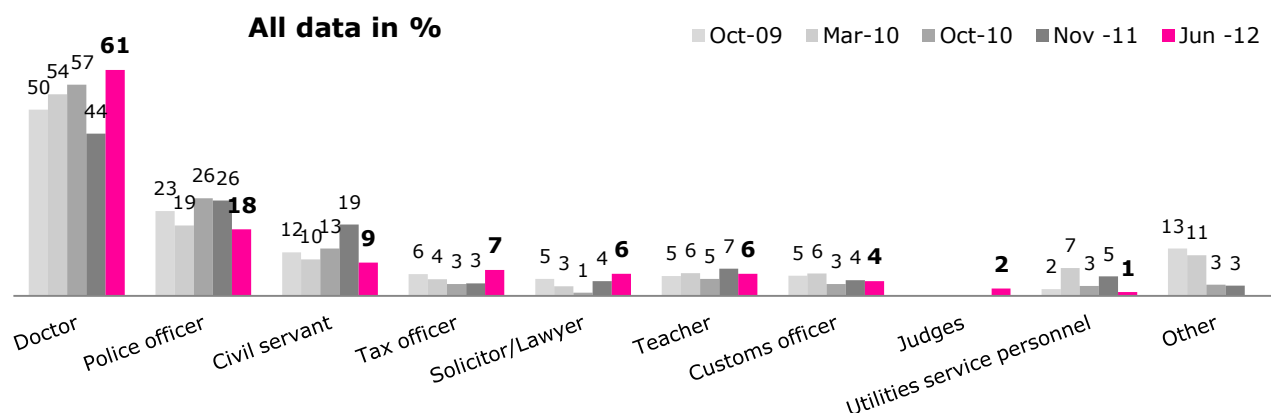
In June 2012, 35% of respondents said that someone within their closest social circle (relatives or close friends) gave a bribe during the previous three months. This is in keeping with the averages of previous surveys. In 29% of all cases the bribe was offered in order to receive a service, in 34% of cases the bribe was directly sought and in 36% of cases a bribe was offered to avoid problems with the authorities. A comparison with previous survey rounds shows that bribes offered in order to receive services and those bribes directly sought are in keeping with previous averages. Bribes offered to avoid problems with the authorities are somewhat lower than in previous rounds (an average of 45% in the previous survey, compared to 36% in the current survey).

Direct experience

Direct involvement in corruption is at a similar level as in previous surveys (14% on average). In June 2012, 14% of citizens reported that they had paid a bribe (gifts or money) and among them the majority (74%) did so once, while others had done so several times over the past three months.

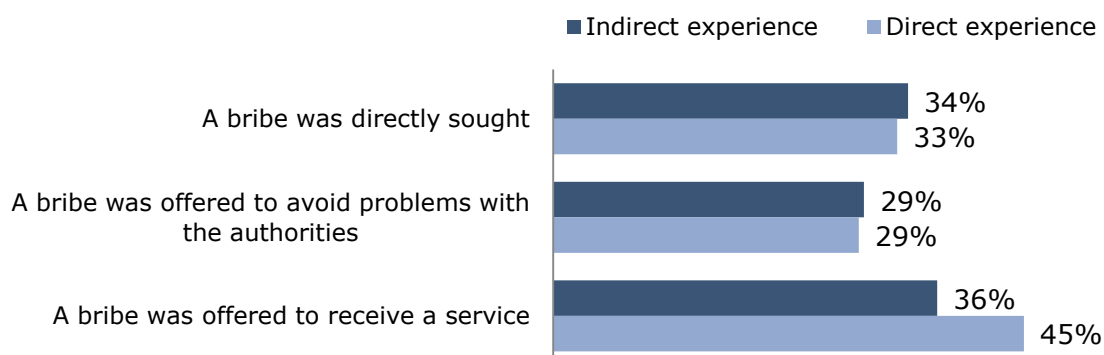


A bribe was most often given to doctors (61%), then to police officers (18%) and civil servants (9%). Doctors are now more frequently mentioned than they were in November 2011, and the trend of corruption among doctors is growing, though it declined among police officers and civil servants. Corruption in other sectors is rarely reported.

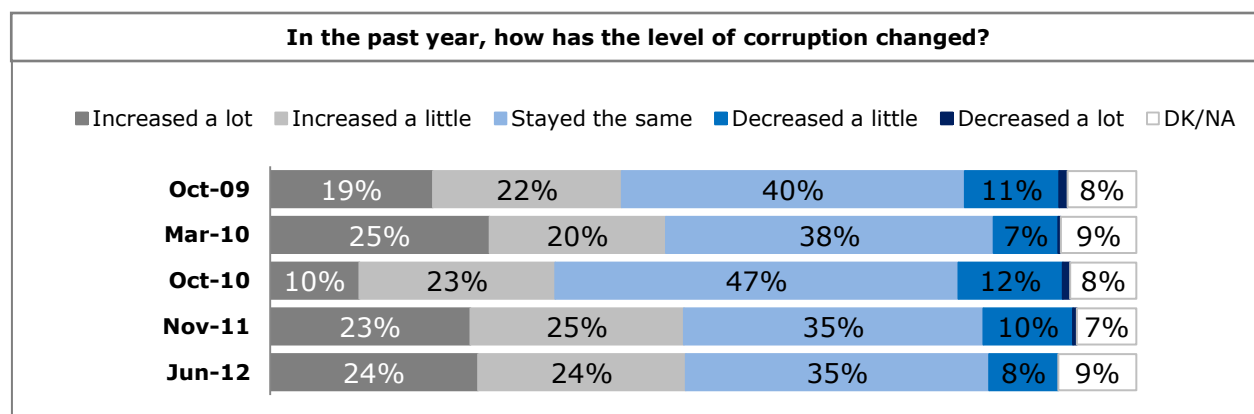
ONLY RESPONDENTS WHO PAID A BRIBE: Who got paid? MULTIPLE RESPONSES

The average sum of money paid as a bribe is €103 - lower than paid in all previous rounds, which may also indicate more severe financial circumstances and limitations. In most cases (84%), this payment had an impact on the respondent's personal budget to a great or moderate extent.

Those who paid bribes most commonly offered it themselves to avoid problems with the authorities or to receive a service (73%), while 33% of respondents say that the bribe was requested. In this round there is a decrease of directly sought bribes in comparison to the previous round (37% in November 2011).

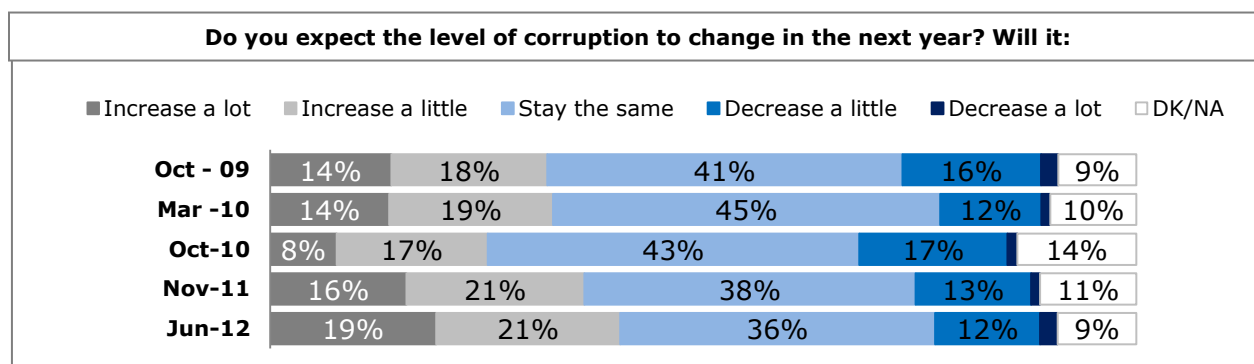
What were the circumstances under which your cousin/friend/you paid a bribe in the past three months? MULTIPLE ANSWERS JUNE 2012**2.3. PERCEPTION AND UNDERSTANDING OF CORRUPTION****2.3.1. LEVEL OF CORRUPTION****Perception of current state**

Just over a third of Serbian citizens perceive corruption to be at the same levels as they were in the past year. These results in June 2012 are similar to the results in November 2011.



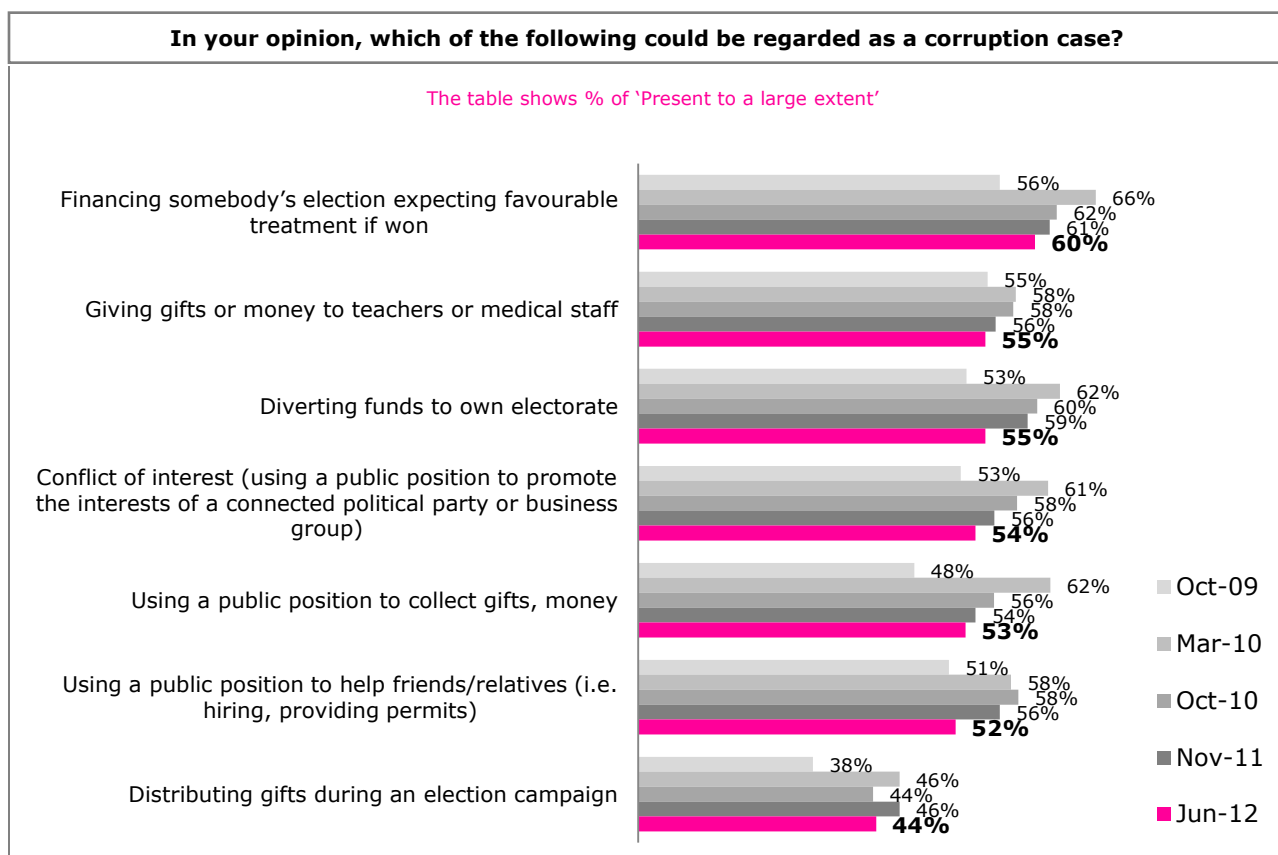
Expectations

The levels of corruption respondents expect for next year are similar to the expectations recorded in November 2011. Although in the current round more people expect an increase, a similar percentage expects a fall in corruption levels during the year ahead. However, the percentage of citizens expecting the level of corruption to remain the same is similar to figures recorded in the previous round in November 2011.



Citizens believe that all spheres of life are affected by corruption to some extent. More than half of respondents (55%) say that corruption affects their personal and family life and 70% state that it affects their business environment to a large or moderate extent. However, political life is noted most frequently - 79% of respondents perceive it as affected by corruption to a large or moderate extent.

The three most common problems according to respondents are - financing the election campaigns in order to receive benefits in return, giving gifts or cash to teachers and medical staff and diverting state funds to favour a party's own electorate.



2.3.2. PERCEPTIONS AND UNDERSTANDING OF CORRUPTION

Citizens are basically accustomed to corruption – 90% agree that corruption is commonplace in Serbia. Compared to previous rounds, expectations (and acceptance) that corruption is and will always be present to a certain level are now higher. Even more citizens than in previous rounds agree that some level of corruption is to be expected (59%) and that it is acceptable (40%). People feel that they are the victims of corruption in everyday life, while the elite are perceived as being protected and disinterested regarding corruption (85%). More than half of respondents (55%) think that corruption can be lowered through the efforts of citizens themselves, while 62% think that a person giving a bribe is as responsible as the one accepting it.

Could you express your opinion regarding the following statements?					
Scale 1 – 4; The table shows % of answers "Mostly agree" and "Completely agree" with the statement					
	Oct-09	Mar-10	Oct-10	Nov-11	Jun-12
Corruption is commonplace in our country	87%	89%	83%	88%	90%
A person giving a bribe is just as responsible as the one accepting it	57%	59%	58%	57%	62%
The elite do not care much about the low-level corruption that does not affect them. Ordinary people alone carry the burden of everyday corruption	76%	87%	81%	80%	85%
Curbing corruption is the responsibility of citizens themselves	59%	54%	59%	52%	55%
Some level of corruption is to be expected	60%	59%	56%	48%	59%
Some level of corruption is acceptable	35%	32%	32%	28%	40%

Respondents have a very negative perception of politicians and the judicial system. They believe that politicians have no real will to combat corruption, because of their own interests

and because they are themselves corrupted. This was the prevailing opinion through all five rounds of the survey. Belief that the government/politicians are incapable of stopping corruption and that, consequently, they should be replaced is even stronger in this round. Belief that the police are too corrupt to investigate cases of corruption is at a similar level compared to the last round (74%).

The work of NGOs in curbing corruption is perceived as complementing the work of government institutions. Over two thirds of respondents (73%) think that only government institutions are capable of stopping corruption, since NGOs do not have adequate capacities. Still, 42% of respondents perceive NGOs as institutions with a significant role to play in the fight against corruption.

Could you express your opinion regarding the following statements?					
Scale 1 – 4; The table shows % of answers "Mostly agree" and "Completely agree" with the statement					
	Oct-09	Mar-10	Oct-10	Nov-11	Jun-12
Politicians have no real will to fight corruption, as many of them benefit from it	81%	87%	84%	83%	87%
The Judicial System has a role to play, but is too corrupt to deal with corruption	79%	81%	80%	83%	87%
Only police (with special authorities) can deal with widespread corruption	62%	59%	62%	56%	68%
Police are too corrupt to investigate corruption	70%	71%	60%	72%	74%
As the existing government/politicians are incapable of stopping corruption, they should be replaced	72%	74%	70%	82%	87%
Recently adopted legislation on corruption will not function	52%	61%	53%	56%	69%
NGOs are too weak (do not have the capacity) to fight corruption; only government institutions can help to combat corruption	67%	69%	66%	63%	73%
NGOs have a significant role to play in fighting corruption	37%	32%	36%	45%	42%

Opinions regarding public administration and civil servants are generally more negative than those of November 2011. The percentage of those who believe that paying bribes is the only way to overcome extensive bureaucracy (62%) has increased. The prevailing opinion is still that severe penalties are the best measure for reducing corruption in public administration (82%). There is some level of "understanding" for corruption among public sector employees - 41% of respondents believe that bribery is the only way for them to survive, due to their low salaries.

Could you express your opinion regarding the following statements?					
Scale 1 – 4; The table shows % of answers "Mostly agree" and "Completely agree" with the statement					
	Oct-09	Mar-10	Oct-10	Nov-11	Jun-12
The only way to overcome extensive bureaucracy is to pay bribes	57%	55%	48%	52%	62%
Sometimes giving a bribe helps to overcome unjust regulations	60%	62%	55%	55%	56%
Municipal officials are generally corrupt	55%	59%	55%	56%	57%
Due to their low salaries, bribes are the only way for the majority of public employees to survive	37%	42%	40%	37%	41%
The stronger the punitive measures for corruption, the better officials will work	74%	76%	72%	73%	82%
Young public servants are more corrupt	37%	33%	35%	37%	45%

The prevailing opinion is that large companies represent an important link in the corruption chain. More than 70% of citizens believe that it is in the interests of major enterprises to have a corrupt government, to be able to realize their own interests. Small and medium-

sized businesses are perceived as a sector negatively affected by corruption, although not as frequently.

Could you express your opinion regarding the following statements?

Scale 1 – 4; The table shows % of answers "Mostly agree" and "Completely agree" with the statement

	Oct-09	Mar-10	Oct-10	Nov-11	Jun-12
Small and medium-sized businesses are most negatively affected by corruption	56%	56%	56%	52%	54%
Big business is interested in a corrupt government that it can benefit from	75%	77%	75%	74%	75%

2.3.3. CORRUPTION BY SECTORS

Attributing the corruption to different sectors is somewhat stronger and more generalized compared to the previous survey, indicating higher socio-economical disfunctionality. A comparison to the average level of corruption for all measured sectors together is highest in this round (55%).

These same sectors were also most commonly cited in previous rounds.

Government, judges, prosecutors and customs have a bad reputation among citizens: two thirds perceive them as being significantly or extremely corrupt. Parliament, city administration, police and lawyers are also in an unenviable position, with more than 60% of people perceiving them as corrupt. The image of city administration has significantly deteriorated compared to previous rounds (the average level of perceived corruption was 54% in the previous rounds, and it rose to 64% in June 2012).

Around half of citizens perceive education, media, international aid and donor project implementation and the financial sector as corrupt. Women and young citizens (18-34 years) are more dissatisfied than other sector of society by the level of corruption in education.

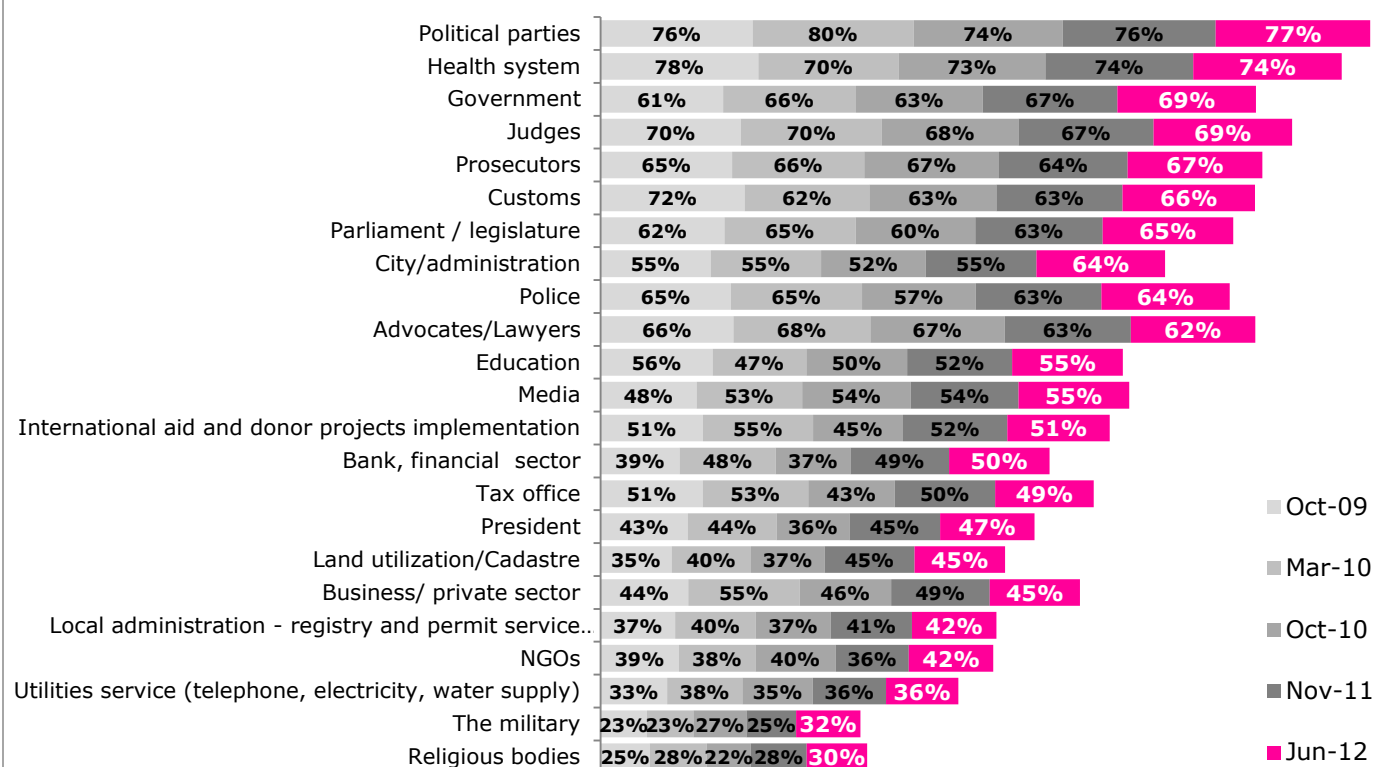
Slightly less than half of citizens think that there is a high level of corruption in the tax office, cadastre and business/private sector. The perception of the business sector has improved the most since November 2011. The image of the President is at similar level as in the previous survey (45% in November, 2011 to 47% in June, 2012).

Over a third of citizens believe there is a high level of corruption within local administration, NGO's and utilities services. The percentage regarding the NGO sector has risen since November 2011.

The military and religious bodies are perceived as being the least corrupt institutions, as was the case in previous rounds.

To what extent do you perceive the following sectors in this country as being affected by corruption?

Scale 1 – 5; The graph shows % of answers "Significantly affected" and "Extremely affected"



Political parties are perceived as the most corrupt sectors among citizens of Vojvodina and Southeast (SE) Serbia. The citizens of SE Serbia believe that the health system is extremely corrupt, significantly more than do the citizens in Vojvodina.

International aid and donor projects are perceived as very corrupt in SE Serbia, a higher perception of corruption than is held in Central West (CW) Serbia and, especially, Vojvodina. SE Serbia, with 42% of respondents choosing „extremely corrupt“ has the worst opinion of the financial sector.

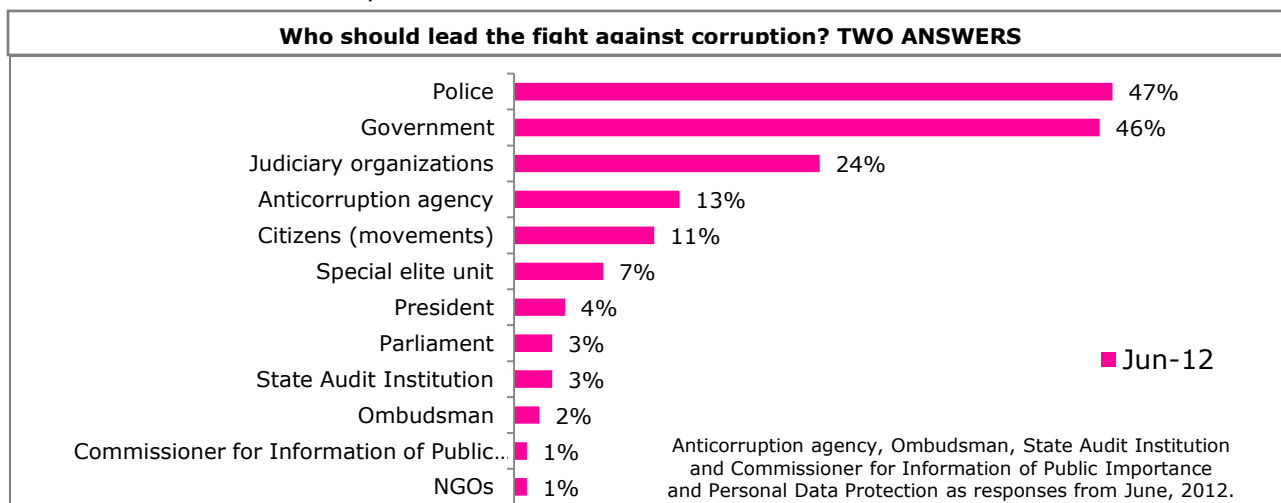
Residents of Vojvodina, CW and SE Serbia have a more moderate attitude towards the tax office. Cadastre is viewed as somewhat corrupt in Vojvodina (33%). In Vojvodina and SE Serbia the opinions about the business/private sector are also significantly more moderate than in the rest of the country.

Residents of Belgrade tend to have more extreme views on city administrations (34%). Residents of Vojvodina and SE Serbia also have more extreme views on the corruption of judges (both over 40%), while citizens of CW Serbia have a more moderate opinion (25%). Additionally, residents of Vojvodina and SE Serbia have more extreme views on the corruption of prosecutors (46% and 39%), while Vojvodina and CW Serbia have a more moderate views on customs.

2.4. ANTI-CORRUPTION MEASURES

2.4.1. COMBATING CORRUPTION

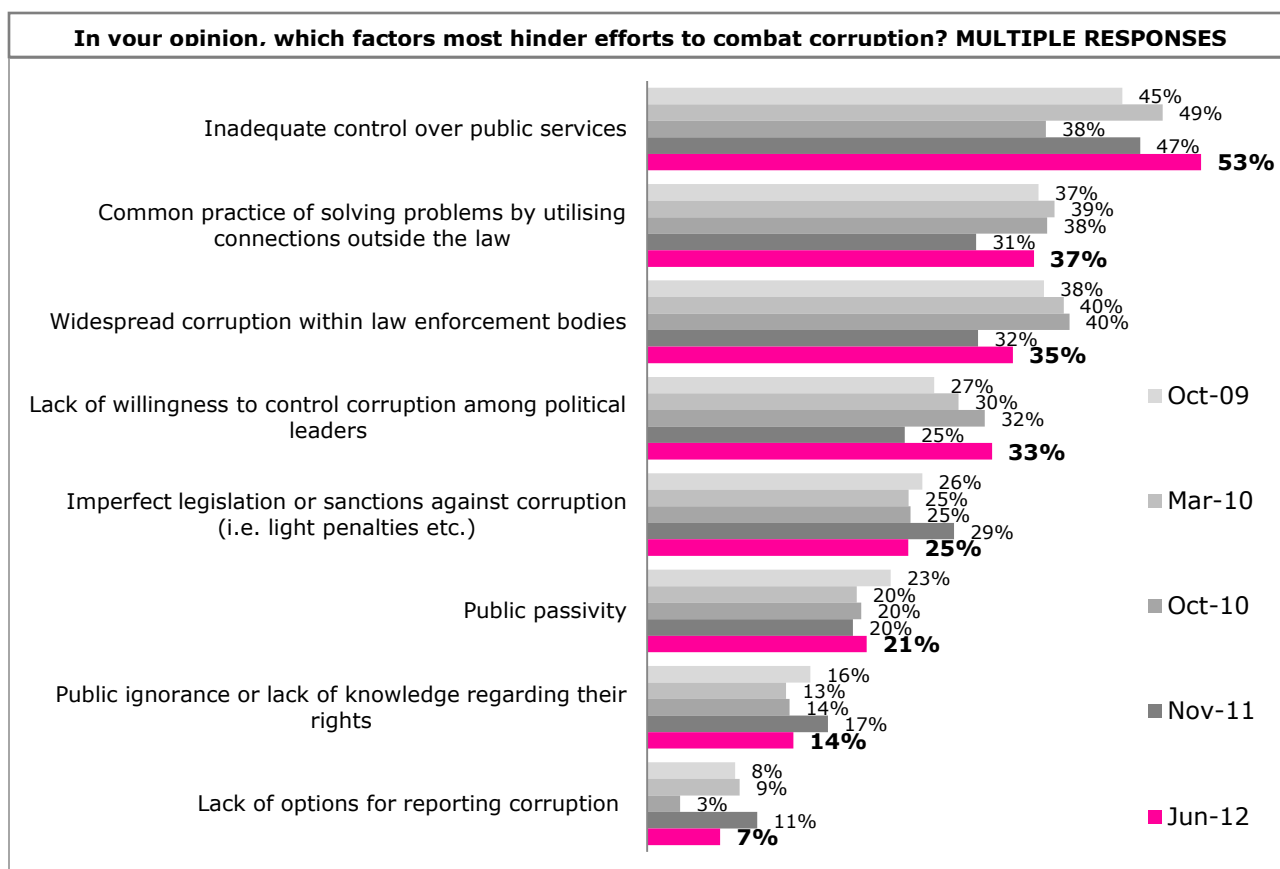
According to Serbian citizens, the police (47%) and the government (46%) should be leading the fight against corruption. Judiciary organizations are mentioned third and the Anti-corruption Agency fourth by 13% of citizens. Only 11% of respondents believed citizen groups or movements should lead this fight, while all other potential leaders received less than 10% each of the respondents' vote.



The efficiency rating of the current government's efforts in the fight against corruption is mainly viewed as being not at all effective (35%) or mostly ineffective (23%). Little efficacy is seen by 32% of citizens. Only 2% rated the government's efforts in this regard as being highly effective.

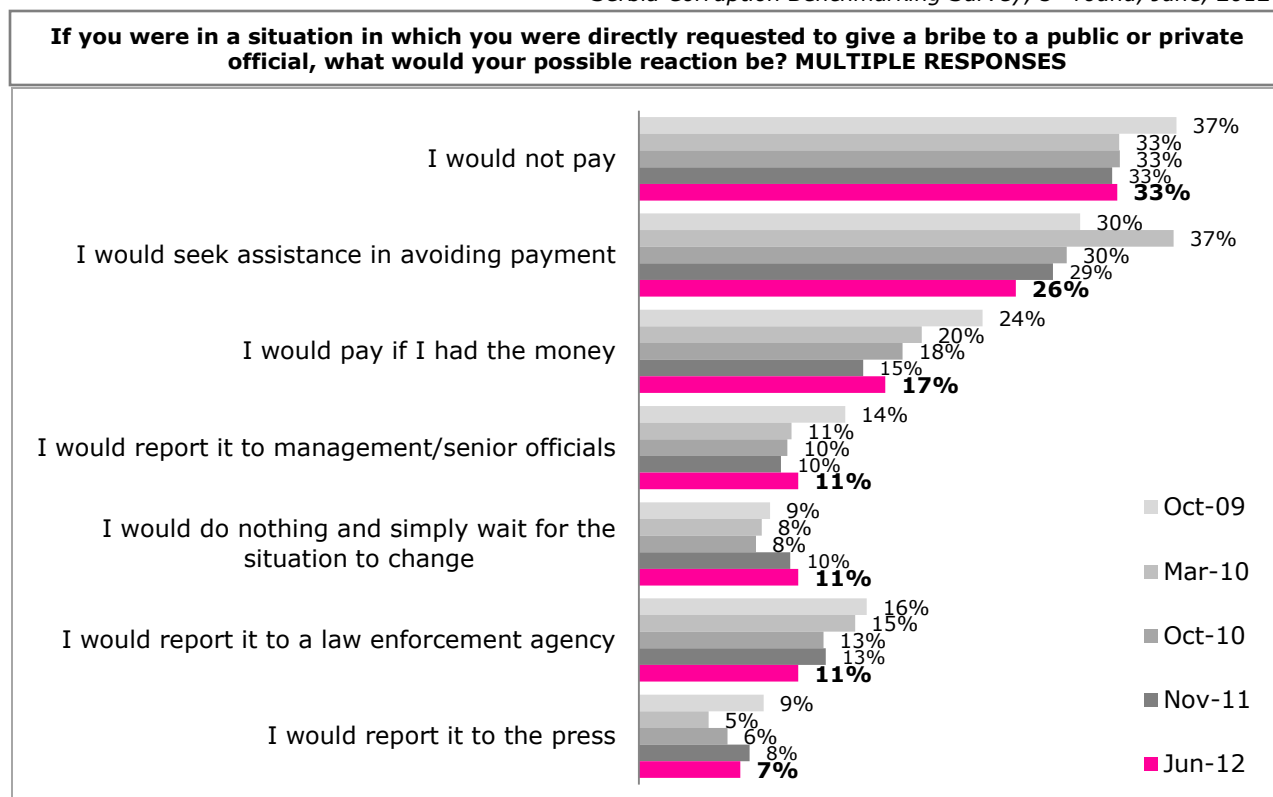
Citizens suggest that the new government be more determined in investigating cases of corruption (41%), to enable secure reporting of cases of corruption (14%), to help the courts effectively prosecute crimes (13%) and to protect people who suffer retaliation for reporting corruption (10%) if they want to tackle corruption successfully. All other suggestions are mentioned less frequently.

Insufficient control over public services is perceived as the major factor hindering the fight against corruption (in all rounds, and especially in June 2012). The common practice of solving problems through connections and the presence of corruption within bodies responsible for monitoring corruption are also frequently mentioned.



One out of three respondents said he/she would not pay a bribe if it was solicited. For 17% lack of money would be the only barrier to paying a bribe – they would pay the bribe if they could. About 11% would remain passive and wait for something in the situation to change.

Actions such as reporting bribe solicitation are less frequent: 11% of respondents would report it to law enforcement bodies, 11% to management and 7% state that they would report it to the press.



2.4.2. PREVENTING CORRUPTION

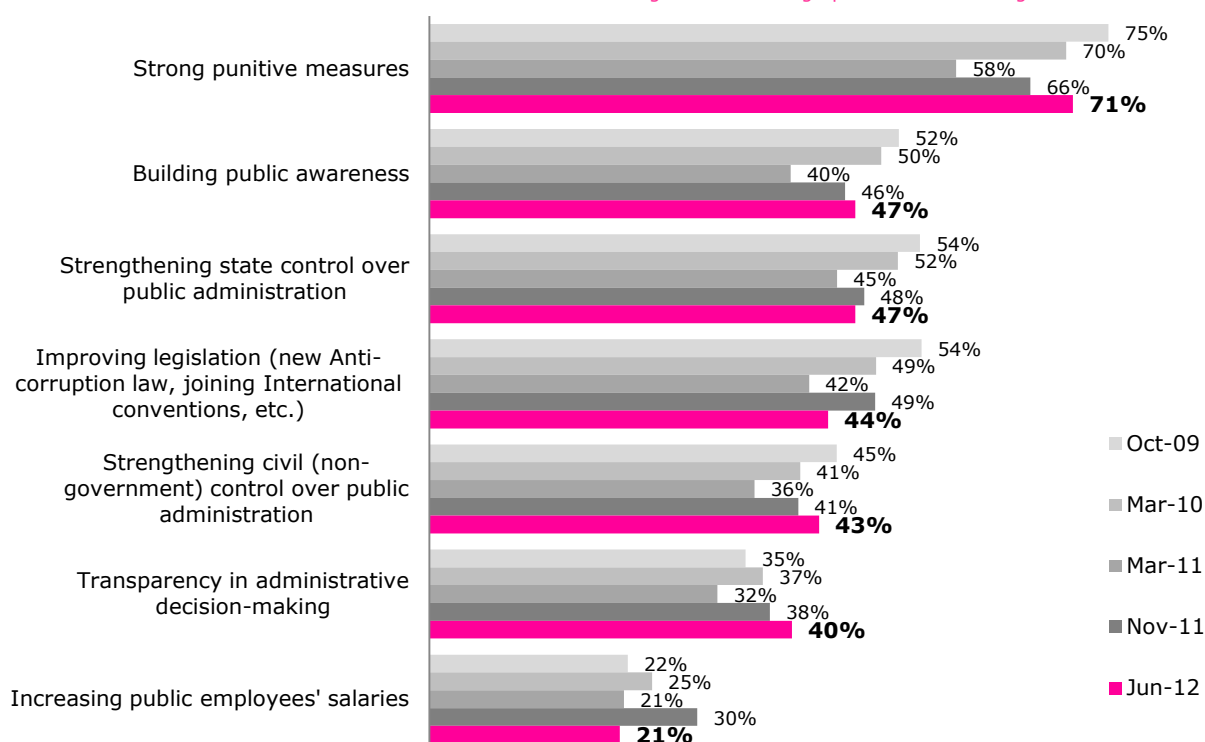
Belief in the strong effectiveness of punitive measures aimed at preventing corruption has increased compared to the previous survey (66% in November 2011 to 71% in June 2012). Respondents more frequently believe that building public awareness and strengthening state control over public administration would reduce corruption levels (both 47%).

Improving legislation, strengthening civil control over public administration and increasing the transparency of administrative decision-making are also perceived as important factors in more than 40% of cases.

Increasing the salaries of public employees is perceived as being less relevant to the prevention of corruption.

To what extent do you think the following actions would be effective in preventing corruption?

1 - 4 scale where 1 means "Not at all" and 4 means "To a large extent". The graph shows % of "Large extent" answers

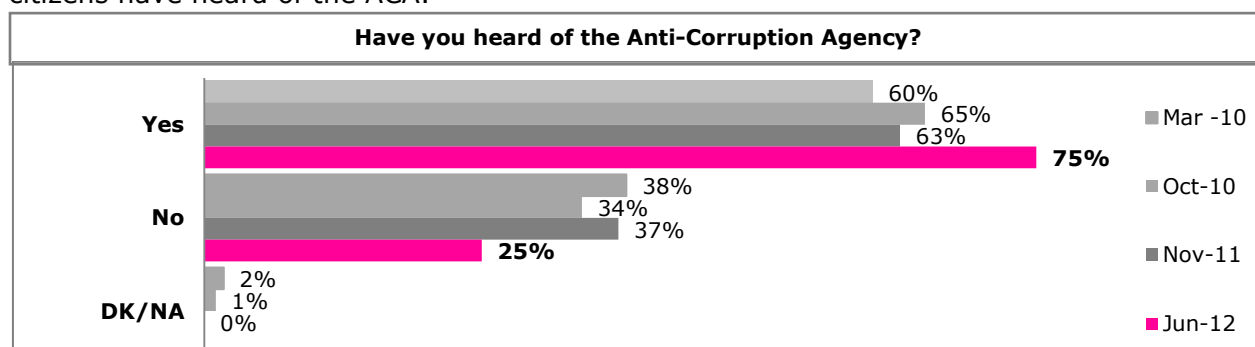


2.4.3. INFORMING ABOUT CORRUPTION

As in previous rounds, the June 2012 results reveal that people are mainly informed about corruption by the media (65%), while friends/relatives (48%) and word of mouth (41%) are the second and third most common sources of information respectively. Personal Experience is mentioned by 28% of citizens.

2.5. ANTI-CORRUPTION AGENCY

Awareness of the Anti-Corruption Agency, ACA, is at its highest level of all rounds – 75% of citizens have heard of the ACA.

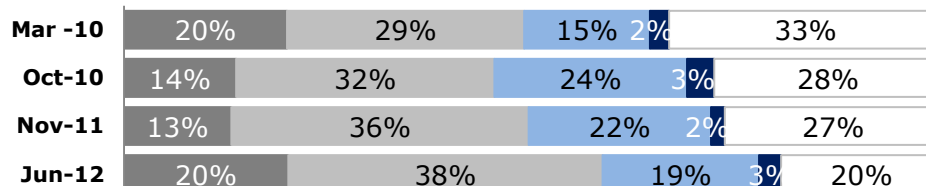


Perceptions of ACA's contribution in fighting corruption are similar as in previous rounds. Most citizens believe that the ACA contributes to the clampdown on corruption to a small

extent (38%), while 20% believe that it does not contribute at all and 19% believe it contributes to a moderate extent.

The Anti-Corruption Agency is an independent state body with objectives and authority in the domain of combating corruption through different activities. In your opinion, to what extent does this body contribute to curbing corruption?

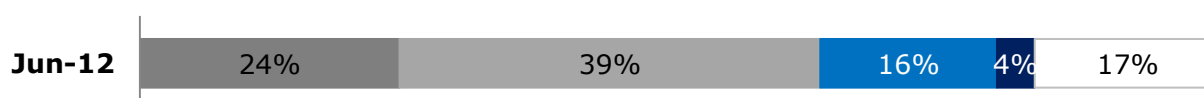
■ Not at all ■ To a small extent ■ To a moderate extent ■ To a large extent □ Don't know/ No answer



ACA's controlling capacity in the area of financing political parties and election campaigns is most frequently perceived as small or moderate.

To what extent do you see that the Anti-Corruption agency will be able to control the financing of political parties and election campaigns in Serbia?

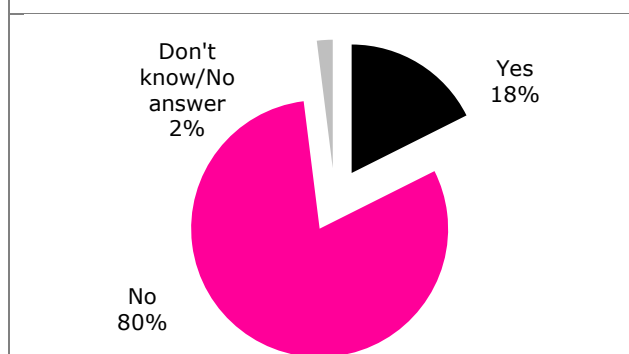
■ Not at all ■ To a small extent ■ To a moderate extent ■ To a large extent □ Don't know/No answer



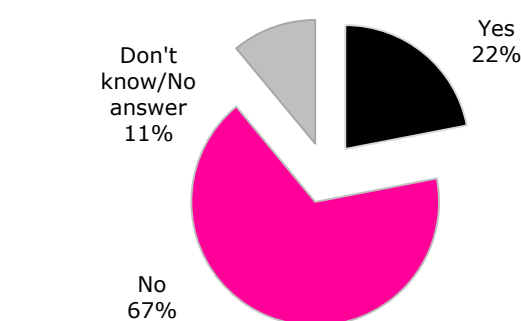
2.6. ELECTIONS AND CORRUPTION

One out of five (18%) citizens says that he/she has been offered a bribe for a vote and 22% know that a relative or close friend was offered the same during the parliamentary, presidential and local elections in Serbia in May 2012.

Did someone offer a bribe to you (e.g. money, gift, favor, employment) to vote for a particular political party in this election?



Did someone offer a bribe (e.g. money, gift, service, business) to your relatives or close friends to vote for a particular political party in this election?



A majority of citizens believe that almost all kinds of corruption were moderately or largely present during the elections in May, 2012. Most frequently mentioned are pressures on the citizens to vote a certain way (57%). The least frequently noted is the stealing of votes (45%).

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