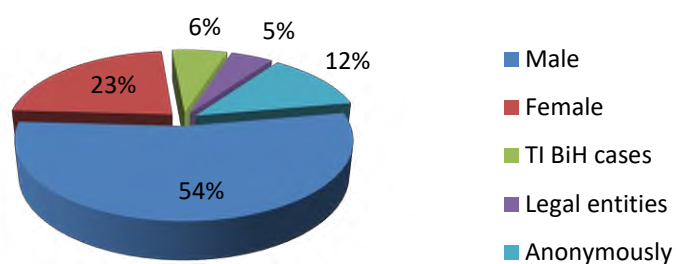


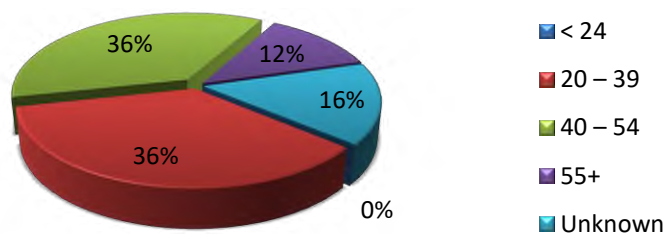
| Persons who reported corruption, by sex | |
|---|-----|
| Male | 109 |
| Female | 46 |
| TI BiH cases | 13 |
| Legal entities | 10 |
| Anonymously | 25 |
| Total | 203 |

Persons who reported corruption, by sex

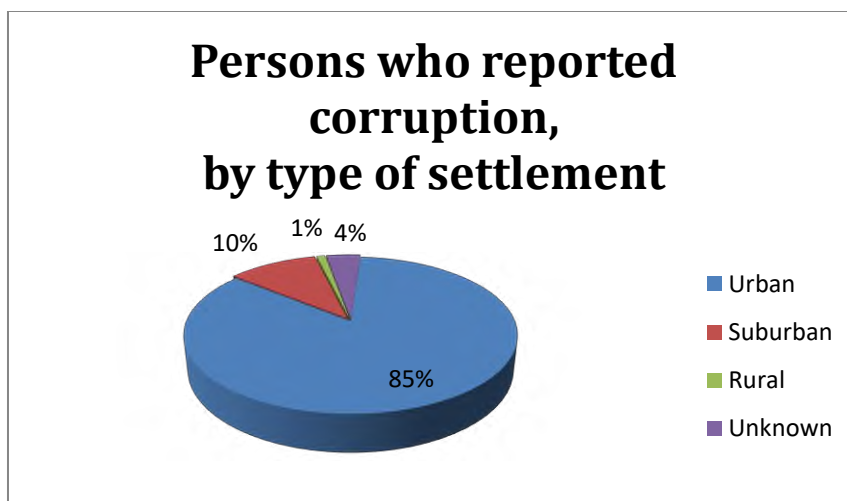


| Persons who reported corruption, by age | |
|---|-----|
| < 24 | 0 |
| 20 - 39 | 72 |
| 40 - 54 | 74 |
| + 55 | 25 |
| Unknown | 32 |
| Total | 203 |

Persons who reported corruption, by age

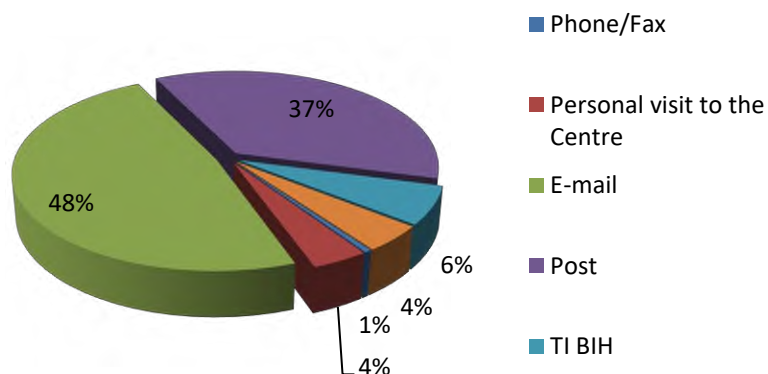


| Persons who reported corruption, by type of settlement | |
|--|-----|
| Urban | 172 |
| Suburban | 21 |
| Rural | 2 |
| Unknown | 8 |
| Total | 203 |

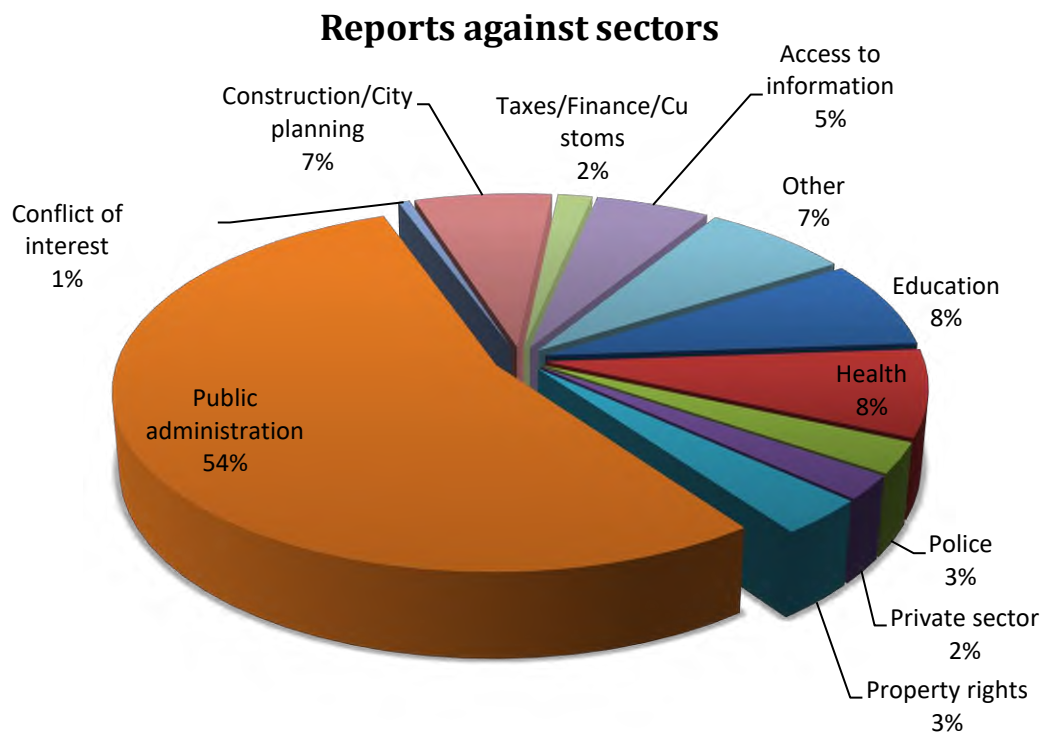


| Methods of receiving reports | |
|---|-----|
| Phone /Fax | 1 |
| Personal visit to the Centre | 8 |
| E-mail (centar@ti-bih.org) | 98 |
| Post | 74 |
| TI BIH | 13 |
| Online (via websites ti-bih.org and prijavikorupciju.org) | 9 |
| Total | 203 |

Methods of receiving reports

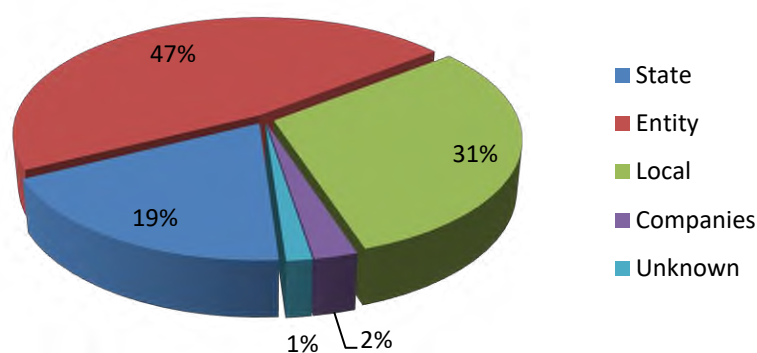


| Reports against sectors | |
|--------------------------------|------------|
| Judiciary | 23 |
| Education | 14 |
| Health | 14 |
| Police | 5 |
| Private sector | 4 |
| Property rights | 6 |
| Public administration | 98 |
| Conflict of interest | 1 |
| Construction/City planning | 12 |
| Taxes/Finance/Customs | 3 |
| Access to information | 10 |
| Other | 13 |
| Total | 203 |



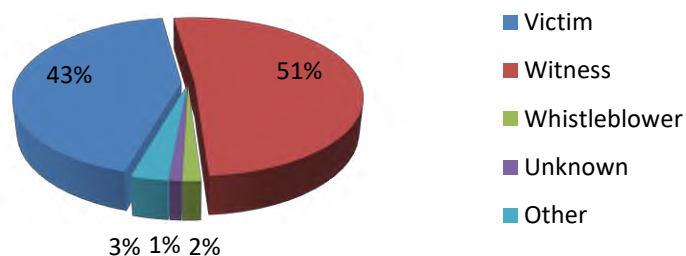
| Administrative levels competent for report handling | |
|--|------------|
| State | 38 |
| Entity | 95 |
| Local | 62 |
| Companies | 5 |
| Unknown | 3 |
| Total | 203 |

Administrative level competent for report handling



| Persons who reported corruption, by relationship with the case | |
|---|------------|
| Victim | 87 |
| Witness | 103 |
| Whistleblower | 3 |
| Unknown | 2 |
| Other | 6 |
| Total | 203 |

Persons who reported corruption, by relationship with the case



| | |
|--|------------|
| NUMBER OF CALLS RECEIVED VIA TOLL-FREE PHONE LINE: 0800 55555 | 824 |
|--|------------|

REPORTS BY SECTORS

JUDICIAL INSTITUTIONS (23 cases in 2015, or 11.33%)

COURTS (10 cases in 2015, or 4.92%)

In the course of 2015 TI BiH received **10** reports/complaints relating to the work of basic/municipal and cantonal/district courts. The complaints mostly concerned the length of court proceedings, failure by the courts to act on claims lodged by the parties, and parties' dissatisfaction with court rulings. TI BiH provided the parties with legal advice on how to pursue judicial remedies and explained how court cases are heard and how parties may approach the court and press for action. Also, in the course of 2015 two reports were received relating to irregularities in the recruitment of administrative staff in one municipal court and one district court. TI BiH contacted the two courts to enquire about the allegations; however, their responses indicated that the recruitment procedures had been carried out in accordance with the applicable regulations and the courts were not required to organise an open competition when recruiting administrative staff.

PROSECUTION (13 cases in 2015, or 6.40%)

In the course of 2015 TI BiH received **13** complaints concerning the work of prosecutors' offices. These were mostly complaints brought by citizens who were dissatisfied with how prosecutors' offices handled their complaints or with prosecutors' offices' decisions not to pursue investigation. TI BiH contacted the competent prosecutors' offices requesting information about the cases in question. In the course of 2015 our organisation sent about thirty requests for information to competent prosecutors at all levels of government enquiring about the status of individual cases and actions taken by the competent prosecutors' offices.

In one case, the aggrieved party was provided with legal assistance in preparing a complaint against the prosecutor's decision not to pursue investigation against the director of a public institution in the Zenica-Doboj Canton. Namely, an employee of the institution filed a criminal complaint against the director of the institution for abuse of office because, despite the austerity measures that were in force at the time, the director recruited 15 new staff over a period of nine months without using open competition procedure. The Cantonal Prosecutor's Office in Zenica found that there were no grounds for suspicion that the director had committed the said criminal offence because, in his capacity as a public official, he had not obtained for himself or another any benefit or caused any damage to another person or seriously violated the rights of another person by taking advantage of his official position. However, the Prosecutor's Office did not check the assets of the reported person but only arbitrarily concluded that he had not obtained any specific benefit for himself and/or another person. In the complaint that it drafted for the aggrieved party, TI BiH pointed out that the criminal offence of abuse of office or authority includes premeditation as well as the intention to obtain for oneself or another a benefit, be it pecuniary or non-pecuniary (e.g. employment). More specifically, for the criminal offence to exist, it is sufficient for the perpetrator to have abused his office; it is not necessary for the intention to have been carried out, or for the benefit to have been achieved, or for damage to have been caused. TI BiH particularly emphasised that the director should

have acted in the interest of the service and should have rejected the alleged requests by the unemployed persons to take up employment in the institution, thus complying with the austerity measures, rather than signing permanent employment contracts with them and, what is more, doing so on the same day when they first approached him with the request. It is important to note that the Office of the Chief Prosecutor of the Cantonal Prosecutor's Office of the Zenica-Doboj Canton admitted the complaint and decided to re-launch the investigation.

Also in the course of 2015, TI BiH brought action against the Prosecutor's Office of BiH for failing, contrary to the provisions of the Freedom of Access to Information Law, to deliver copies of one or two examples of cases relating to offences against official duty that resulted in convictions, which were meant to serve as an example of successful prosecution of corruption-related offences for the purposes of publishing the study "Best Practices in Detecting and Prosecuting Corruption". In early 2016, the Court of BiH dismissed our lawsuit as unfounded. However, TI BiH intends to seek an extraordinary judicial remedy against the Court's decision.

EDUCATION (14 cases in 2015, or 6.89%)

Fourteen cases in 2015 concerned education, i.e. corrupt activities in preschools, primary and secondary schools, and universities. The complaints concerned irregularities in the procedures for the selection of professors, allocation of class load to teachers, illegal participation of school directors in committees for selection of schoolteachers, and irregularities in the expenditure of funds for construction/reconstruction of school buildings. It is also important to mention the case of plagiarism of a master's thesis at a private university, which was reported to our organisation. The report was forwarded to the competent inspection authorities. Following inspection, the authorities revoked the candidate's Master's degree.

Particularly interesting is the case of recruitment of primary- and secondary-school maths teachers who graduated from the International University in Brčko, which is not registered in the National Register of Accredited Higher Education Institutions in BiH. In another case a practice was reported in the Tuzla Canton whereby candidates who had the war veteran status were given priority in recruitments in educational institutions over other candidates, all in accordance with applicable regulations. In this case, despite the Recommendation of the Institution of Human Rights Ombudsman, institutions continued to follow the discriminatory practice.

HEALTH (14 cases in 2015, or 6.89%)

Compared to the preceding year, 2015 saw an increase in the number of complaints concerning the health sector, from five in 2014 to as many as 14 in 2015. The complaints concerned the negligent treatment of patients, the collusion between doctors and representatives of pharmaceutical and medical companies to advise patients to purchase specific medical equipment and aids, and the mismanagement of certain health care institutions. Citizens also complained about recruitments in health care institutions without proper job competition procedures and even recruitment of staff without appropriate qualifications. One such example is the Health Centre in Olovo, which recruited ambulance drivers who did not have driver diplomas but applied for the job using forged documents. One of them was subsequently convicted of forgery and the other is pending trial; however, they both continue to work in the Health Centre. TI BiH contacted the competent prosecutor's office enquiring about the case and the office confirmed that criminal proceedings were pending

against one of the drivers and judgement of conviction had been passed against the other. However, the regulations governing employment in health institutions do not recognise these circumstances as an obstacle to employment. TI BiH also sought access to the diplomas of those persons, but the Health Centre denied access to that information invoking provisions on protection of personal data. Appeal proceedings are currently pending following the lodging of an appeal by TI BiH, and the plan is to include the competent inspection authorities in the case.

POLICE (5 cases in 2015, or 2.46%)

In 2015 TI BiH acted on five complaints relating to the work of the police. Two complaints were lodged by whistleblowers from among the police authorities who reported the misconduct of their superiors, and the inciting of religious and ethnic hatred and intolerance. Other complaints concerned the failure of the police to act on citizens' complaints as well as complaints against the traffic police.

PRIVATE SECTOR (4 cases in 2015, or 1.97%)

Four complaints concerned the private sector. Specifically, these include complaints about the lack of operating permit, complaints against certain catering businesses or retail shops for failure to register employees, and complaints filed by workers concerning working conditions in certain firms. In response to these complaints, TI BiH contacted the competent inspection authorities calling for inspection of the business against which complaints had been received. In the case of a bakery which had employed unregistered night-shift workers for years, TI BiH sought action from the competent inspection authority. The inspectors carried out an announced inspection during day-shift hours and found no irregularities. However, our organisation insisted that inspectors carry out a surprise inspection during night-shift hours, which they did and found four unregistered workers.

PROPERTY RIGHTS (6 cases in 2015, or 2.95%)

In the course of 2015 TI BiH handled **six** complaints relating to property-related legal problems of citizens. Although these cases do not belong to the scope of activities dealt with by our organisation, we instructed citizens on which authority to contact in cases concerning real estate fraud, restitution of nationalised property, purchase of flats and the like.

PUBLIC ADMINISTRATION (98 cases in 2015, or 48.27%)

By far the largest number of complaints in 2015, as was also the case in previous years, concern the public administration sector – as many as **98**. These include complaints against all institutions in BiH at all levels of government (state, entity and local levels) as well as those relating to public enterprises and public institutions. The overwhelming majority of complaints relate to irregularities in the recruitment of civil servants in public institutions at all levels of government and employees in public enterprises and public institutions. **Specifically, at the level of FBiH** most of the complaints concern the fact that the head of an authority, under the applicable legislation, selects a candidate from a list of successful candidates at his/her own discretion, without being required to choose the candidate with the best score, which compromises the selection process. **In none of the cases has the manager of the public authority selected a candidate with the best score, which is extremely worrying.**

A particularly important case at the state level concerns recruitment of two officers in the Indirect Taxation Authority of BiH (ITABiH), against one of whom criminal proceedings for organised crime were pending during the open competition procedure, and the other was sentenced to probation for tax evasion. The Law on Employment in the Institutions of BiH, which applies in this particular case, sets out, *inter alia*, the following requirements for employment of candidates: that no criminal proceedings have been brought against the candidate for a criminal offence carrying a prison sentence of three years or more, and that no prison sentence has been imposed on the candidate for a criminal offence committed with intent under the Criminal Code of BiH. The problem lies in the fact that the ITABiH required that the applicants submit only the certificate of absence of criminal proceedings; however, this certificate cannot prove whether someone has been sentenced for a criminal offence and is issued by the court having territorial jurisdiction in the place of residence of the person applying for the certificate. In this particular case, the District Court in Banja Luka issued the two officers with the certificates certifying that no criminal proceedings were pending against them before that court; however, proceedings were pending before the Court of BiH, but the laws do not require participants in open competition procedures to obtain certificates from all judicial levels in BiH.

In 2015 TI BiH received a number of complaints citing the names of persons who citizens knew in advance would be selected by way of open competition. All of these complaints were subsequently checked whether in official gazettes or by requesting information from public authorities, and it was found that the persons cited in the complaints had indeed been selected in open competition procedures.

Within this category, 11 complaints concerned recruitments in public companies. For example, public company *Elektroprenos BiH* [Electric Utility Company of BiH] advertised open competition for a senior occupational safety and fire protection engineer, and the special requirement that the candidates had to meet included a bachelor degree in electrical engineering, mechanical engineering or occupational safety, and one year of work experience. Following the open competition procedure, a candidate was selected who met the above requirements, but had never worked in the field of occupational safety and fire protection, while a candidate who had 19 years of experience in that field was rejected. Legally, the recruitment procedure was conducted in accordance with the applicable regulations, but substantially this constitutes a deficiency because employment is given to personnel that lacks relevant experience in the required fields rather than those who have proper qualifications and a proven track record. Also, there were complaints concerning the failure of *Elektroprenos BiH* to notify the open competition participants of the selected candidates and the right to legal redress against decisions of the selection committee. In these particular cases TI BiH provided aggrieved parties with legal assistance by informing them of available means of legal redress. Furthermore, complaints cite *Elektroprenos BiH* as a company which employs relatives of senior officials even though they were not the best ranked candidates: son of Prime Minister of RS, daughter of the Minister of Finance of RS, daughter of the director of *Elektroprivreda RS* [Electric Utility Company of RS].

CONFLICT OF INTEREST (1 case in 2015, or %)

In 2015 TI BiH received one anonymous complaint concerning a possible conflict of interest involving Mr Mirsad Jusić, councillor in the Municipal Council of Bosanska Krupa, who also simultaneously

served as a member of the Assembly of *ŠPD Unsko-sanske šume d.o.o. Bosanska Krupa* [Public Forest Management Company]. The Conflict of Interest Law of FBiH provides that serving on the management board, steering board, supervisory board, executive board, assembly, or acting in the capacity of an authorised person of a public enterprise is incompatible with serving the public as an elected official, an executive officeholder or an advisor. The complaint was forwarded to the Agency for Prevention of Corruption and Coordination of the Fight against Corruption of BiH for further action.

ACCESS TO INFORMATION (10 cases in 2015, or 4.92%)

In 2015 TI BiH handled **ten** cases related to the implementation of the Freedom of Access to Information Law. Citizens mostly complained about being denied access to information by public authorities, i.e. public authorities turning a deaf ear to their requests, which constituted a typical case of administrative silence. Acting on these reports, TI BiH contacted the public authorities in question and, invoking the Freedom of Access to Information Law, requested information on behalf of the parties. Upon receipt, the information was forwarded to the parties. Also, TI BiH assisted the aggrieved parties in drafting various submissions, requests for information, complaints concerning administrative silence, appeals against decisions refusing access to information, and actions initiating administrative proceedings. In addition to working on the new cases, TI BiH continued to undertake activities relating to cases from previous years. Also, in the course of 2015 TI BiH continued to provide legal advice in the field of access to information as well as to civil servants, journalists, activists, other NGOs, etc.

In 2015 TI BiH won a total of 24 administrative lawsuits which were filed by the organisation in 2013, 2014 and 2015, of which in 21 cases the claim was upheld, while in 4 judgements the claim was dismissed; however, currently pending are the procedures initiated as per the requests for extraordinary review of the court decision. All administrative lawsuits were brought for misapplication of the Freedom of Access to Information Law, i.e. refusal by the institutions to grant access to information at their sole discretion, without citing the relevant statutory exceptions and implementing the public interest test. Institutions against which Transparency International BiH won administrative lawsuits are:

1. Central Bank of BiH
2. Indirect Taxation Authority of BiH
3. State Investigation and Protection Agency (SIPA)
4. Deposit Insurance Agency of BiH
5. Ministry of Trade and Tourism of RS
6. Ministry of Education and Culture of RS,
7. Ministry for Veterans and Disabled War Veterans of FBiH (two cases)
8. Administration for Geodetic and Property Affairs of RS (two cases)
9. Administration for Inspection Affairs of RS (two cases)
10. Ministry of Education, Science, Culture and Sport of West Herzegovina Canton
11. Ministry of Health and Social Welfare of RS
12. APIF Sarajevo
13. City of Banja Luka
14. Berkovići Municipality
15. Prnjavor Municipality
16. Milići Municipality

In 2015 TI BiH lost lawsuits in the first instance against the following institutions:

1. Municipality of Brod, because the court held that an NGO did not have legal personality and could not be a plaintiff in an administrative lawsuit, which is an unusual and discriminating view. TI BiH requested extraordinary review of the court decision.
2. Ministry of the Interior of RS, because the court held that the Mol RS was under no obligation to deliver to TI BiH the copies of temporary service contracts that TI BiH requested from the Mol invoking the Freedom of Access to Information Law, on the grounds that the service contracts had been entered into with natural persons and contained personal data. ALAC requested extraordinary review of the court decision.
3. Ministry of Energy, Industry and Mining of RS, because the court took the view that the Ministry was under no obligation to deliver to TI BiH a copy of the "Report of the Working Group Formed by the Government of RS to Analyse the Situation and Propose Solutions in the company 'Kosmos' a.d. Banja Luka" because the document had not yet been considered by the Government of RS, and because the case involves a company owned by the Republika Srpska. Since this incoherent argument does not fall under the exceptions provided for under the Freedom of Access to Information Law, TI BiH requested extraordinary review of the court decision.
4. Cantonal Prosecutor's Office of the Tuzla Canton

In the course of 2015 TI BiH filed 10 lawsuits for violations of the Freedom of Access to Information Law against the following institutions:

1. Banking Agency of RS (three lawsuits)
2. Ministry of Industry, Energy and Mining of RS
3. Ministry of Public Administration and Local Self Government of RS
4. Ministry of Health and Social Welfare of RS
5. Ministry of Education and Culture of RS
6. Prosecutor's Office of BiH
7. Stolac Municipality
8. Ministry for Veterans and Disabled War Veterans of FBiH

Also, TI BiH assisted aggrieved parties in drafting three lawsuits that they filed in their own name. Unlike previous years, in the last and current year the vast majority of lawsuits filed by TI BiH were for erroneous application of the Freedom of Access to Information Law, which was reflected in the refusal by institutions to grant access to information at their sole discretion without citing the relevant statutory exceptions and implementing the public interest test.

CONSTRUCTION/CITY PLANNING (12 cases in 2015, or 5.91%)

Cases in this category relate to irregularities in the issuance of spatial planning documents by competent municipal services, as well as those concerning tolerance of illegal construction despite complaints filed by aggravated parties and those concerning deliberate failure by municipal spatial planning services to comply with court rulings or decisions of second-instance authorities. In 2015 TI BiH received 12 complaints relating to this category.

TAXES/FINANCE/CUSTOMS (3 cases in 2015, or 1.47%)

In 2015 TI BiH was active in monitoring the scandal that rocked the banking sector of the Republika Srpska creating uncertainty and mistrust among users of financial services. The case of *Bobar banka*, as the most illustrative example of inaction by the Banking Agency (regulatory agency covering the

financial sector), was carefully monitored from the beginning of the scandal to the launching of an investigation. Among other things, TI BiH initiated the disclosure of the criminal complaint that the Agency forwarded to the Prosecutor's Office, discovered that the Final Report of the interim administrator had not been published, and undertook major advocacy activities in monitoring the work of prosecutors' offices. Specifically, after sending letters to the District Prosecutor's Office in Bijeljina and Special Prosecutor's Office, TI BiH discovered that none of the prosecutors' offices had undertaken investigation into such an important case due to differing views as to which authority has the jurisdiction in the matter. TI BiH sent an open letter to the Chief Prosecutor of RS and informed him of the situation, demanding that the conflict of jurisdiction be resolved as soon as possible. The letter, *inter alia*, stated the following: "We are confident that you understand that time is of the essence in criminal justice investigations. We therefore demand that you take immediate action in this case because if the imaginary problem of conflict of jurisdiction were to be accepted as a reason for ultimate inaction in this case, resulting in failure to investigate suspicions about multimillion-BAM losses and embezzlements, this would constitute an unprecedented violation of all principles of professional ethics, causing far-reaching consequences for the reputation of the judicial institutions and public trust in them."

Shortly after the open letter was sent to the Chief Prosecutor, we were informed that the case was finally forwarded to the state prosecutor's office, and thus the public finally received official information that an investigation into embezzlement in the banking sector had been launched.

In addition to the scandal involving *Bobar banka*, TI BiH monitored the situation in *Banka Srpske* and *Pavlović banka*. Multiple administrative lawsuits are currently pending before the District Court in Banja Luka against the Banking Agency for failure to deliver data on preventive measures taken by the Agency against the closed banks. Since the beginning of the crisis of the financial sector in the Republika Srpska, TI BiH insisted on holding the Banking Agency to account, literally interpreting the legislation on banks and the regulatory agency. Also, TI BiH sent to the Committee on Finance and Budget of RS a proposal for a public hearing of the director of the Banking Agency, but the proposal was rejected because the ruling majority MPs did not vote for it.

OTHER (13 cases in 2015, or 6.40%)

Ten cases in 2015 concerned various queries and suggestions from citizens which cannot be classified in any of the above categories. These include queries relating to the payment of public utility services, management of communities of flat owners, establishment of NGOs, suggestions for amendments to various pieces of legislation, citizens' initiatives for resolution of various problems in society, etc. In most of these cases TI BiH responded either in the form of legal advice or by referring citizens to the institutions competent for handling their queries.

STATISTICS

In the course of 2015 TI BiH sent a total of 380 letters to competent institutions and provided 143 pieces of legal advice to aggravated parties. **Following complaints submitted by TI BiH in 2014, the Institution of Human Rights Ombudsman adopted three recommendations in 2015, as follows:**

1. Recommendation concerning the obligation of the Ministry of Education of the Tuzla Canton to amend/change the existing provisions of the Rules for Recruitment in Preschools and adopt new Guidelines for Work in Preschools,
2. Recommendation concerning irregularities in the implementation of open competition in the Hydrometeorological Institute of RS. Also, following up on TI BiH's complaint, the Administrative Inspectorate of RS found irregularities in the work of the Civil Service Agency of RS relating to exemption from taking the exam for a candidate who had passed the civil service exam before the Civil Service Agency of BiH, as a result of which the employment contract with the said candidate was terminated as per the orders of the administrative inspector.
3. Recommendation ordering the Ministry of Education, Science, Culture and Sports of the Sarajevo Canton to revise the rules on the criteria for recruitment in preschools, primary and secondary schools in the Canton of Sarajevo.

Also, below is a summary of several success stories that TI BiH worked on in 2015:

1. Annulment of permanent employment contract for a candidate who was employed in the Hydrometeorological Institute of RS, first on a fixed-term basis, and subsequently on a permanent-term basis by way of open competition. The candidate did not meet the statutory requirements for employment in the civil service, i.e. had not passed the state certification exam, but was nonetheless selected as the most successful candidate in the open competition. Acting on the case, TI BiH approached the Institution of Human Rights Ombudsman, which issued a Recommendation, and the Administrative Inspectorate of RS, which conducted inspection and found that the employment was contrary to the law.
2. During the *Bobar banka* scandal ALAC employees found out, by making use of the Freedom of Access to Information Law, that all relevant prosecutors' offices had declined jurisdiction in the *Bobar banka* case, at the time when the bank's clients were literally waiting in lines outside the bank branches. TI BiH sent to the Prosecutor's Office of RS a request to resolve the jurisdictional dispute between the Bijeljina District Prosecutor's Office and the Special Prosecutor's Office, and passed on this information to the press, after which the case was taken over by the Prosecutor's Office of BiH.
3. As regards irregularities related to flood relief following the 2014 floods, TI BiH forwarded 30 complaints to the competent investigating authorities, and was informed during 2015 that investigations had been initiated by the competent prosecutors' offices into 7 cases.