



MONTENEGRO: IN THE JAWS OF CORRUPTION AND FOREIGN MALIGN INFLUENCE

By Zlatko Vujović, PhD

**MONTENEGRO:
IN THE JAWS OF
CORRUPTION AND FOREIGN
MALIGN INFLUENCE**

International Republican Institute
IRI.org
@IRIglobal

© 2023 All Rights Reserved

Montenegro: In the Jaws of Corruption and Foreign Malign Influence

Copyright © 2023 International Republican Institute. All rights reserved.

Permission Statement: No part of this work may be reproduced in any form or by any means, electronic or mechanical, including photocopying, recording, or by any information storage and retrieval system without the written permission of the International Republican Institute.

Requests for permission should include the following information:

- The title of the document for which permission to copy material is desired.
- A description of the material for which permission to copy is desired.
- The purpose for which the copied material will be used and the manner in which it will be used.
- Your name, title, company or organization name, telephone number, fax number, email address and mailing address.

Please send all requests for permission to:

Attn: Department of External Affairs

International Republican Institute

1225 Eye Street NW, Suite 800

Washington, DC 20005

info@iri.org

About the Author

Zlatko Vujović, PhD is an Assistant Professor the Faculty of Political Science, University of Podgorica, where he currently also serves as Vice-Dean for Development. He is one of the founders and president of the NGO/think tank Center for Monitoring and Research (CeMI). Vujovic is Executive Director of the European Network of Election Monitoring Organizations (ENEMO) and a member of the Steering Committee of the Global Network of Domestic Election Monitors (GNDEM). Vujovic's areas of expertise include public policies, electoral systems, public opinion, and anti-corruption research. He coordinated the development of several legislative projects, four of which (Law on Financing of Political Parties (2004), Law on Political Parties (2004), Law on Campaign Financing for the Election of the President of Montenegro, Mayors, and Presidents of Municipalities (2009), and Law on Financing of Political Parties - 2008) were adopted by the Montenegrin Parliament. Vujovic received his PhD from the Faculty of Political Science at the University of Zagreb, specializing in "Comparative Politics" with a focus on "Comparative Public Policy".

CONTENTS

1. EXECUTIVE SUMMARY	1
2. DEEP ROOTS OF CORRUPTION	2
3. RESEARCH QUESTIONS	4
4. MONTENEGRO A "FRONTRUNNER" IN EUROPEAN INTEGRATION OR A "CAPTURE STATE"?	5
4.1 CITIZENS' ATTITUDES AND CORRUPTED PRACTICES	7
4.2 MALIGN FOREIGN INTERFERENCE IN MONTENEGRO	8
5. POLICY RECOMMENDATIONS	10
END MATERIAL: REFERENCES AND APPENDICES	11

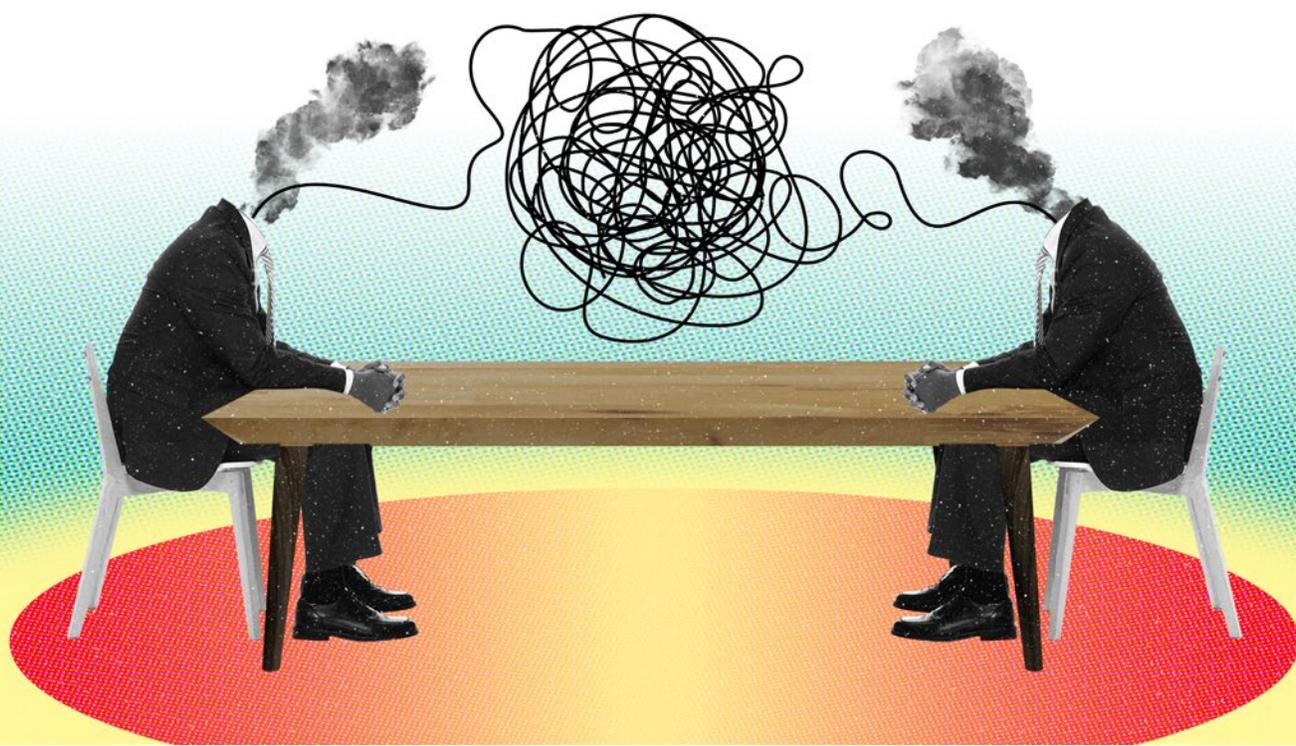
1. EXECUTIVE SUMMARY

Montenegro is facing a major political crisis that is hindering the implementation of EU-related reforms. The political landscape is fragmented with no immediate solution in sight. The country, which was once a role model for the Western Balkans in the EU accession process, is now seen as a source of concern in European capitals. The previous governments were unable to implement crucial reforms and prioritize the country's European Union perspective, leading to a delay in EU membership. Despite this, more than 75% of Montenegrins still hold high hopes for joining the EU.

This position paper reviews the challenges faced by Montenegro in the fight against corruption in the public sector. Although the EU accession process has brought improvements to the legal and institutional frameworks, it was hindered by the lack of genuine political will to effectively combat corruption. Despite the implementation of harmonized laws and establishment of institutions, the fight against corruption has not yielded desired results so far. Investments from non-EU actors only worsened the allegations of the presence of corruption in the public sector. It resulted in the establishment of a culture of impunity and widespread acceptance of corrupt behavior in different social areas (education, health-care system, etc.).

In 2020, a coalition comprised of diverse ideologies rose to power with the goal of defeating the former ruling party and eliminating corruption from the public sector. Despite high expectations, the implementation of reforms and the results in the fight against corruption in the last two years are at a standstill. Against this backdrop, Montenegro is grappling with difficulties in the functioning of its democratic institutions at the beginning of 2023. Numerous challenges are still ahead, including the organization of national elections, the outcome of which will determine the direction of the country for the next decade.

The vulnerability of Montenegro to malign foreign influence, coupled with deep-rooted corruption, presents a significant challenge for the country nowadays. To address this challenge, it is essential to implement an uncompromising rule of law, strengthen institutions, and support the individuals who work within them. In this effort, the political, expert, and technical support of EU and NATO member states will be needed.



2. DEEP ROOTS OF CORRUPTION

Accession negotiations between Montenegro and the EU were launched in mid-2012. The fight against corruption is identified as one of the key reform areas in Chapter 23 of the negotiations. In accordance with the revised enlargement methodology, progress in Chapters 23 and 24 is considered a pillar of the negotiations. The EU has defined a total of 45 interim benchmarks for Montenegro in Chapter 23 related to judiciary, fight against corruption and fundamental rights. Some such benchmarks relate to establishing a new approach in the fight against corruption, such as setting up a new institutional framework through the formation of the Anti-Corruption Agency. Others include implementing an effective system to prevent conflict of interest at all levels of state and public administration, appointing public officials based on clear and transparent criteria that focus on merits and proven skills, delivering an initial track record of effective implementation of the asset declaration and verification reporting system, and completing the harmonization of the legal framework in the field of financing political entities and election campaigns in line with the GRECO recommendations.

In the first phase of the accession process, Montenegro carried out activities to set up a new institutional framework that would enable a more effective fight against widespread corruption. At the beginning of 2016, the Agency for the Prevention of Corruption was established as a key institution that promotes integrity and prevents corruption in Montenegro. The revision of the Constitution in 2013 paved the way for strengthening the independence of the judiciary, while parallel efforts were made to harmonize the legislative framework in the field of preventing corruption with relevant EU acquis. As a result, the Laws on Prevention of Corruption, Financing Political Entities and Election Campaigns, and Lobbying were adopted.¹ However, due to a lack of genuine political will to establish a sustainable model of action in the fight against corruption, the reforms stalled from 2016 to 2020.

During its extended period in power, the former ruling party failed to tackle widespread corrupt practices. At the national level, governments were typically formed based on narrow electoral wins and complete control of the state apparatus. While numerous corrupt practices were established, the control systems put in place were inadequate to curb them. One of the earliest and most notable examples is the disposal of the assets of the League of Communists by the DPS, which turned the former ruling party into a financial giant with party income in the millions of euros.² Political corruption was prevalent in public tenders and procurement procedures with inadequate institutional control mechanisms in place. Party employment was a common practice as a means of securing “safe votes” in subsequent elections. The scandal involving the ruling party’s exploitation of employment policy in exchange for safe votes in elections was publicly exposed.³

Corruption entrenched in Montenegro was not effectively addressed by institutional responses. Only one former high-level state official has been convicted of corruption, which highlights the failures of the criminal justice system’s response to this problem in the public sector. The judiciary and the state prosecution seem to have a limited understanding of the importance of preventing corruption. Judges and prosecutors fell under the undue influence of executive power and were incentivized through various means, such as housing and favorable loan policies.⁴ As a result, citizens lost confidence in the judiciary. According to a study conducted by the Center for Monitoring and Research (CeMI) in 2022, more than half of the citizens (51.6%) do not trust the judiciary.⁵

Although there was a long-standing oppositional struggle against the ‘former regime’, the new political majority that took power failed to prioritize the fight against political corruption and the misuse of state resources.

1 Law on Prevention of Corruption (“Official Gazette of Montenegro”, No. 53/2014 and 42/2017); Law on Financing of Political Entities and Election Campaigns, (“Official Gazette of Montenegro”, No. 3/2020 and 38/2020); Law on Lobbying (“Official Gazette of Montenegro”, No. 52/2014)

2 See more: Center for Monitoring and Research CeMI (2022): “Policy Study - Abuse of State Resources in Montenegro”, Podgorica, Montenegro

3 See more: <https://www.monitor.co.me/afera-snimak-i-drugi-strahovi/>

4 See more: <https://www.gov.me/clanak/abazovic-i-calovic-na-konferenciji-za-medije-sudijama-tuziocima-vlada-dodjeljivala-stanove-i-kredite-suprotno-zakonu>

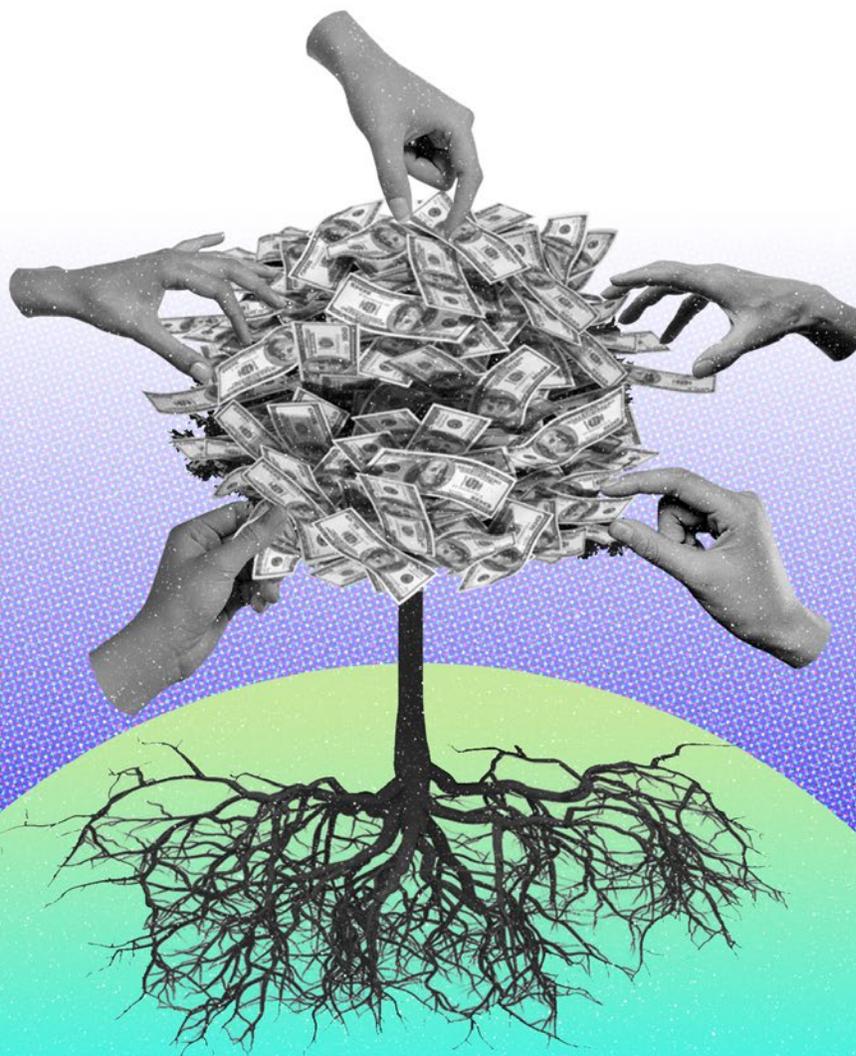
5 See more: <https://mina.news/arhiva/gradani-najmanje-vjeruju-partijama-najvise-zdravstvenom-sistemu/>

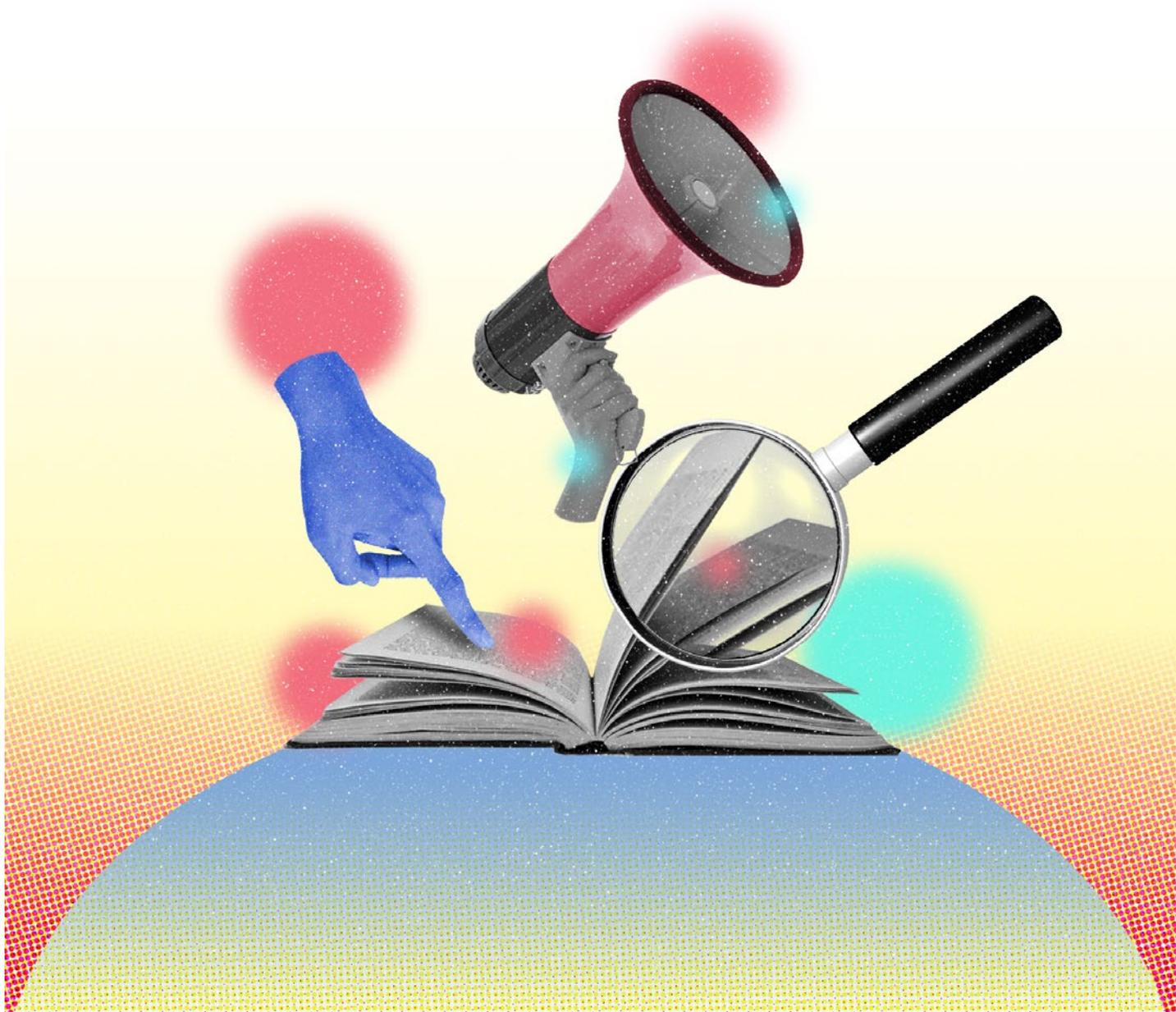
After two and a half years, there are no indications that the new political elites are ready to eliminate party influence from the state institutions. For several years now, the EU has reiterated that only limited progress is being made in the fight against corruption. It is time to reset the anti-corruption system in Montenegro.

The new approach should be based on the adoption of a new Anti-corruption Strategy, which will define the goals that each government will accept as key, in efforts to eliminate widespread corruption in the public sector.

This innovative approach should include strengthening existing institutions and ensuring the uncompromising rule of law.

Establishing a new anti-corruption policy approach will require genuine political commitment to secure institutional independence from politics and influential individuals. The reset of the anti-corruption framework will be complementary to the realization of key steps towards the fulfillment of interim benchmarks in chapter 23 and obtaining the final benchmarks for Montenegro's membership in the EU.





3. RESEARCH QUESTIONS

The process of EU integration of Montenegro has stalled due to an ineffective fight against corruption and the lack of political will to prioritize EU reform agenda. This blockage is threatening to move Montenegro from its forefront position in European integration.

This article will attempt to answer what the main corruptive practices are, as well as the patterns and spheres of malign foreign influence in Montenegro.

4. MONTENEGRO A “FRONTRUNNER” IN EUROPEAN INTEGRATION OR A “CAPTURE STATE”?

According to the recently published Transparency International Global Corruption Perceptions Index (CPI), Montenegro’s score has stagnated for the past five years. With a score of 45 (out of 100), Montenegro ranks 65th out of 180 countries.⁶ Although Montenegro has achieved NATO membership and is leading the way in EU integration, the country is paradoxically considered to be a ‘state capture’ with low levels of citizen trust in institutions and widespread corruption. The EU frequently calls for the revision of legislation and the strengthening of the country’s institutional capacity to prevent and repress corruption. Since 2020, two governments have failed to implement new approaches to the fight against corruption, and no strategic documents or laws in the field of corruption prevention have been amended or adopted. The adoption of amendments to the Law on Confiscation of Material Benefit Derived from Criminal Activities was strongly criticized by the EU.⁷

It is particularly concerning that the effects in the field of corruption repression are limited. The European Commission emphasizes the need to establish a deterrent and consistent policy of sanctions to improve the criminal justice response to corruption and high-level corruption.⁸ The State Prosecutor’s Office’s annual report confirms that in 2021, the number of people reported for criminal offenses of high corruption increased by 24.62% (2020: 548 persons; 2019: 459 persons, in 2018: 456 persons). However, the report highlights that the largest number of criminal charges were dismissed in relation to the perpetrators of crimes of high-level corruption (a total of 601 persons).⁹ In recent years, there have been almost no convictions following completed court trials

related to offenses of high-level corruption. In 2021, the courts issued only three final and enforceable judgments following court trials related to high-level corruption. Currently, over 100 investigations are underway in the fight against high-level corruption.

The only bright spot in the prevention of corruption is the Agency for the Prevention of Corruption (APC) under new management. The European Commission (EC) recently noted that the track record on the prevention of corruption has further improved, particularly due to the positive trend of the work and performance of the APC. However, the EC underlined the need to ensure the Agency’s integrity and accountability and to improve its tangible results, following the recommendations provided by EU experts in 2021.¹⁰ A recent APC public opinion survey shows that 78.5% of citizens trust the Agency’s work.

The main results in the repression of high-level corruption in the previous period were established through the excessive use of plea agreements. Signatories of the plea agreements saw that they could get out of criminal proceedings in a ‘more elegant way’ without exposing themselves to lengthy court proceedings. In 2020, CeMI underlined that the sanction policy upon concluded plea agreements are generally perceived as mild and inadequate, as there is no appropriate balance between committed criminal acts and imposed sanctions.¹¹ The most controversial plea agreements, revealing numerous weaknesses of the criminal justice system, were signed in 2016 with former President of the State Union of Serbia and Montenegro Marovic. By signing two plea agreements, Marovic admitted to all corruption charges against him

⁶ See more: Transparency International (2022): Corruption Perception Index CPI, available at: <https://www.transparency.org/en/cpi/2022>

⁷ See more: <https://www.antenam.net/politika/269837-ek-dala-negativno-misljenje-i-na-zakon-o-oduzimanju-imovine-stecene-kriminalom-ali-abazovic-ni-za-to-ne-haje>

⁸ 2022 EC Montenegro Report, available at: <https://neighbourhood-enlargement.ec.europa.eu/system/files/2022-10/Montenegro%20Report%202022.pdf>

⁹ 2021 Annual Report on State Prosecutor’s Office’s, available at: <https://zakoni.skupstina.me/zakoni/web/app.php/akt/2806>

¹⁰ 2022 EC Montenegro Report, available at: <https://neighbourhood-enlargement.ec.europa.eu/system/files/2022-10/Montenegro%20Report%202022.pdf>

¹¹ Center for Monitoring and Research CeMI (2020): “Institut Sporazuma o priznanju krivice u crnogorskom zakonodavstvu i praksi”, Podgorica, Montenegro

as the leader of the organized criminal group. Marovic was sentenced to 45 months in prison, a €100,000 fine, and a return of €1.1 million to the state budget. Following the concluding plea agreement, Marovic fled to Serbia, avoiding serving a prison sentence and paying compensation to the state.¹²

In the last period, following personnel changes at the helm of the Special Prosecutor's Office (SPO), criminal proceedings have been initiated against former officials from state-owned companies, high judicial officials (the former President of the Supreme Court and the President of the Commercial Court), and certain police officials for criminal acts related to corruption and organized crime. The new ruling majority has been eager to claim political credit for the actions of the SPO, showing enthusiasm in praising arrests and calling for the continuation of an uncompromising fight against corruption.

In the past two years, multiple parallels between cabinet members' susceptibility to certain corrupt practices and the practices of the former governments have

been observed. The new country leadership has been accused of abusing the employment system. According to available information, the new ruling parties enabled the employment of more than 10,000 citizens only in state administration and state enterprises managed by their party officials in 2022. Over 4,000 new employees were registered in the municipalities and other public enterprises owned by the state and local self-government units.¹³

In addition, both governments formed after the 2020 Parliamentary elections allowed regional political actors, to have influence over internal political events in Montenegro, mainly using the Serbian Orthodox Church (SOC) as a tool to exert political influence. The decision of the Government to sign the Fundamental Agreement with the SOC in July 2022 caused political tensions and led to a vote of no confidence in August 2022. After that, the political crisis in Montenegro has reached an unprecedented level. It produces significant implications for political processes at the national and regional level, rather than ensuring a fast-track to EU accession.



¹² See more: <https://www.occrp.org/en/daily/5643-montenegro-former-president-convicted-of-corruption>

¹³ See more: <https://gradski.me/vlada-i-direktori-iz-df-a-i-demokrata-omogucili-partijsko-zaposljavanje-vise-od-10-000-gradjana/>

4.1 Citizens' Attitudes and Corrupt Practices

For the purpose of this study, CeMI conducted a face-to-face survey among 1,000 citizens of Montenegro as a representative sample from January 23rd to February 3rd, 2023. Citizens believe that corruption is widespread in Montenegro and perceive political elites, as well as custom officers, medical doctors, police, and nurses, as the most corrupt. Only 1% of adults believe that corruption is not spread at all in Montenegro, while only 3.7% stated that corruption is mostly not spread. In comparison, 69% of citizens in January 2023 believed that corruption was mostly or fully spread in the country, which is a significant increase compared to a similar survey conducted by CeMI in 2009, where 16% believed that corruption was not spread and 59% stated that it was.

The citizens who participated in the survey rated soldiers, officials at colleges and schools, as well as directors and teachers in schools, as the least corrupt professions among those offered.

However, citizens believe that customs officers, doctors and hospital managers, deputies, mayors and their deputies, officials in ministries, directors of state agencies and institutes (The Pensions and Disability Insurance Fund, Health Fund, State Auditor Institutions, Central Bank), individual ministers and deputies of ministers, police officers, nurses, and officials in hospitals are particularly prone to corruption. The ranking is given from the most corrupt to the least corrupt.

Although the public narrative on kleptocracy was focused on "high-level corruption" and high officials, citizens have witnessed that a different kind of corruption is used across sectors. In relation to everyday life activities, corruption measures enable access to services, improve the quality of services, gain unearned profit, or avoid paying fines. Many citizens have a recent experience of using bribes, relying on relatives, friends, or party ties, or doing "a favor for a favor." At the same time, those who benefit from corruption are protected from responsibility and profit from de facto impunity, as they are rarely prosecuted.

Corruption appears to be efficient, as 43.1% of the adults/Montenegrians believe that the desired result will probably or certainly be achieved if someone uses bribes, family, friendship, or party ties, or does "a favor

for a favor." Only 10.8% believe that this probably or certainly will not be the case.

It is noteworthy that compared to other sectors/services, the highest proportion of those interviewed claimed to know someone who used corruption to get better medical service or to secure a job for themselves or someone close to them. Also, these respondents claimed the greatest willingness to use corrupt practices in these sectors/services. However, Montenegro has almost no cases of people being prosecuted for bribes and corruption in the health or employment sectors. Even the highly publicized "Recording Affair" (one job for 4 votes) and "Wedding Gift (by the director of a coal mine)" never reached a court conclusion.

A significant proportion of citizens claimed to know people who gave bribes, used relatives, friends, or party ties, or did "a favor for a favor": A) to get better medical service (28.3%); B) to secure a job for themselves or someone close to them (25.8%); C) to avoid paying a fine for a traffic misdemeanor (19.1%); D) to avoid paying customs at the border (16.5%); E) to win a court case (13.7%); F) to solve a housing issue (15.6%); G) to secure a utility service such as telephone, electricity, or water (12.9%); H) to pay less tax (12.1%); I) to get a better grade in school or pass an exam for a child (17.7%).

The citizens in Montenegro have shown a willingness to engage in corrupt practices to obtain better services, such as healthcare (19.1%) and employment (16.5%). The likelihood of such practices depends on political affiliation, with those associated with smaller, clientelist parties exhibiting higher levels of willingness. Corruption is a common experience among citizens, with various sectors, including health (13.9%), police (8.9%), education (7.3%), and customs (6.6%), reporting instances of bribery, nepotism, and the exchange of favors in the past 12 months. The use of bribes is most prevalent in the health sector and the judiciary, with around 2000 people estimated to have given bribes in each sector. The highest reported bribe amounts were in the judiciary (2000€), health (1500€), and education (1000€). In a survey, 1.7% of respondents stated that they or someone in their household had been asked for money to perform a service in the past 12 months, with half of them reporting that they had given the money. Criminal proceedings related to corruption are rare.

The perceived impact of the government's efforts to combat corruption was measured in the survey, with

45.8% of respondents having heard of such actions, while 24.5% had heard of something but did not know enough and 27.3% had not heard of any action at all. In 2009, fewer people were confident in the government's actions against corruption. Among those who had heard of such actions, 39.7% believed that the government was partially or fully effective in its fight against corruption, while 24.9% held the opposite view. In 2009, 53% of

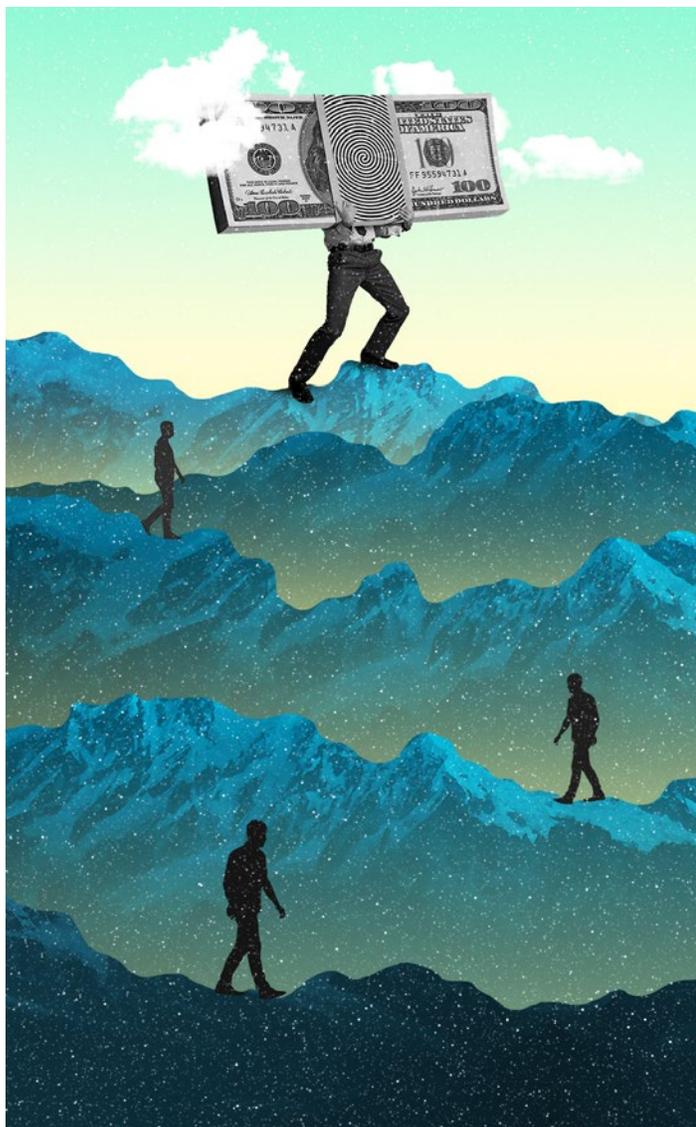
those who had heard of the government's actions believed that it was partially or fully effective in its fight against corruption.

In terms of future expectations, 32.9% of the population believe that the level of corruption will decrease in the next three years, while 11% believe it will increase, and 51% believe it will remain the same.

4.2 Malign Foreign Interference in Montenegro

Despite promoting a pro-EU and pro-Western foreign policy, the former governments attracted questionable investments from non-EU actors, particularly China and Russia, which had the potential to influence Montenegro's political, economic, and strategic trajectory. The Chinese financial influence marked the second decade of the 21st century, and the construction of the first section of the first Montenegrin highway using a €1 billion loan¹⁴ from China brought long-term debt to the state and short-term profits to domestic subcontractors.¹⁵ In 2014, Exim Bank provided a loan to Montenegro for the construction of a 41 km-long highway that links the Adriatic port of Bar to Serbia¹⁶. The project was seen as a key part of China's Belt and Road Initiative, which seeks to build infrastructure and promote economic ties along the old Silk Road trade routes.

However, concerns about Montenegro's ability to repay Chinese loans are prominent, given the country's high levels of debt and relatively small economy. As such, the terms of China's loans to Montenegro, as well as the broader economic and geopolitical implications of China's involvement in the country, continue to be the subject of internal debate and scrutiny. It is estimated that Montenegro has a total external debt of over 100% of its GDP, and the loan from China makes up a significant portion of this debt. It is currently uncertain whether Montenegro will be able to service the debt



¹⁴ The value of the Chinese loan for the construction of the 41-kilometer highway section is 809 million dollars for a period of twenty years, with a fixed annual interest rate of 2%, and then for an additional 90 million dollars, which The loan was taken in US dollars, so there is a currency risk, and the loan repayment amount will depend on the exchange rate between the dollar and the euro. See more: <https://www.slobodnaevropa.org/a/31940006.html>

¹⁵ See more: Center for Democratic Transition (CDT) (2021): "Vulnerabilities to Chinese influence in Montenegro", Supported by the Center for International Private Enterprise (CIPE)

¹⁶ The Chinese company was awarded the contract only on the second international tender held. On the first international tender, the Croatian construction firm Konstrukt, which had built highways in Croatia, was awarded the contract for building the entire highway, not just one part of it. The contract was signed and even the prime ministers of Montenegro, Croatia, and Serbia ceremoniously opened the construction works. However, the Croatian firm failed to secure credit guarantees due to the Croatian government's led by Jadranka Kosor's clumsiness in issuing guarantees for this project. As a result, the contract was terminated. The total value of the contract awarded to the Croatian firm was 2 billion and 300 million euros, while the cost of building the Podgorice - Mateševo (Kolašin) section, which was later built by the Chinese company, was 910 million euros. See more: <https://www.slobodnaevropa.org/a/1513233.html>

without additional assistance. Recently, it was rumored that Montenegro could seek debt restructuring or other forms of financial support to manage its Chinese debt burden.¹⁷

On the other hand, Russia has been the largest investor in Montenegro, with investments in the aluminum industry, tourism, and real estate following independence in 2006 providing fertile ground for corruption and the expansion of Russian political influence. There are 13,500 Russian citizens in Montenegro, and since the start of the war in Ukraine, 112,755 Russian citizens have applied for temporary stays of up to 90 days. This represents almost a quarter of the total population of Montenegro.¹⁸ If their residency is approved without proper control, it would be a significant risk.¹⁹ This number is also an indication of a large amount of money being brought into Montenegro, which cannot be effectively monitored.

Allegations of Russian interference in Montenegro's internal political affairs were particularly pronounced in the context of the 2016 Parliamentary elections. Montenegro's authorities have accused Russian intelligence agencies of being behind a plot to overthrow the country's pro-Western government and assassinate its then-prime minister Djukanovic (see more: Bajrovic, Garčević, Kraemer, 2018). Several individuals, including two at the time oppositional leaders and two Russians, were arrested and later convicted for their roles in the alleged plot.

A retrial in this case is currently underway.²⁰ In accordance with its decision to align with the EU Common Foreign and Security Policy and impose sanctions on the Russian Federation, Montenegro has so far limited the disposal of assets of 34 Russian citizens on the sanctions list. Recently, there have been concerns about the potential for projects backed by hidden Russian capital to be introduced in Montenegro through the financial influence of some EU member states. This raises questions about possible circumvention of imposed sanctions.

The issue of malign foreign influence in Montenegro is

seen as a serious threat to the country's sovereignty, stability, and democratic institutions. As such, Montenegro has to take additional efforts to strengthen its resilience to these threats, including through measures to improve cybersecurity, counter disinformation, and promote greater transparency and accountability in political decision-making.



¹⁷ See more: <https://www.rferl.org/a/montenegro-china-debt-eu-assistance-refinance-1-billion-motorway/31322151.html>

¹⁸ See more: <https://balkans.aljazeera.net/news/balkan/2022/10/14/odobren-boravak-u-cg-ima-13-500-rusa-i-11-100-ukrajinaca>

¹⁹ See more: Bugarin Bojan (2021): "Montenegrin citizenship and domicile: How to get to an up-to-date Central Voter Register" Center for Monitoring and Research CeMI, Podgorica, Montenegro

²⁰ See more: <https://www.aljazeera.com/news/2021/2/5/montenegro-overtakes-coup-verdict-for-2-russians-11-others>

5. POLICY RECOMMENDATIONS

Parliament should urgently take action to resolve the crisis affecting the functioning of democratic institutions. The first step should be to appoint the missing judge to the Constitutional Court, to ensure its full functionality in advance of the upcoming Parliamentary elections.

The Government must prioritize the EU integration process, which has been stagnant for many years. The focus should be on meeting the interim benchmarks for Chapters 23 and 24. The Ministry of Justice and the Ministry of Interior must have a leading role in this process.

New Strategic Framework - Anti-corruption Strategy 2023-2026 that outlines new strategic goals and measures to prevent and combat corruption needs to be adopted without further delay. In the process of drafting the Strategy, an inclusive dialogue between the Government, Parliament, institutions involved in the fight against corruption and civil society organizations has to be launched.

The Law on Prevention of Corruption should be amended, in line with EU recommendations. Unilateral and non-systematic actions by Parliament to amend anti-corruption legislation without consulting the EU could harm the accession process.

The recommendations of the 2021 EU peer review mission on assessing the legislative and institutional framework on the prevention of corruption remain to be fully addressed.

The new government and Ministry of Foreign Affairs must strictly adhere to the sanctions against the Russian Federation and continue to align foreign policy with the EU CSFP. This is the only way to maintain a consistent foreign policy during the war in Ukraine and limit malignant foreign influences.

The Government should consider securing alternative EU/US financial support for capital infrastructure projects, including the remaining sections of the highway.

The Government should establish special strategic framework to strengthen the country's resilience to foreign influences, including continuous support for state institutions, independent bodies, NGOs, media, and universities to improve their capacity to observe and assess foreign interference in Montenegro.

In accordance with the earlier recommendations provided by competent NGOs, it is necessary to establish a Parliamentary Committee for Monitoring Foreign Interference in Democratic Processes.

Competent NGOs should consider forming expert groups to monitor the implementation of anti-corruption policies in the country, focusing on documenting cases of abuse of state resources, financing of political parties and campaigns, conflicts of interest, abuse in employment, corruption in public procurement and tenders, corruption in healthcare, corruption in education, etc.

Competent NGOs, in cooperation with law faculties and legal clinics, should regularly monitor investigations and trials for criminal offenses related to corruption. Legal practitioners and students should work together to develop case studies of judicial institutions' actions to increase their accountability and effectiveness in corruption-related cases.

Montenegro must develop high-quality programs to strengthen the resilience of children and young people against crimes, corruption, and propaganda. Media literacy should be included as a subject in all schools and offered to all students.



END MATERIAL: REFERENCES AND APPENDICES

Legal Documents:

- Constitution of Montenegro (2007)
- Amendments to the Constitution of Montenegro (2013)
- Law on Law on Prevention of Corruption (2014, 2017)
- Law on Financing Political Entities and Election Campaigns (2020)
- Law on Lobbying (2014)
- Criminal Code of Montenegro (2015, 2018, 2020)
- Criminal Procedure Code of Montenegro (2015, 2018, 2020)

Reports:

- Annual Report of the Agency for Prevention of Corruption (2022)
- Annual Report of the State Prosecution Office (2022)
- Annual Report of the Judicial Council (2022)
- Report of the Ministry of Interior (2022)

Research and Studies:

- Bugarin Bojan (2021): "Montenegrin citizenship and domicile: How to get to an up-to-date Central Voter Register" Center for Monitoring and Research CeMI, Podgorica, Montenegro
- Reuf Bajrović, Vesko Garčević, Richard Kraemer (2018): "Hanging by a Thread: Russia's Strategy of Destabilization in Montenegro", Foreign Policy Research Institute, Washington, US.
- Center for Democratic Transition (CDT) (2021): "Vulnerabilities to Chinese influence in Montenegro", Supported by the Center for International Private Enterprise (CIPE)
- Center for Monitoring and Research CeMI (2023): "Public Opinion Survey – Anticorruption policies and citizen's corrupted practice", Podgorica, Montenegro
- Center for Monitoring and Research CeMI (2022): "Policy Study - Abuse of State Resources in Montenegro", Podgorica, Montenegro
- Center for Monitoring and Research CeMI (2021): "Legal Framework in the field of conflict of Interest in Montenegro with Comparative overview and Recommendations for Improvement", Podgorica, Montenegro
- Center for Monitoring and Research CeMI (2020): "Institut Sporazuma o priznanju krivice u crnogorskom zakonodavstvu i praksi", Podgorica, Montenegro
- Center for Monitoring and Research CeMI (2019): "Montenegro A captured state or a leading candidate for EU accession?" Podgorica, Montenegro
- Center for Monitoring and Research CeMI (2009): "Public Opinion Survey – Anticorruption policies and citizen's corrupted practice", Podgorica, Montenegro
- Digital Forensic Center (2021): "Russia's role in the Balkans: The Case of Montenegro", Podgorica, Montenegro
- European Union (2012): Peer Assessment mission to Montenegro on their ability to successfully address high level corruption, organised crime and money laundering covering the entire criminal procedure from the investigation to the final court rulings
- Prelec Tena (2020): "The vicious circle of corrosive capital, authoritarian tendencies and state capture in the Western Balkans" Journal of Regional Security 2020, vol. 15, no. 2, page 167-198

- SELDI (2022): Anticorruption policies and regulatory environment in the Western Balkans
- SELDI (2022): State Capture Assessment Diagnostics in the Western Balkans 2020: Risks and Policy Options
- Transparency International (2022): Corruption Perception Index CPI
- UNODC (2011): "Corruption in Montenegro: Bribery as experienced by the population", Vienna, Austria

Online sources:

- <https://mina.news/arhiva/gradani-najmanje-vjeruju-partijama-najvise-zdravstvenom-sistemu/>
- <https://www.gov.me/clanak/abazovic-i-calovic-na-konferenciji-za-medijske-sudijama-tuziocima-vlada-dodjeljivala-stanove-i-kredite-suprotno-zakonu>
- <https://www.slobodnaevropa.org/a/31940006.html>
- <https://www.slobodnaevropa.org/a/1513233.html>
- www.reuters.com/world/exclusive-montenegro-close-deal-lifting-chinese-debt-burden-minister-2021-07-07/
- <https://europeanwesternbalkans.com/2019/11/08/caught-in-a-vicious-circle-how-corrosive-capital-perpetuates-state-capture-in-the-balkans/>
- <https://www.occrp.org/en/daily/5643-montenegro-former-president-convicted-of-corruption>
- <https://bizniscg.me/2022/12/23/novovic-10-odsto-zaplijenjenih-cigareta-unisteno-90-odsto-zavrsavao-na-crnom-trzistu/>
- <https://www.antenam.net/politika/269837-ek-dala-negativno-misljenje-i-na-zakon-o-oduzimanju-imovine-stecene-kriminalom-ali-abazovic-ni-za-to-ne-haje>
- <https://www.rferl.org/a/montenegro-billion-dollar-chinese-highway/32217524.html>
- <https://www.cipe.org/resources/corrosive-capital-in-the-western-balkans-an-analysis-of-four-high-impact-chinese-investments/>
- <https://www.dan.co.me/vijesti/drustvo/vlada-na-sporna-zaposljavanje-spiskala-milion-5158471>
- <https://balkaninsight.com/2020/08/19/montenegro-must-escape-its-dangerous-dependence-on-corrosive-capital/>
- <https://gradski.me/vlada-i-direktori-iz-df-a-i-demokrata-omogucili-partijsko-zaposljavanje-vise-od-10-000-gradjana/>
- <https://www.monitor.co.me/afeta-snimak-i-drugi-strahovi/>
- <https://balkans.aljazeera.net/news/balkan/2022/10/14/odobren-boravak-u-cg-ima-13-500-rusa-i-11-100-ukrajinaca>

List of abbreviations:

- APC – Agency for Prevention of Corruption in Montenegro
 BS – Bosniac Party (political party)
 CPI – Transparency International Global Corruption Perceptions Index
 DF – Democratic Front (political party)
 DPS – Democratic Party of Socialist (political party)
 GRECO – The Group of States against Corruption (GRECO), established by the Council of Europe.
 EC – European Commission
 ES – Europe Now (political party)
 SD – Social democrats (political party)
 SDP – Social democratic Party (political party)
 SNP – Socialist People's Party (political party)
 SOC – Serbian Orthodox Church (SPC)
 SPO – Special Prosecutor's Office
 URA – United Reform Action (political party)

International Republican Institute

IRI.org

@IRIglobal

P: (202) 408-9450

E: info@iri.org

