

I. STUDIES

EUROPEAN MODEL OF PUBLIC ADMINISTRATION REFORM – RELEVANT LESSONS FOR SERBIA

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Abstract

Public administration reform (PAR) is achievable on Serbia's road to full EU membership in line with European model, which assumes efficacy and better public service for all citizens. Although European Union does not have explicit competencies in the field of public administration, European model of PAR is defined in European administrative space (EAS) and in European principles, which derive from international standards and requirements, as well as from good practices in the EU Member States and the Organization for Economic Cooperation and Development (OECD). Candidate countries should ensure compliance with the European principles of PAR. Serbia, as a candidate country is in the official process of the accession to the EU, where the PAR is one of important criteria of national institutional adaptability to effective functioning of public services in line with European standards and principles. Furthermore, PAR is intertwined with the rule of law and democratic principles of good governance, which are the EU essential accession criteria. The process of Europeanisation of public administration in Serbia is underway. The paper is focused on relevant lessons of this process for Serbia and one of conclusions is that PAR is a continuous process in accordance with the requirements of the economy and the citizens' needs.

Key Words: *Public Administration Reform, Serbia, European model*

JEL Classification: [K33]

1. Introduction

European Union (EU) requirements for public administration reform is based on the need to establish professional and depoliticised civil service systems¹. The EU has no specific competences in the administrative sphere, but still has a strong indirect impact on the public administration management in Member States. Through the European Semester² the European Commission undertakes every year a detailed analysis of EU Member States' programmes of economic and structural reforms and provides them with proposals for Council recommendations (Country Specific Recommendations, CSRs) for the next 12-18 months. EU has defined the Principles of Public Administration under the auspices of the SIGMA programme

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¹ [Online] at <http://www.sigmaweb.org>, accessed August 1st, 2020.

² [Online] at http://ec.europa.eu/europe2020/making-it-happen/index_en.htm, accessed August 1st, 2020.

together with the Organisation for Economic Co-operation and Development - OECD (updated in 2017)³ for the purposes of efficient enlargement negotiations with the candidate countries.

Serbia is an independent post-Yugoslav multi-ethnic state in the Western Balkan region of Southeastern Europe. Belgrade is the capital and the largest city. Serbia is in the process of the accession to the European Union (EU).

The main objective of public administration reform in each country is to achieve efficacy and better public service for all citizens. Serbia, as a candidate country is in the official process of the accession to the European Union (EU) since 2014, where the public administration reform is one of important criteria of national institutional adaptability to effective functioning of public services in line with European standards and principles. Furthermore, public administration reform is intertwined with the rule of law and democratic principles of good governance, which are the EU essential accession criteria - Copenhagen criteria for candidate countries defined since mid-90-ties (Gasmi, 2016, pp. 124-125). Those criteria are named as: conditions of eligibility in the Art 49 of the Lisbon Treaty, i.e. the economic, legal and political conditions (Fairhurst, 2010, pp. 46-47).

Public administration reform is *per definitionem* time consuming and a complex process. Consequently, there is plenty of literature and scientific sources on administrative reform in general, and in particular on administrative reform in European countries and a variety of approaches and recommendations on this issue, shortcomings and successful implementation of reform models and action plans⁴.

2. European model of public administration reform

European principles are derived from international standards and requirements, as well as from good practices in the EU Member States and the Organization for Economic Cooperation and Development (OECD). The principles determine the concept of a good administration. Candidate countries should ensure compliance in the following six crucial sectors:

1. strategic framework of public administration reform;
2. policy development and co-ordination;
3. public service and human resource management;
4. accountability;
5. service delivery;
6. public financial management.

³ [Online] at <http://www.sigmaweb.org/publications/Principles-of-Public-Administration-2017-edition-Overview-ENG-web.pdf>, accessed August 1st, 2020.

⁴ See also other sources on administrative reform in general and in European countries (selection): Caiden, 2011; Nemeč and Peters, 2010; Koprić and Kovač, 2017; Nemeč, 2016; Kuhlmann and Wollmann, 2014; Hammerschmid et al., 2016; Nemeč, 2007; Kattel, Mikulowski and Peters, 2011, cited in Cerović, Gasmi, Prlja, 2018, pp. 27- 43.

The principles of efficiency of the public administration sector in accordance with modern European standards are as follows (European Commission a, 2018, p. 6):

1. provision of public administration services better with less, i.e. meeting social and business needs in times of limited budgets;
2. adapting the provision of public services to demographic, technological and social changes; and
3. improving the business climate through smaller and "smarter" regulations, reducing administrative burdens and providing better services to support economic growth and competitiveness.

This theoretical and conceptual framework of public administration reform has irrefutable evidence in practice, such as: high productivity, high *per capita* income, as well as the fact that countries with the highest quality of life and citizens' satisfaction have highly efficient government institutions. Having in mind the above, the organization and management of the public administration sector is of great importance for the daily life of citizens, as well as for the economic results of each country. And *vice versa*: inefficient public administration is a direct obstacle to economic development. In addition, good governance not only promotes economic prosperity, but has strong positive consequences for the health of the population, their access to services, social trust, political legitimacy and the well-being of people.

European Union (EU) does not have explicit competencies in the field of public administration, which would be legally based on the provisions of the Lisbon Treaty on the EU, as a constitutive act⁵, and thus has no direct powers in public administration reforms in its Member States. Despite that, the EU has an indirect influence through administrative standards set in European regulations and policies (so-called *Acquis communautaire*), then through the transfer of good practice models through the EU financial instruments, as well as through the promotion of the principles of good governance in the EU institutions. Through its activities, the EU supports the strengthening of national administrations in the Member States in order to better implement the EU directives, regulations and decisions, i.e. binding norms of the European (EU) law. The main reason is that the Union does not have its own bodies in the territories of its Member States that would be in charge of the implementation of the EU law in those countries, but the process of implementing the EU regulations and policies is in the hands of national public administrations of the Member States.

“Public administration has always been a domestic affair for EU Member States. At the same time, national public administrations have to implement EU directives and recommendations in such a way that European citizens are able to enjoy the rights granted to them by the EU Treaties, irrespective of the country in which they live; a fact, which on its own could well justify the interest of the EU in ensuring that each national administration has comparable quality and

⁵ [Online] at <http://eurlex.europa.eu/legal-content/EN/TXT/?uri=CELEX:12012M/TXT>, accessed August 1st, 2020.

professionalism and therefore in the administrative capacities of their Member States.” (Cardona, 2009, p. 3).

In the absence of the formal EU *Acquis* in the field of public administration, the European administrative space – EAS was created in different policy areas in the form of intensive administrative cooperation of Member States based on European values and principles. "European Administrative Space (EAS) has been recognised as a unique concept in the late nineties to meet the needs of the EU enlargement as a complement to the *Acquis Communautaire* in the field of public administration and the improvement of national administrative law and administrative capacity.(...) Today, EAS represents more than that since it incorporates fundamental principles to be followed by all administrators globally. EAS is an important tool in the absence of a formal EU *acquis* in the field of public administration, but leads to a necessary integration of EU values, goals, activities and methods to enable effective and equitable implementation of EU legal order. (...) The essence of the EAS is hence not the unification in terms of identical national standards for administrative organisations and procedures, but harmonisation of administrative bodies in relation to public services users." (Koprić & Kovač, 2017, pp. 9-11).

EAS was established with the aim of gradual internal harmonization, i.e. harmonization of national administrative practices and administrative regulations of the Member States. The harmonization process is the basis for the effective implementation of the EU law and policies in the Member States. In this context, there is, in parallel, the mutual recognition of the decisions of the relevant national authorities in the conduct of administrative proceedings.

In addition to internal aspects within the EU itself, the European dimensions of modernization of public administration also have their external aspects. Namely, effective public administration reform is one of the cornerstones of the EU enlargement process, together with the rule of law and viable economic governance in the candidate countries. The reform of the national public administrations of the candidate countries is also of particular importance for the success of political and economic reforms and for building a basis for the application of the European Union (EU) rules and standards (Han, 2017, p. 2).

3. Europeanisation of public administration in Serbia

Periodical monitoring of the public administration reform in Serbia is being performed through analytical reports of SIGMA program under the auspices of the EU and OECD. SIGMA “Monitoring Report: The Principles of Public Administration – Serbia” is published in mid-2019⁶. This Report is focused on reforms in two main sectors: 1) Public Service and Human Resource Management and 2) Service Delivery. Reporting period covers relevant situation and the reform

⁶ EU/OECD/SIGMA, “Monitoring Report: The Principles of Public Administration – Serbia, May 2019”, [Online] at www.sigmaweb.org, accessed August 1st, 2020.

progress made since 2017, when previous report on public administration reform was done⁷.

In the domain of Public Service and Human Resource Management the reform step forward was made in the five of seven established indicators, since 2017. Those indicators were formulated by the SIGMA program⁸ in the form of fundamental reform benchmarks for candidate countries on their path to the European Union.

Positive development in the field of Public Service and Human Resource Management in Serbia was fostered by improved legal framework⁹. Amendments of the Law on civil servants entered into force in 2018¹⁰, which established sound legal basis for the system based on competences of civil servants. Furthermore, coherent and transparent employment system was legally framed together with professional improvements and precise conditions for termination of work. However, some problems in the implementation of this Law are present, especially in the employment sphere and appointment of senior officials who did not pass through competition procedure in a great number of cases. Namely, the Law on public administration¹¹ clearly differentiates political posts in public administration (state secretary, political adviser, assistant minister, etc.) from highly ranking civil servants. Political posts are not permanent and do not enjoy legal labour protection that is foreseen for civil servants. Despite of valid norms of the Law, more than two thirds of highly ranking positions are filled without mandatory competition procedure. Thus, the *differentia specifica* between political posts and highly ranking civil servants has been diluted. This is in a sharp contrast with ban of politization of public administration that assumes the interdiction of direct and/or indirect political influence on highly ranking civil servants.

Seen from an institutional point of view, the Ministry for public administration and local self-government is politically and legally responsible for the optimal functioning of whole public administration in Serbia. Directorate for human resources management of the Government of Serbia and newly established National Academy of public administration (starting from 2018) are in charge for human resources management in public institutions at all state levels. The Law on maximum number of persons employed in public sector that has been prolonged till the end of 2019, keeps the ban of new employment.

However, the delay in 2019 of the launch of the new payment system based on salary categories, which is foreseen to operate through job classification and job

⁷ EU/OECD/SIGMA, (2017), Monitoring Report: Serbia, OECD, Paris, [Online] at <http://www.sigmaweb.org/publications/Monitoring-Report2017-Serbia.pdf>, accessed August 1st, 2020.

⁸ [Online] at www.sigmaweb.org, accessed August 1st, 2020.

⁹ EU/OECD/SIGMA (2019), "Monitoring Report: The Principles of Public Administration – Serbia, May 2019", [Online] at www.sigmaweb.org, accessed August 1st, 2020.

¹⁰ Official Journal of Serbia, No. 95/18.

¹¹ Official Journal of Serbia, No 79/2005, 101/2007, 95/2010, 99/2014, 47/2018 and 30/2018.

description of posts, represents the shortcoming of generally successful reform steps in the sector of public administration. More precisely, the Law foresees that all employees in public sector are to be classified into thirteen salary categories on the basis of common evaluation system of posts and unified payment fund. Salary level of civil servants is around 30% higher than salaries of employees in other public institutions such as in domain of: education, health system, culture, etc. Therefore, it was difficult to ensure the implementation of foreseen legal provisions without significant budget increase. The result is that the Government further considers possible modalities of the salary categorization implementation in the 2020, but it has been hampered by the pandemic situation.

It is important to stress that the SIGMA Report of 2019 points out to the salary levels in the independent institutions, such as the State Audit Institution and the Constitutional Court, as being disproportional compared to the levels regulated by the Law on salaries in public administration. Namely, salary levels of state auditors have been harmonized with salary levels of highly ranking positions in public administration. In all other aspects the status of employees in the State Audit Institution is in accordance with the Law on public administration. This Law also regulates the status of employees in the Ombudsman. However, salaries in those institutions differs significantly: while employees in the State Audit Institution are entitled to the salary increase of 30%¹², as well as employees in the Constitutional Court¹³, the employees in Ombudsman have not such benefits. Reason for those significant salary differences lies in the implementation of special law provisions that regulate the functioning of those institutions. Public administration employees have a positive attitude towards the proposed reforms of the salary system, which equalize the basic salaries for the same jobs in public administration. This reform is set for 2020 year but is prolonged due to pandemic in 2020.

The most significant conceptual progress in the amendments to the Law on Civil Servants from 2018 was the introduction of a modern system of competencies in all human resource management functions. The Human Resources Management Directorate was given new jurisdiction within the new system of competencies through the legal amendments: job analysis, employment function and selection - verification of competencies during internal and public competition procedures, transfer, performance assessment, impact of outflow of personnel and prevention of outflow of personnel, improvement of Central Personnel Record and Internal labour market. The amended legal framework gave positive results and indicators on the adequacy of the policy, legal framework and institutional arrangement for professional human resources management in public services and the meritocracy and efficiency of employment of civil servants.

¹² Official Journal of Serbia No. 101/2005, 54/2007, 36/2010 and 44/2018, Закон о ДРИ, чл. 56а.

¹³ Official Journal of Serbia No. 09/2007, 99/2011, 18/2013, 103/2015 and 40/2015, Закон о Уставном суду, чл. 27г.

In October 2017, the Law on the National Academy of Public Administration was adopted, with the goal of completely transforming public administration and providing it with more efficiently, kindly and better trained civil servants.

Another area of public administration reform, the area of Service Delivery, is characterized by the positive development of e-government and digital solutions, which have significant political support, and which also helps to improve the overall development of service delivery. Three of four indicators in this domain, established by the SIGMA program, have been significantly improved. The Ministry for public administration and local self-government has general jurisdiction in the area of Service delivery, but there are also other important institutions. Institutional structure has been improved with the establishment of the Office for Information Technology and e-Government under auspices of the Government of the Republic of Serbia¹⁴ (<https://www.ite.gov.rs/>). Reforms for administrative simplification are led by the Secretariat for Public Policy and the Ministry of Economy.

Although the policy of the Government of Serbia is focused mainly on e-services and digitalization, the share of the population who uses digital signature was very low (5% in 2017)¹⁵. The good news is that digital access to services has continued to improve, as more registries are connected through government service, and a number of services are available from the e-government portal, which is still being modernized. The content and presentation of information on other Government websites is quite good, according to the Report assessment.

The Law on General Administrative Procedure of Serbia (2016)¹⁶ has improved the legal framework for the provision of public services, but citizens are often not aware of their new rights, which allows the administration to continue to apply old and complex procedures during administrative proceedings. On the positive side, business registration can be completed online in less than a day.

The Law on E - Government strengthens the implementation of the Law on Electronic Document, Electronic Identification and Services in Electronic Business¹⁷, which has harmonized this area with the Regulation on E-IDAS of the European Union (EU)¹⁸. The Law sets out the conditions under which digitized documents certified by a digital signature or seal can have the same legal status as handwritten signatures. The Law introduced new reliable services, such as: e-stamp, e-identification and digital archiving, to facilitate digital communication and establish rules in this area. This development will play an important role in

¹⁴ [Online] at <https://www.ite.gov.rs/>, accessed August 1st, 2020.

¹⁵ EU/OECD/SIGMA, "Monitoring Report: The Principles of Public Administration – Serbia, May 2019", [Online] at www.sigmaxweb.org, accessed August 1st, 2020.

¹⁶ Official Journal of Serbia, No. 18/2016.

¹⁷ Official Journal of Serbia, No. 94/2017.

¹⁸ E-IDAS (Electronic Identification and Trust Services for Electronic Transactions in the Internal Market), [Online] at https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv%3AOJ.L_.2014.257.01.0073.01.ENG, accessed August 1st, 2020.

increasing the use of digital services. Citizens consider that digitalization is the most positive shift they are noticing in the work of the public administration and believe that it is necessary to work on its further improvement (CESID, 2018, p. 21).

The Law on Inspection Supervision is another step taken in the reform process of public administration and is valid from 2015. Public administration employees believe that the Law on Inspection Supervision had partial positive impact on improving coordination and harmonization of inspection supervision carried out by various inspections. In January 2018, the Government of the Republic of Serbia has adopted the Draft Law on Electronic Administration, which enables simpler, more efficient and more transparent functioning of public service. The Law on Electronic Government is based on the principles of openness, equipment management efficiency, e-government security, and bans discrimination. The Law on Electronic Administration¹⁹ has been applied since April 14, 2018, and it regulates the performance of administrative tasks of state bodies and organizations, bodies and organizations of provincial autonomy, bodies and organizations of local self-government units, institutions, public enterprises, special bodies through which the regulatory function is exercised and legal and natural persons entrusted with public authorities who are using information and communication technologies, i.e. conditions for establishing, maintaining and using interoperable information communication technologies of the authorities (hereinafter: electronic administration). The provisions of this Law accordingly apply to other affairs of state bodies when acting in electronic form, unless otherwise regulated by another law. This legal framework ensured establishment of public administration of a user-oriented profile.

Secondary legislation and a new e-government strategy for 2019-2021 are being developed. There is strong co-ordination and leadership in this area from the e-government office and the Prime Minister's Delivery Unit. Digital signatures are being used, but only around 5% of the population avail of this service. A more modern e-government portal is being designed.

4. Lessons learned

At the European Union (EU) – Western Balkans Summit “Moving towards European Integration” held in Thessaloniki (2003), Serbia together with other countries of the region, was promised European perspective under the condition of acceptance of the European standards and principles embodied in the *Acquis Communautaire* and the objectives of the economic and political union on the path to the EU. The Stabilization and Association Process (SAP) was established as the strategic framework for the cooperation between the EU and the Western Balkan countries. The process is tailored made, which means that each country in the region is separately assessed by the European Commission, seen from the aspect of meeting the SAP conditions, which are evaluated in annual country progress reports.

¹⁹ Official Journal of Serbia No. 27/2018.

The issue of public administration reform is put under the most important and fundamental political criteria for the EU accession - functioning of democratic institutions and rule of law. Lisbon Treaty on the EU in Art. 49. refers directly to the criteria which candidate country should meet in the EU accession process, although it does not state them explicitly. These criteria were established in 1993 at the session of the European Council at the level of heads of states and governments in Copenhagen in the form of conclusions of the European Council of the EU. At that time, the newly established Union was under political pressure from the candidate countries for membership in Central and Eastern Europe, which were harshly knocking on the door of the Union (Gasmi, 2016, p. 124).

The European Council granted Serbia the status of candidate country in 2012. The Stabilisation and Association Agreement (SAA) between Serbia and the EU entered into force in September 2013. Meetings of the joint bodies under the Agreement took place at regular intervals. According to the EU assessment:

“Serbia continued to implement the SAA, although a number of compliance issues remain. Since the opening of Serbia’s accession negotiations in January 2014, 16 out of 35 chapters have been opened, two of which were provisionally closed. Four chapters were opened during the reporting period.” (European Commission, Serbia 2019 Report, p. 3)²⁰.

Report for Serbia of mid 2019 pointed out that: “Serbia is moderately prepared in the area of public administration reform. Some progress was made in the area of service delivery and with the adoption of several new laws. Political influence on senior managerial appointments remains an issue of serious concern, especially regarding an excessive number of acting positions. Serbia’s ability to attract and retain qualified staff in the administration dealing with EU issues is crucial. A coordinated monitoring and reporting system of the public administration reform strategy and public financial management reform programme is yet to be established” (European Commission, Serbia 2019 Report).

Due to the slow pace of the enlargement process that "stems not only from the internal situation in the Balkan states, but also from the activities of the EU itself (...) which have caused its neighbourhood policy (including towards the Balkans) to lose a great deal of importance" (Szpala, 2018, p. 2), with only Croatia becoming an EU member, despite these countries’ formal progress to accession, the follow-up of the EU - Western Balkans accession summit took place some 15 years later (Sofia 2018). The aim was to renew the European perspective of the countries in the region.

In the meantime, Germany initiated the "Berlin Process" in 2014 as an intergovernmental platform for cooperation with the countries of the Western Balkans, in which Austria, France, Germany, the United Kingdom, Italy, Croatia, Slovenia, Albania, Bosnia and Herzegovina, Montenegro, Kosovo, Macedonia and Serbia participate. As part of this Process, annual summits, attended by EU

²⁰ The reporting period is 2018 – mid-2019.

representatives and heads of state and governments of the Western Balkans countries were subsequently held in the 2014-2020 period.

In this context, the European Commission presented a document titled "A Credible Enlargement Perspective for an Enhanced EU Engagement with the Western Balkans" in which, *inter alia*, the issue of administrative reform was emphasized as a relevant factor for future EU membership of the Western Balkans countries, concluding that: "The rule of law must be strengthened significantly. Today, the countries show clear elements of state capture, including links with organised crime and corruption at all levels of government and administration, as well as a strong entanglement of public and private interests. (...) A visibly empowered and independent judiciary and accountable governments and administrations are essential for bringing about the lasting societal change that is needed" (European Commission b, 2018).

What are lessons learned from the process of Europeanisation of public administration in Serbia? The following quote illustrates the answers in optimal way: "Some progress was made in the area of service delivery and with the adoption of new laws regulating policy planning, public consultations, e-government, and salary system in the public sector. However, the Commission's recommendations made over the last few years have not been fully addressed, especially regarding de-politicisation and professionalisation of public service, and therefore remain valid. In particular, political influence on senior managerial appointments remains an issue of serious concern. It was not sufficiently addressed in the 2018 amendments to the Law on civil servants. In the 2020 year, Serbia should in particular:

1. start recruiting senior civil servants effectively through a merit-based procedure and reduce the excessive number of acting positions;
2. issue practical guidance to line institutions on strategic planning, monitoring and reporting and ensure a strong quality control role for the Public Policy Secretariat to allow for the effective implementation of the new Law on the planning system; and
3. develop a single mechanism for prioritising all investments regardless of the source of financing and ensure integration of capital investment planning and project appraisal in the budget process.

Serbia is implementing its public administration reform strategy and action plan as well as the public financial management reform program, which is undergoing revision. These umbrella strategies are supported by a number of specific strategic documents. The government ensures regular monitoring and reporting on implementation of reforms, but a coordinated monitoring and reporting system is yet to be established, also covering managerial accountability (...). Civil society takes part in the monitoring of reforms. Political support for public administration reform continues through the Public Administration Reform Council, chaired by the Prime Minister." (European Commission, Serbia 2019 Report, p. 9).

In the area of Human Resource Management, with regard to the risk of abuse of the dismissal process, the revised performance appraisal procedure introduces a longer timeframe for improving performance, including the possibility to attend professional training following a negative assessment, at both expert and management level.

Another important lesson is that progress has been made with professional development, following the establishment of the National Training Academy for Public Administration in 2018. The academy has a mandate to provide training for all public officials, including at the local level. Specific training modules target senior managers.

Furthermore, the legal framework for simplification of administrative procedures has been in place since the 2016 with the Law on general administrative procedures. The Law was adopted with the goal of achieving European standards of “good governance” and “good administration” serving the citizens with public services rendered by the public administration²¹.

However, practice indicates that citizens are often not aware of their improved rights, allowing the administration to apply old cumbersome procedures. The most common way of informing citizens about their rights and obligations is through the Internet, on the institution's website, but also through direct contact within the institution itself. Personal contact is preferred because there is partial mistrust in the regular updating of websites. This combined way of informing citizens is understandable if we keep in mind that they consider the procedures as being complicated and complex. As an ideal way of finding out information and notifications, citizens state internet communication and regular updating of sites, as well as a special information center for information in each institution, which shows sensitivity for senior citizens (CESID, 2018, p. 8).

Finally, lessons of Europeanization of public administration in case of Serbia show that external guidelines in the form of standards and principles have positive transformative influence for the essence of reforms as well for the reform dynamic. Namely, monitoring of reform is being performed on annual basis through country progress reports of the EU Commission, as well as periodically through SIGMA reports.

In its progress report for 2020, EU Commission states that Serbia is moderately prepared in the area of public administration reform. Serbia has further developed e-services delivery. However, there is still a lot to be done in area of transparency and reduction of great number of acting senior manager positions, as well as in respect of the merit-based recruitment procedure for senior civil service positions. Besides, “The effective implementation of the law on the planning system needs to be ensured through a strong quality control of the Public Policy Secretariat.” (European Commission, Serbia 2020 Report, p. 5).

²¹ Council of Europe: “Good Governance”, [Online] at <https://www.coe.int/en/web/good-governance>, accessed August 1st, 2020.

“External conditionality provides incentives as it puts pressure on institutional actors to pursue reforms, promising the often vague but important prospect of the EU membership. Although effective in initiating change in formal procedures, external incentives still fall short of deconstructing informal practices that circumvent written norms and standards, despite pressures and conditionality” (Djindjić & Bajić, 2018, p. 10).

The gap between adequate legal framework and its optimal implementation in public administration reform still exists and therefore, regular monitoring is necessary. This is important lesson to be learned and performed for the sake of modern, efficient and depoliticized public administration. This is valid even more for local public administration in Serbia. Furthermore, significant issue to be resolved in this context is the question of ownership of reforms. Precisely, European standards should be understood and implemented in the form of national laws and administrative practice and not only for the purposes of external monitoring. To the extent that national ownership of European principles in public administration reform is successfully carried out, the outcome will be proportionally effective.

Conclusions

The EU Treaties did not establish legal basis for a common model of public administration for Member States, but there are significant administrative principles defined by the Treaty of Rome on the EEC (provisions of Articles 173 and 191) and the Code of Good Administrative Behavior, published by the European Ombudsman in 2001. These principles regulate the activity of the EU institutions in their relations with service users. These are the following principles: legality, proportionality and protection of legitimate interests.

Therefore, the European model of public administration reform can be defined only conditionally, because the EU Members themselves do not have a single model of functioning of public administration. In its analysis titled “A comparative overview of public administration characteristics and performance in EU28” of November 2017, the authors concluded: “A key finding is the continuously high heterogeneity among the EU Member States with regard to many key variables. This has substantial implications for better understanding the dynamics and outcomes of public administration reforms. Despite the presence of important contextual influences that create pressures towards convergence across some European countries, the degree to which shared administrative traditions and cultures or fiscal circumstances are an explanatory factor in predicting openness for reform can be overstated. The overall state system, history and current politics of each country, in particular, plays a critical role in shaping commitment to reforms and to particular types of administrative reform.” (Thijs, Hammerschmid and Palaric, 2017, p. 8).

However, for Serbia and other candidate countries, the implementation of European model of public administration reform, as defined in SIGMA principles,

is significant and necessary for modernization of public administration functioning and for the rule of law. The basic principle of the rule of law is also established in the Constitution of Serbia of 2006²², as one of the fundamentals of Serbia's political and legal system (Art. 3).

Pearls of wisdom for European model of successful public administration reform are:

1. political support, credible leadership during all phases of the reform, long-term and strategic plan of change and scope of reforms well focused;
 2. to build strong support from external stakeholders and internal ownership;
 3. to establish adequate resources and systems throughout the reform process;
- and
4. to provide arrangements for monitoring / measuring the progress / results of the reform.

Finally, it is very important to ensure the use of the so-called a “window of opportunity” to show and publish - communicate the positive results of the reform, which is a communication strategy.

The complexity of public administration reform process is present through evolution of its domains. More precisely, the material scope of the civil service has expanded to new areas compared to the previous years of public administration reforms. In this context, the material scope includes all general provisions relevant to the employment of civil servants and the management of public services, in accordance with the SIGMA OECD (2017) and EU criteria²³.

The relevant legal framework of Serbia (The Law on civil servants, 2018) covers all other aspects of the so-called the material scope of the civil service, such as 1) the scope and principles of the civil service; 2) classification; 3) employment and selection of civil servants, including in managerial positions; 4) rights and obligations of civil servants, including the integrity system; 5) fees (main principles and components of the payment system); 6) professional development, including performance appraisal, training, mobility and advancement; 7) disciplinary proceedings, including suspension, i.e. removal from the civil service; 8) termination of employment, including transfer and dismissal; and 9) central coordination of the civil service. However, important area for reform improvement represents the promotion and termination of employment of employees in public agencies, which is not regulated by competence criteria. This confirms the complexity and time-consuming process of public administration reform that has to be continued. It is positive that competence criteria are implemented for the employment procedures in the Ministry of Internal Affairs and the Customs Service.

²² Official Journal of Serbia No. 98/2006.

²³ SIGMA OECD – EU (2017), The Principles of Public Administration, OECD, Paris, p. 41, [Online] at <http://www.sigmaweb.org/publications/Principles-of-Public-Administration-2017-edition-ENG.pdf>, accessed August 1st, 2020.

As for the Service Delivery domain, it can be concluded that significant progress was made with implementation of the strategy of the regulatory reform by the Ministry of Economy and the Secretariat for Public Policy in cooperation with NALED (NGO for the expert support). A new Program for simplification of administrative procedures and regulations for the period 2019 - 2021 (new "Stop Bureaucracy" Plan) with an accompanying Action Plan is being implemented. In this context, one recent Government measure to improve the business environment was to set a target to reduce the administrative burden on the economy to less than 3% of GDP. In that sense, positive results have been achieved by simplifying and reducing administrative procedures, in which the Secretariat for Public Policy has a leading role and is also responsible for assessing the impact of enacting regulations based on the Public Policy Management Methodology, adopted in February 2019.

The importance of modernization of the entire public administration in contemporary conditions stems from the understanding of the new role of administration in society as an efficient service for citizens, which is able to provide citizens and the economy with appropriate public services. Hence, the Public Administration Reform Strategy in the Republic of Serbia (2014)²⁴ emphasized the following: "For the adoption of quality decisions, which primarily refers to the ability of public administration to fully and consistently apply the adopted regulations and public policies in practice, administrative capacity - as one of the criteria for accession to the European Union, is needed. The goal of public administration reform is to fully introduce and apply the principles of the European administrative space in the domestic public administration system, in order to achieve the high goals set by public administration reform."

Both areas, 1) the civil service system and human resource management, and 2) the provision of services, are important for Serbia's EU accession negotiations, as part of those negotiations also address the administrative capacity of the public administration to apply the EU *Acquis* (Gasmi, 2016, p. 124). All the more so, because in October 2014, the EU Commission announced in its document on the EU Enlargement Strategy that the reform of the candidate country's public administration is in the focus of the EU enlargement policy, together with the rule of law and economic criteria (competitiveness of candidate country's economy to fully participate in the EU single market).

Significant step on the road in achieving European standards of public administration reform in Serbia has been charted by adopting and consequently implementing the Law on Administrative Procedure of 2016 that started with implementation in mid 2017 and preparation of the new Public Administration Reform Strategy for the period 2021 - 2030, in which all administrative procedures will be formulated as public services, in order to be efficient and citizen-oriented.

²⁴ Official Journal of Serbia No. 9/2014, 42/2014.

Finally, it can be concluded that public administration reform is a continuous process in accordance with the current requirements of the economy, the needs of citizens and the conditions of technological development. It remains to be seen whether the public administration reform will be further step forward to full EU membership of Serbia in the forthcoming period.

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