

How do we invest in the fight against corruption?

The fight against corruption does not come for free. The Government should significantly invest in institutions with a mandate in the fight against corruption, such as the State Commission for Prevention of Corruption, the State Audit Office, the Inspection Council, and the Commission for Protection of Competition. Of these four institutions, the inspection services are the ones that have both a preventive and a repressive function, given the mandate of the inspectorates to impose penalties. These institutions have competencies that cover critical aspects of the fight against corruption, such as oversight over likely corruption cases and conflicts of interest, including enforcement of the rules on the ground.

In recent years, there has been a trend of increased investment in institutions. This trend is most noticeable with the State Audit Office and the State Commission for Prevention of Corruption. There are two indicators of this trend - the number of staff employed and the budgets of these institutions. In terms of recruitment of new staff in 2016-2021, the trend is still growing in all institutions (although with different intensity) except in the Commission for Protection of Competition. In terms of this indicator, the highest growth is seen in the State Audit Office and the State Commission for Prevention of Corruption, followed by the Inspection Council.

Compared to 2016, there is an increase in budget funds in 2021 for all four institutions. This increase is most evident in the State Commission for Prevention of Corruption and the Inspection Council.

However, the distribution of funds varies considerably from year to year. The distribution indicates unpredictability in terms of working conditions of these institutions, especially if we take into account the rebalancing of the budget that was taking place in all years in the period 2016-2021. The most recent budget rebalance was in July 2021 that concerned all institutions. Funds were increased in all of these institutions, most notably in the Inspection Council, because of the development of a software solution. There was a decrease of less than 3% in the State Commission for Prevention of Corruption. Stable and multi-year budgeting of the institutions is recommended to ensure greater predictability of their growth and longer-term planning.

The many adverse effects of corruption and its impact on economic growth justify the investment in the fight against corruption. Well-prepared institutions that do their job well can recoup the investment many times over, such as by improving the conditions for economic growth, saving budget funds, and returning funds from the state budget.

The project Anti-Corruption Talk in Parliament (ACT in Parliament) includes research and advocacy activities with main purpose of supporting the reform process in North Macedonia, by reinforcing the supervisory role of the Parliament in relation to the fight against corruption.

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