Montenegro

_Capital:_ Podgorica  
_Population:_ 0.62 million  
_GNI/capita, PPP:_ US$15,250

Source: World Bank *World Development Indicators.*

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NOTE: The ratings reflect the consensus of Freedom House, its academic advisers, and the author(s) of this report. If consensus cannot be reached, Freedom House is responsible for the final ratings. The ratings are based on a scale of 1 to 7, with 1 representing the highest level of democratic progress and 7 the lowest. The Democracy Score is an average of ratings for the categories tracked in a given year. The opinions expressed in this report are those of the author(s).
EXECUTIVE SUMMARY

In 2016, Montenegro entered a new phase of political development following the January dissolution of the ruling coalition that had led the country for nearly two decades. After the junior partner of the coalition broke from the dominant Democratic Party of Socialists (DPS), Montenegro’s government was reconstructed on the basis of a power-sharing arrangement between opposition parties and the DPS. As part of the arrangement, the opposition received control of several ministries and a number of state institutions in order to assuage their concerns about the fairness of the parliamentary and local elections scheduled for October 2016. The OSCE/ODIHR monitoring mission found that the elections were held in a competitive environment in which fundamental freedoms were generally respected. The DPS won 36 out of 81 seats, and formed a government with a slim majority, drawing on the support of ethnic minority parties and a breakaway faction of its former junior partner.

On election day, a group of 20 people from Serbia was arrested for planning to carry out terrorist attacks with the purpose of disrupting the elections, occupying Montenegro’s state institutions, and assassinating the prime minister, i.e., a coup. Several members of the group struck a plea bargain with the Special Prosecutor’s Office in exchange for lower sentences. Some of those arrested alleged that leaders of the largest opposition alliance, the Democratic Front (DF), were involved in planning the attacks. On the other hand, DF leaders insisted that the ruling party staged the plot in order to secure victory in the October elections. In December 2016, Montenegro issued an international arrest warrant for two Russian and three Serbian citizens who allegedly coordinated the terrorist operation. The investigation remained open at year’s end.

In the course of 2016, Montenegro held parliamentary and five local elections. Introduced by the 2014 electoral reform, new provisions regulating candidate registration and voter registration and identification were implemented. In protest against the arrests and allegations of a coup plot, the entire opposition refused to accept the result of the general elections and subsequently decided to boycott the parliament. Although international observers found that the election day generally proceeded in an orderly manner, opposition parties maintained that the news about the aforementioned arrests negatively influenced voter turnout. Internet services Viber and WhatsApp were suspended for several hours on election day, supposedly to prevent illegal distribution of political propaganda. On the other hand, opposition parties successfully embarked on the formation of post-electoral governing coalitions in the municipalities of Budva and Kotor, where they won a majority of seats.

With its accession protocol in the process of ratification by member states at year’s end, Montenegro expects to join NATO by mid-2017. Montenegro also further progressed in the European Union accession process during 2016, opening four negotiation chapters. Despite the country’s solid GDP growth, serious socio-economic challenges such as high unemployment and increasing public debt remain.

Civil society organizations in Montenegro’s public space remain highly visible in Montenegro’s public space, both in terms of their number and their social impact. They continue to make a valuable contribution in improving the work of state institutions, helping the state fight corruption and organized crime, strengthening integrity of the electoral process, and more. Arguably due to a lack of effective political opposition, the leading CSOs’ activities sometimes reach into the quasi-political sphere. Notwithstanding the introduction of new institutional mechanisms, cooperation between the government and CSOs stagnated in 2016. Ensuring the financial sustainability of civil society, which is contingent upon a reform of the Law on NGOs and the introduction of a new system of their public funding, remains a priority.

Although very diverse, the media community in Montenegro remains politically highly polarized, which negatively affects its editorial independence and in-depth investigative reporting. The media sector’s undivided endorsement of a recent launch of a new journalist code of ethics was an encouraging development in 2016. Private media outlets continue to struggle financially. Under a new director and editorial team agreed as part of the deal between the DPS and opposition in the pre-election period, the
public broadcaster (RTCG) acted impartially and in line with its legal obligations during the 2016 parliamentary election campaign. However, the manner in which the subsequent changes within its management were carried out raised concerns over continuing potential political influence over the RTCG. A July reform of the Law on Media, which guarantees RTCG annual allocations from the state budget, created conditions for its long-term financial independence. One case of a verbal threat against journalists was reported in 2016. The government recently established a new independent commission to follow investigations of attacks against journalists.

Montenegro’s judicial system remains “moderately prepared” for EU accession, and still requires strengthening of its professionalism and accountability. Still, the efficiency and transparency of Montenegro’s judiciary further improved in 2016. The quality of rulings remains very high and, for the first time in a couple of years, the backlog of cases older than three years was significantly reduced. As reported by various NGOs, courts are increasingly open and trusted by public. The recent activities of the Office of the Special Prosecutor for Organized Crime and Corruption likely contributed to public trust, and a new Center for Training of the Judiciary was very active throughout 2016.

Corruption remains and is perceived by Montenegrin citizens as one of the major obstacles to the country’s democratic development. Montenegro made progress in 2016 in strengthening the legislative and institutional framework for battling corruption, however, with the entry into force of a new Law on Prevention of Corruption, and the creation of an Agency for Prevention of Corruption with the mandate to sanction public officials’ conflict of interest, protect whistleblowers, and control party financing. In addition, the first results were seen in the fight against high-level corruption, including the conviction of Svetozar Marović, ex-speaker of Montenegro’s Parliament and a long-time highest official of the ruling DPS, in a fraud and embezzlement case.

Score changes in 2016:

- **Corruption rating improved from 5.00 to 4.75** due to progress strengthening the legislative and institutional framework for battling corruption, including the adoption of a new Law on Prevention of Corruption and the establishment of the Agency for Prevention of Corruption, as well as convictions of high-level officials engaged in corruption.

As a result, **Montenegro’s Democracy Score improved from 3.93 to 3.89.**

Outlook for 2017

In 2016, despite the collapse of the long-standing ruling coalition and the ensuing reconfiguration of the party scene, Montenegro kept to its course of political and economic development. With NATO membership “around the corner” and EU negotiations unfolding as expected, the country’s institutional capacities continue to improve, while investment-induced GDP growth remains high. These positive trends should be expected to continue in 2017. On the other hand, political tensions in Montenegro could linger if the opposition continues to refuse to officially recognize the results of the October 2016 parliamentary elections and, in particular, if the Democratic Front, the country’s leading opposition alliance, continues to act in an anti-systemic manner. The departure from government of Milo Đukanović, the larger than life seven-time prime minister, might lower the political temperature.
National Democratic Governance

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- The 18-year-old ruling coalition of the dominant Democratic Party of Socialists (DPS) and its junior partner, the Social Democratic Party (SDP), officially came to an end in January 2016, following a prolonged crisis in their relations. The DPS survived the ensuing vote of no confidence, however, with the support of three MPs from an opposition party, Positive Montenegro. After narrowly surviving the vote, Milo Đukanović, Montenegro’s prime minister and the head of the DPS, agreed to reshuffle the cabinet by giving four ministerial posts (Finance, Interior, Social Work, and Agriculture) and one deputy prime minister position to various opposition parties. Opposition party representatives were also appointed to the management boards of 16 state institutions, including the National Security Agency, and the largest state-owned enterprises. This unusual political arrangement, formalized on April 26, was meant to restore popular trust in the electoral process in advance of parliamentary elections in fall 2016. The Democratic Front (DF), the biggest opposition parliamentary group, continued to refuse to cooperate with Đukanović and denounced the interim government, maintaining its anti-systemic stance and committing to extra-parliamentary action as the only means to remove the DPS from power.

- When compared to other post-communist European states, Montenegro stands out for the fact that one party, DPS, has been in power since the 1990 introduction of political pluralism. The parliamentary elections of October 16 did not change this pattern. After winning by far the biggest share of the popular vote and 36 out of 81 seats, DPS was able to form a 42-seat government with small contributions from the Social Democrats (SD CG, a breakaway faction of the SDP) and DPS’s traditional political partners from ethnic minority parties.

- Election day was marked by news of the arrest of 20 people from Serbia who the Special Prosecutor for Organized Crime, Milivoje Katnić, said intended to carry out a series of terrorist attacks on state institutions and police and to assassinate Prime Minister Đukanović. Several members of the original group were released without charge; several others pleaded guilty and in return received shorter prison sentences. Montenegro issued an international arrest warrant for two Russian and three Serbian citizens. Several members of the group arrested in October pleaded guilty and in return received shorter prison sentences. In the course of interrogation, some of those arrested

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alleged that leaders of the DF had participated in the plot, charges which those leaders strenuously rejected.\(^8\)

- Not only the DF, but the whole opposition refused to accept the result of the October parliamentary elections, claiming that voting took place “in an atmosphere of coup d’état” that prevented citizens from freely expressing their political will, although turnout was high at 73.2 percent.\(^9\) They pledged to boycott the parliament until the alleged terrorist plot was fully investigated.\(^10\) At the same time, opposition parties formed local governments in two municipalities (Budva and Kotor) in which they won a majority of seats in the simultaneously organized local elections.\(^11\)

- As speculated prior to the elections, Đukanović withdrew from government after the vote, with his deputy Duško Marković taking over the post of prime minister. As the head of the ruling party, however, Đukanović is likely to continue having significant influence on political processes in Montenegro. Marković used his inaugural speech to invite the opposition parties that had participated in the previous government to join his cabinet, but that remains highly unlikely.\(^12\) In terms of policy priorities, there is a strong sense of continuity between the two governments as EU and NATO integration, economic growth, and the rule of law remain at the top of the new government’s agenda. Seven of the 19 ministerial positions went to parties other than the DPS, and Marković kept only four ministers previously serving under Đukanović, appointing a number of professionals without political backgrounds. The government created the new ministries of Public Administration, European Affairs, and Sports, and abolished the Ministry for Information Society and Telecommunications.\(^13\)

- Notwithstanding a significant budget increase (from €6.9 million in 2015 to €9.65 million in 2016)\(^14\) aimed at strengthening its control function, the parliament of Montenegro remained largely stalled throughout the three months of negotiations in the winter and early spring between the ruling party and the opposition. Moreover, an incident took place in May when Democratic Front MPs interrupted Prime Minister Đukanović’s address to the parliament by shouting insults. A minor scuffle followed Đukanović’s reply.\(^15\) Parliament’s legislative activity greatly intensified following the June election of the new speaker, Darko Pajović from Positive Montenegro, leading to a reduction of the backlog of pending laws.\(^16\)

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\(^9\) “Opozicija ne priznaje rezultate izbora” [The opposition does not accept the electoral results], RTCG Online, 17 October 2016, [http://www.rtcg.me/vijesti/politika/144758/opozicija-ne-priznaje-rezultate-izbora.html](http://www.rtcg.me/vijesti/politika/144758/opozicija-ne-priznaje-rezultate-izbora.html).


• In the course of 2016, Montenegro made further progress in the process of accession to the European Union (EU) and the North Atlantic Treaty Organization (NATO). In June and December, the country opened four more chapters in EU membership negotiations, bringing the number of open chapters to 26. The country plans to open the remaining nine by mid-2017; two chapters have been closed so far.17 In December 2015, NATO foreign ministers officially invited Montenegro to join the alliance, and in May 2016, they signed Montenegro’s Accession Protocol. Montenegro’s government expects the process of ratification by NATO member states to be finalized by spring 2017.18 In December 2015, the Montenegrin parliament ratified border demarcation agreements with Bosnia and Herzegovina and Kosovo. The former came into force in April 2016 following the ratification in the Bosnian State Assembly, but a series of violent protests organized by Kosovan opposition parties postponed ratification of the agreement in Kosovo.19

• Big infrastructure projects, most importantly the €809 million first section of the Bar-Boljare highway, and foreign investments in tourism and energy production increased the pace of economic growth in 2016 to 3.6 percent.20 On the other hand, growing public debt (58.8 percent of GDP in September 2016) and high unemployment rates, particularly among youth (37 percent), remain serious socio-economic challenges.21

Electoral Process

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• Members of the unicameral 81-seat Montenegrin Parliament are elected by secret ballot, in a single nationwide constituency, under a proportional closed-list system for a four-year term. The 2011 Law on the Election of Councillors and Representatives stipulates that lists representing minority groups that make up less than 15 percent of the country’s population can win up to three seats each, provided that they obtain at least 0.7 percent of the vote for Albanians and Bosniaks, and at least 0.35 percent for Croats. The 2014 reform of the law created a centralized electoral register, instituted biometric voter identification to prevent fraud, and requires that every fourth candidate should be from a less represented gender, in addition to the mandatory 30 percent quota for either gender.


introduced in 2011. An August 2016 reform of the Law on the Special Prosecutor, requested by the opposition parties so as to contribute to the creation of conditions for free and fair elections in October, put this office in charge of investigating violations of the electoral law.

- The Democratic Party of Socialists won the October parliamentary elections convincingly, with 41.4 percent of the vote, or 36 out of 81 seats; its political backer the SDG won 3.26 percent and two seats. The remainder of seats were divided among the DPS’s main political rivals from 17 candidate seats, with the Democratic Front securing 20.3 percent of the vote and 18 seats. The tripartite coalition, The Key (Ključ)–comprised of the Socialist People’s Party and political newcomers DEMOS and URA–won 11 percent and nine seats, while another young political organization, the Democrats, secured 10 percent and eight seats. The DPS’s former junior coalition partner, the SDP, won 5.2 percent of the vote and four seats. The main Bosnian, Croatian, and Albanian parties won respectively two, one, and one seat each.

- In terms of intensity and funding, the 2016 electoral campaign significantly surpassed the previous round in 2012. Beside traditional media, social networks such as Facebook and Twitter played a much more visible role. As of October 16, parties and coalitions raised more than 700,000 euros in 2016, more than three times as much as in 2012. The newly established Agency for Prevention of Corruption was tasked with regulating campaign finance (see “Corruption”).

- Content-wise, many in Montenegro came to see the vote as a referendum on NATO accession. Such an impression was strengthened by DPS’s repeated claims that Russia financed the Democratic Front’s campaign. Against the ruling party’s claims, the DF as well as other opposition parties/coalitions insisted that Đukanović and DPS were using NATO integration to mask undemocratic rule, unsuccessful socioeconomic policies, and involvement in organized crime and corruption. As stated in the main preliminary findings of the OSCE/Council of Europe observation mission, “the campaign was characterized by a lack of distinct policy alternatives, with the exception of geo-political orientation, and permeated by personalized attacks.”

- A record 2,607 representatives of domestic and international organizations monitored the elections. While there were some procedural issues, the OSCE/ODIHR final report stated they did not affect

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22 Since the 2011 law did not define the ordering of candidates, women represented 30 percent of the party lists but, as a rule, were grouped at the bottom of the lists.
the results.30 While OSCE/ODIHR noted the improved legal framework for elections, local monitor CeMI disagreed, and criticized the electoral framework as being inconsistent and outdated.31 OSCE/ODIHR stated that the elections were held in a competitive environment in which fundamental freedoms were generally respected; the electoral administration worked largely in a transparent manner and met all legal deadlines; and the election day proceeded in a calm and orderly manner, with relatively few cases of procedural irregularities.32 At the same time, they and other monitors noted issues with transparency of electoral commissions and their decisions. Following the elections, 157 violations were officially reported33 and were being investigated by the Special Prosecutor at year’s end.34 Monitors attributed the small number of complaints to a lack of trust in the effectiveness and impartiality of state institutions.35

- In the evening on election day, mobile messaging services Viber and WhatsApp were suspended for two hours. The State Communications Agency stated the suspension was to prevent their abuse, i.e., illegal distribution of political propaganda while the voting was in progress,36 but monitoring groups said it hampered their ability to collect information on the vote.37 Some NGOs also warned about changes to the voter registry shortly before the elections and questioned its accuracy.38 According to the head of the OSCE/Council of Europe mission, Roman Jakić, however, there was “a significant improvement in the electoral process” compared to the 2012 parliamentary elections.39
- Unlike in previous years, opposition parties did not report any instances of abuse of power by the ruling party during the campaign.40 They nonetheless did not recognize the results of the elections

32 Ibid.
and launched a boycott of parliament on the basis that the arrests and allegations had created “an atmosphere of coup d’état” in which people could not express their political will freely. The EU, US, NATO, and even Russia promptly accepted the outcome of the elections, however, and EU Commissioner Johannes Hahn and High Commissioner Federica Mogherini called for “the swift formation of a new government.”

Civil Society

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- The number of registered civil society organizations, including domestic and branch offices of foreign CSOs, in Montenegro is very high, standing at nearly 4,000 at the end of 2015, although most of those are considered to be inactive or engaged in limited activities. The main legislation governing the sector is the 2012 Law of Non-governmental Organizations. As noted in the latest USAID Civil Society Sustainability Index, NGOs in Montenegro “generally enjoy freedoms and legal guarantees necessary to carry out their work without political or institutional interference,” but the EC 2016 Progress Report warned about the continuation of smear campaigns and intimidation attempts against certain CSO activists. In July, the Supreme Court ruled in favor of Vanja Ćalović, director of the country’s leading NGO, Network for Affirmation of the NGO Sector (MANS), finding that Ćalović did not violate the honor and dignity of former Serbian official

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46 Ibid, 173.

Vladimir “Beba” Popović with remarks she made about him in response to a smear campaign against her in 2014.  

- In December 2013, the government adopted the three-year Strategy for Development of Non-governmental Organizations.  

  It brought about a greater level of NGO participation in the processes of creation and implementation of public policies at the state and local level as well as in the EU accession process. Other goals of the strategy, such as creating necessary conditions for strengthening NGOs’ organizational capacities and financial sustainability, remained largely unfulfilled. In April 2016, the government formed an expert group of state and civil society representatives, which is to prepare a new strategy for NGO development for 2017-2020.  

- As a part of the 2014-2016 strategy, two special bodies (the Office for Cooperation with NGOs and the Council for Cooperation between the government of Montenegro and Nongovernmental Organizations) were established and focal points in all the ministries and state administration bodies responsible for cooperation with NGOs were appointed. In September, NGO representatives decided to boycott the work of the Council following the government’s adoption of a document analyzing the effects of the 2014-2016 strategy, which the Council had not previously discussed, despite being mandated to do so. While acknowledging that “some progress” had been made in improving cooperation between the state and civil society in Montenegro, the 2016 EC Progress Report recognized the need for additional resources and greater transparency in government procedures for cooperation and consultation with CSOs. To that end, in September the Office for Cooperation with NGOs launched a new web portal which, pertinent to the benchmarks from the EU negotiation agenda in the Chapter 23, will promote anti-corruption and related activities. In July, a Cooperation Agreement between the Parliament and 57 non-governmental organizations was signed with the aim to improve information exchange and increase participation of NGO representatives in the legislative process.  

- Public funding remains one of the key challenges in the process of CSOs’ further development. The last EC Progress Report found that the current system, in which they predominantly rely on disbursement of revenue from games of chance, was not being implemented properly. Yet, none of the main activities concerning this issue from the government’s 2014-2016 strategy were implemented in previous years. The Ministry of Interior prepared amendments to the Law on NGOs with the aim of introducing a new model of state financing that involves centralized planning,
but decentralized allocation of funds, to these organizations. However, a coalition of NGOs found certain provisions of the reform law to be unsustainable and inadequate.\(^{56}\)

- On the other hand, largely as a result of international support, the most influential Montenegrin NGOs remain financially very potent. In 2015, the EU Delegation in Montenegro provided €2.4 million for civil society projects, and €5 million from 2014-2016, out of €47.4 million allocated for democracy and rule of law in overall assistance to Montenegro for those years.\(^{57}\) Montenegro’s Central Bank reported that the amount of bank savings of NGOs and foundations stood in December 2016 at €45.7 million.\(^{58}\)

- By providing valuable assistance to and the efficient control of state institutions, CSOs continue to make significant contribution to the process of democratization in Montenegro. Their indispensability for the integrity of the electoral process was once again demonstrated in October 2016. In recent years, their investigative work shed light to a number of corruption cases, some of which mentioned in this report. Due to the weakness of the organized opposition, however, some organizations have in recent years at times assumed quasi-political roles. In March 2012, MANS was one of the organizers of the biggest anti-government protests in post-referendum Montenegro, during which its director demanded the resignation of PM Igor Luksić and the arrest of his predecessor (and, as it turned out, successor) Dukanović on allegations of widespread corruption.\(^{59}\) The same could be told about the January 2016 consultations of the leading Montenegrin NGOs’ representatives with the heads of the three opposition parties (SDP, URA, and DEMOS) on the occasion of which their future political strategy was discussed.\(^{60}\)

- In sharp contrast to the first Montenegro Pride in 2013, when more than 80 people were detained for planning to attack LGBT activists, the third march, held in December 2015, took place without a single incident.\(^{61}\) However, several verbal and physical attacks on gay and lesbian persons were reported during 2016.\(^{62}\) Along with members of Roma, Ashkali, and Balkan Egyptian ethnic minorities, and persons with disabilities, the LGBT community remains the most vulnerable social group in Montenegro.\(^{63}\)

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\(^{56}\) Based on the new model, ministries would be in charge of preparing and issuing calls for proposals for relevant CSO projects and programs in specific priority areas, which the aforementioned NGO coalition found to be potentially detrimental to the interest of local organizations working on cross-sectoral issues that do not fall under any particular ministry. USAID, CSO Sustainability Index, 173.


\(^{58}\) By comparison, the total value of the Montenegrin government’s bank deposits stood at €81.2 million. “NVO ustedjele 46 miliona” [NGOs saved 46 million], RTCG Online, 9 February 2017, http://www.rtcg.me/vijesti/ekonomija/155909/nvo-ustedjele-46-miliona.html.


Independent Media

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- Guaranteed by the 2007 Constitution and secondary legislation, freedom of the press in Montenegro was reaffirmed by the 2012 decriminalization of defamation. While referring to several unresolved cases of attacks targeting journalists and media outlets, the 2016 EC Progress Report states that in Montenegro “there is no systematic trend of attacks against journalists resulting in threats to life or serious injuries.”
- In the course of 2016, one such case was reported—a verbal attack on Siniša Luković, a correspondent for the daily Vijesti, characterized by a Basic State Prosecutor as misdemeanor.
- In December, the Ministry of Interior scrapped police protection for Tufik Sofić, a well-known crime reporter and victim of several physical attacks over the last decade, after deeming that the provision of protection was no longer necessary. Claiming that he was still under threat, Sofić as well as the Society of Professional Journalists of Montenegro unsuccessfully protested the decision.
- Freelance journalist Jovo Martinović, who was detained in October 2015, remained in pre-trial detention for drug trafficking charges as of the end of 2016 in a case protested by local and international human rights groups as a violation of due process and a threat to freedom of expression.
- Although relatively small, Montenegro’s media scene continues to be very vibrant. Alongside the public broadcaster RTCG, it comprises four major TV stations (Vijesti, Pink Montenegro, Prva, and Atlas), a news agency (MINA), privately-owned daily newspapers (Pobjeda, Vijesti, Dan, and Dnevne novine), and a weekly magazine (Monitor), several increasingly influential internet portals (Vijesti, Cafe Del Montenegro, Portal Analitika, and Antena M), and a few dozen radio stations with local coverage. The OSCE/Council of Europe report on the 2016 parliamentary elections recognized the country’s diverse media environment.
- At the same time, Montenegro’s deep political divisions are strongly reflected in its media landscape, which results in a lack of editorial independence and investigative reporting. The manner in which different media reported on the investigation of the planned terrorist attacks in October demonstrates their politicization. Whereas progovernment newspapers and portals strictly followed the official line, opposition media nearly ridiculed the case. In the aftermath of the arrest,
the daily *Vijesti* reported on the front page that “the state was attacked by a tailor, a fisherman, and a locksmith.” In a similar fashion, the daily *Dan* described the Special Prosecutor’s presentation of equipment, which was to be used in the terrorist attack, with the front page “They found slings instead of weapons.” For weeks, these outlets uncritically re-published articles from Serbian newspapers in which the terrorist group was portrayed as being organized by Montenegrin authorities. In response, then Prime Minister Đukanović accused these media of “obstructing the investigation by helping those who wanted to conceal their terrorist activities.” Mihailo Jovović, the editor-in-chief of *Vijesti*, interpreted these remarks as calling for violence against the ruling party’s political opponents.

- The absence of a comprehensive self-regulatory media monitoring body represents a serious obstacle to further professionalization of the Montenegrin media; outlets such as *Vijesti* and *Dan* remain unrepresented in the existing Media Self-Regulatory Council. In view of that, the media community’s endorsement of the April launch of a new code of ethics for journalists might indeed be considered a major step towards “strengthening media self-regulation and raising professional standards of the media in Montenegro,” as the OSCE Representative on Freedom of the Media described it.

- In April, a new acting director of the state TV station *TVCG* and editorial team of the state Radio and Television of Montenegro (RTCG) were appointed as part of the package to assuage opposition concerns regarding DPS influence prior to the fall election. Opposition parties and media, and parts of the NGO sector, have long questioned the public broadcaster’s impartiality. Yet while the appointments may seem encouraging for addressing this issue, the fact that they resulted from a political agreement raises questions about RTCG’s institutional capacity to resist political influences and ensure editorial independence, which, as suggested in the 2016 EC Progress Report, “needs to be made a priority.” During the general election, RTCG refrained from editorial coverage of the campaign, broadcasting instead footage of rallies and other political events held by the parties. OSCE/ODIHR noted that this prevented the public broadcaster from providing “detailed and analytical reporting on the campaign.”

- After the elections, in November the RTCG Council dismissed the broadcaster’s general director Rade Vojvodić amid allegations that he had damaged the public broadcaster’s interests with his

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73 “Umjesto oružja našli prake” [They found slings instead of weapons], *Dan Online*, 7 November 2016, [http://www.dan.co.me/?nivo=3&rubrika=Vijesti%20dana&datum=2016-11-07&clanak=572045](http://www.dan.co.me/?nivo=3&rubrika=Vijesti%20dana&datum=2016-11-07&clanak=572045).

74 “Srpski mediji: Dikić uzeo pare i angazovao ga je državni vrh ili mu je namješteno” [Serbian media: Dikić (identified as the leader of the terrorist group) was either paid and hired by the state or set up], *Vijesti Online*, 18 October 2016, [http://www.vijesti.me/vijesti/srpski-mediji-dikic-uzeo-pare-i-angazovao-ga-je-drzavni-vrh-ili-mu-je-namjesteno-907944](http://www.vijesti.me/vijesti/srpski-mediji-dikic-uzeo-pare-i-angazovao-ga-je-drzavni-vrh-ili-mu-je-namjesteno-907944).


decision to annul the vacancy ad for the position of RTCG director.\(^{80}\) According to one Council member, political pressure was the key factor in Vojvodić’s dismissal, which he is disputing in a legal process.\(^{81}\)

- In July, an important step towards ensuring the financial independence and long-term sustainability of RTCG was made with the adoption of amendments to the law on public broadcasting services, according to which the state would allocate to the broadcaster a fixed amount of 0.3 percent of GDP annually (approximately €2 million more than its present budget). In addition, following the publication of the 2015 Progress Report in which RTCG’s “lack of the appropriate financial resources to meet its public broadcasting and digitalization obligations” was noted,\(^{82}\) the government decided to provide €15.7 million for its digitalization.\(^{83}\) After finishing 2015 with nearly €800,000 net income, RTCG maintained this positive financial trend in 2016.\(^{84}\)

- The financial situation of most private media in Montenegro stands in stark contrast to that of RTCG. Due to their prolonged economic hardship, nearly 600 journalists were sacked since 2012 while, on average, those employed saw their salaries cut and working hours extended. In September, Atlas TV reporters went on strike after not being paid for five months.\(^{85}\) The tax debt of the four biggest media houses currently exceeds €1.5 million, most of which reported by Atlas TV (€792,000) and Vijesti media group (€674,000).\(^{86}\) In 2016, the government agreed to help outlets with substantial debts by allowing their tax debts to be restructured, i.e., paid off in monthly installments.\(^{87}\) On the other hand, among media analysts and NGO representatives, there are many who regard the government’s allocation of public funds and advertising as biased and used as a tool of leverage over the media.\(^{88}\)

- Apart from ensuring the independence of the public broadcaster, the 2015 EC Progress Report highlighted the importance of solving older cases of violence against media, including the 2004 murder of Duško Jovanović, then editor-in-chief of the daily Dan. To that goal, in June 2016, the government offered an award of €1 million for information leading to the arrest of perpetrators of

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\(^{81}\) “Rade Vojvodic dismissed: There are no great journalists in RTCG”, Cafe del Montenegro, 2 December 2016, http://cdm.me/english/rade-vojvodic-dismissed-there-are-no-great-journalists-in-rtcg/


\(^{83}\) “Država plaća digitalizaciju 15.7 miliona” [The state is paying 15.7 million for digitalization], Vijesti online, 7 November 2015, http://www.vijesti.me/vijesti/drzava-placa-digitalizaciju-157-miliona-859446.


Jovanović’s murder. In addition, it decided to form an independent commission that would follow investigations of criminal acts against journalists, similar to previous efforts.

- In late July, amendments to media laws proposed by several opposition MPs and two NGOs (the Center for Civic Education and Human Rights Action) failed without discussion in parliament. The amendments, among other changes, were to redefine criteria for state advertising in the media, increase the mandatory volume of broadcasters’ own production to 20 percent of programming, and to limit liability and damages for journalists. Ahead of the potential discussion in parliament, the OSCE Representative for Freedom of the Media wrote a letter to Prime Minister Đukanović expressing concerns about the potential negative effects on media pluralism of some of the amendments, among them the mandatory 20 percent rule, potential negative effect on media pluralism in Montenegro.

Local Democratic Governance

|----------|------|------|------|------|------|------|------|------|------|------|

- The Constitution of Montenegro recognizes opštine (municipalities) as the basic form of local administration. There are currently 23 municipalities in Montenegro; two of which—the Old Capital City Cetinje and Podgorica Capital City—have special legal status. As part of the process of administrative decentralization, two new municipalities—Petnjica and Gusanje—have been established in recent years. The Union of Municipalities of Montenegro (UOM) coordinates municipalities’ work and provides a joint platform for improving their function. The UOM’s 2011-2016 Strategic Plan prioritized representation of municipalities’ interests, their organizational capacities’ improvement, and international cooperation, primarily with EU institutions.

- In practice, most local self-government units in Montenegro suffer from chronic financial and organizational problems. In February 2015, the government allowed 14 municipalities to settle their debt—€89 million ($99 million) in total—over a period of 20 years. Nonetheless, according to the latest financial reports, the level of municipal debt continued to grow—from €167 million ($187 million) in 2014 to €177.5 million ($199 million) at the end of 2015. In addition, one third of

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93 In view of their greater fiscal potential, municipalities of Bar and Budva were given five years to settle their debts. “Vlada: reprogramirae dug opština na 89 miliona eura” [The government: €89 million-municipal debt will be reprogrammed], Cafe del Montenegro, 19 February 2016, [http://www.cdm.me/ekonomija/vlada-reprogramirace-dug-opstinama-od-89-miliona-eura](http://www.cdm.me/ekonomija/vlada-reprogramirace-dug-opstinama-od-89-miliona-eura).

municipalities failed to adopt a budget for 2016 within the legally prescribed timeframe. As noted in the 2016 EC Progress Report, “both the financial situation of local self-government and the public financial management of local self-management entities remain unsatisfactory.”

- The report further recognized the need for strengthening the transparency, efficiency, and accountability of local self-government units. Most municipalities in Montenegro have an excessive number of employees, often lacking necessary professional skills. The abovementioned debt relief agreement therefore prohibited municipalities from hiring new staff. However, the results of research recently carried out by MANS indicate that most of the affect municipalities violated this obligation. The report found that, in the course of eight months in 2016, there were nearly 2,000 new temporary or contract-based employments in 17 municipalities.

- In July, the UOM signed a Cooperation Agreement with parliament to intensify their institutional dialogue with the aim of improving local self-governance, for example, through “creating conditions for more efficient and higher quality services to citizens and businesses by the local government”. Its practical results remain to be seen.

- During 2016, several local elections were held in Montenegro. In April, DPS won an absolute majority of seats in the Municipal Assembly of Tivat. Voter turnout was nearly 70 percent, despite an opposition boycott demanding local elections be held alongside the national parliamentary vote. In October, along with the parliamentary elections, Montenegrin citizens voted in local elections in four municipalities. The ruling party won a majority in Andrijevica, and in Petnjica it came first and is expected to form a governing coalition. On the other hand, DPS lost Budva and Kotor, where opposition parties and coalitions secured a majority of seats. The outcome of these two elections was hardly surprising considering numerous corruption scandals in Budva and the recent surge of gang violence in Kotor.

Judicial Framework and Independence

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- Montenegro’s Constitution guarantees permanent tenure and functional immunity for judges. By reducing political influence in the process of their appointment and promotion, the establishment of

97 Ibid, 8.
the Judicial and Prosecutorial Councils in 2014 further reinforced the legal foundations of judicial independence. The 2016 Progress Report notes that the capacity of these two bodies has improved in line with earlier recommendations.\(^{103}\) Yet, notwithstanding “some progress” made in this field, Montenegro’s judicial system remains “moderately prepared” for the EU accession process.\(^{104}\) The proposed measures aimed at increasing the efficiency of the country’s judiciary include full implementation of the legislation guaranteeing its independence and professionalism, strengthening its accountability, and improving human resource management.\(^{105}\)

- Throughout 2016, training and seminars were organized for judges by the Center for Training of the Judiciary and State Prosecution Service of Montenegro, an independent body created in October 2015 pursuant to Chapter 23 of Montenegro’s EU accession process.\(^{106}\) By providing practical training to judges and prosecutors, its main purpose is to advance their knowledge and skills, strengthen the principles of their professional independence, and improve their ethical standards. In June 2016, the government adopted the Strategy of Information-Communication Technologies of the Judiciary, which aimed to further improve the efficiency and openness of the judicial system.\(^{107}\)

- Despite a massive influx of cases,\(^{108}\) which remains a major challenge, Montenegro’s judicial system continues to improve the quality of its work and transparency. In 2015, the average number of resolved cases per judge was 340, and 99.3 percent of rulings were issued within the legally defined timeframe. Judicial rulings were appealed in 15 percent of cases, with the initial decisions of two-thirds of appellate cases being upheld by higher courts. At the same time, the number of pending cases dropped by 10 percent when compared with 2014, while the backlog of cases older than three years reduced by nearly a quarter.\(^{109}\) The legally required random allocation of cases to individual judges is automatically implemented through the judicial information system (PRIS).

- The results of the EU-supported “Initiative for Transparent Judiciary” project, conducted by one of Montenegro’s leading NGOs, the Center for Democratic Transition (CDT), showed that the level of judicial transparency in Montenegro increased from 41 percent in 2014 to 80 percent in 2016.\(^{110}\) The analysis focused on the regulations governing the work of judicial institutions and individual acts of courts, the availability of important information—including rulings, administrative documents, and these institutions’ organisational structure and personal composition—on their websites, and on the responses to the questionnaires sent to the 21 courts under scrutiny. However, despite these increases, courts’ transparency remains an issue, with the report finding that only three courts can seat more than 30 people from the general public, while most courts are inaccessible for people with disabilities.

- During 2016, Montenegro maintained a good relationship with the European Court of Human Rights (ECtHR). The ECtHR found no systematic violations of human rights and freedoms in this country,

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\(^{103}\) Montenegro 2016 Progress Report, 12.

\(^{104}\) Ibid.

\(^{105}\) Ibid, 12-13.


\(^{107}\) The text of the Strategy (in Montenegrin) is available at: http://www.pravda.gov.me/biblioteka/strategije.

\(^{108}\) In 2015, as reported by Vesna Medenica, the President of the Supreme Court of Montenegro, some judges at first instance were assigned more than 800 cases. “Medenica: Vrhovni sud riješio skoro 95 odsto predmeta” [Medenica: The Supreme Court resolved nearly 95 percent of cases], Cafe Del Montenegro, 14 April 2016, http://www.cdm.me/hrvatsko/medenica-vrhovni-sud-riesio-skoro-95-odsto-predmeta.


based on the cases against Montenegro decided in recent years. The Court’s President, Guido Raimondi, recently noted that Montenegro continues to meet its obligations to the ECtHR, while the number of cases from Montenegro continues to drop. However, Montenegro’s index of allocations (number per 10,000 people) still remains high at 2.07 compared to the average of Council of Europe member states of 0.79.

• Notwithstanding its limited capacity to effectively handle complaints, as the EC Progress Report has put it, the Ombudsman’s Office took several noteworthy actions in the course of 2016, including filing a suit against Radosav Lješković, the commander of the Special Anti-Terrorist Unit (SAJ). Lješković was accused of failing to process members of his unit responsible for illegal use of force against several citizens during an antigovernment protest in Podgorica on October 24, 2015, and was suspended temporarily as a result of the Ombudsman’s suit.

• The latest poll conducted by the Center for Monitoring and Research (CeMI) indicates a growing level of public trust in the judicial system in Montenegro. The poll found 52.6 percent of people had trust in the judiciary, compared with 38 percent in 2013. Recent activities of the Special Prosecutor’s Office for Organized Crime and Corruption may have contributed to this improvement (see Corruption).

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• Corruption remains one of Montenegro’s most difficult developmental challenges. According to a recent poll by the Center for Democratic Transition, Montenegrin citizens regard corruption—alongside low living standards—as the country’s second biggest problem. One in five respondents also reported paying bribe at some point, which indicates a high level of public tolerance for corruption—although this figure is lower than a similar poll in 2014, when one third of respondents


admitted to participating in bribery.\textsuperscript{116} As the EC’s 2016 Progress Report acknowledged, “corruption remains prevalent in many areas and continues to be a serious problem.”\textsuperscript{117} 

- At the same time, in 2016 Montenegro made advances towards fulfilling key EU recommendations concerning anticorruption measures. The Progress Report recognized “good progress” in institution building and “some progress” in establishing a track record in fighting high-level and other forms of corruption.\textsuperscript{118} Transparency International has recorded small improvements for Montenegro’s Corruption Perceptions Index since 2014, improving the score from 42 to 45 on a scale of 1-100 during that time.\textsuperscript{119}

- In August, the government adopted a new Public Administration Reform Strategy, to be implemented by 2020. The document aims to further improve state institutions’ efficiency and transparency, intensify their cooperation with local governments and NGOs, and reinforce the merit system and integrity in the public service.\textsuperscript{120} These processes are to be managed by the newly established Ministry of Public Administration.

- On January 1, a new Law on Prevention of Corruption entered into force, establishing the Agency for Prevention of Corruption. Its responsibilities include identification and prevention of conflicts of interest in the exercise of public functions, whistleblowers’ protection, control of the financing of political entities and election campaigns, and, for the first time, regulating lobbying.\textsuperscript{121} From its inception, opposition politicians and civil society representatives have questioned the Agency’s willingness to genuinely fight corruption in the public administration.\textsuperscript{122} By the end of the year, the Agency had provided whistleblower status to two people, Milisav Dragoević and Dragomir Minić, who reported corruption and various other misdoings in the State Railway Company.\textsuperscript{123} However, the Agency did not extend the same status to Particia Pobrić, a former hotel sales manager, who revealed that funds from Montenegro’s Railway Directorate were used to pay for the organization of two SD party conferences. The Railway Directorate was part of the Ministry of Transport, headed at the time by the president of the SDs, Ivan Brajović. While the Special Prosecutor’s Office subsequently pressed charges against the head of the Directorate, Nebošja Obradović, the Agency rejected Pobrić’s request as she originally reported the case to an opposition MP and not, as the law required, to the appropriate authorities.\textsuperscript{124}

- The Agency for Prevention of Corruption conducted an investigation of party finance transparency during the October election campaign, which found that “most political entities did not entirely fulfill legal obligations” relating to opening bank accounts, determining the responsible person, and providing biweekly reports. Fifty-seven infringement procedures were launched as a consequence of


\textsuperscript{119} Ibid.


the Agency’s investigation. Infringement notices were issued across the political spectrum, including against parties close to the ruling DPS (SDs and the Montenegrin Democratic Union–CDU). However, some opposition representatives—including from the Democratic Front—alleged that political motives underpinned the infringement notices, arguing that they had in fact fulfilled the requisite legal obligations. After the elections, the Agency suspended the transfer of money to the Democratic Front from the state budget until the infringement-related investigation ends.

- In previous years, the fight against corruption in Montenegro has been characterized by few high-level cases and a low number of indictments for corruption-related offences. However, in June, a major corruption investigation saw Svetozar Marović, the ex-president of the former State Union of Serbia and Montenegro, ex-speaker of the Montenegrin Parliament, and president of the Political Council of the ruling DPS, sentenced to three years and 10 months in prison. Marović had previously signed a plea bargain with the Special Prosecutor’s Office admitting several crimes, including heading a criminal organization that defrauded the municipal budget of his hometown Budva of millions of euros. Among 38 persons investigated in the case by the Special Prosecutor, 8 pleaded guilty and agreed to serve 11 years and 7 months in jail. The reported value of the assets confiscated by the state was €23.5 million ($26.4 million). In a similar case that also attracted considerable media attention, the former mayor of Budva and another high-ranking DPS official, Lazar Radenović, was sentenced in March to three years and eight months in prison. Radenović subsequently signed an agreement with the Special Prosecutor’s Office agreeing to serve 18 months and pay €30,000 (approximately $33,700) in another corruption case.

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127 DF claimed that the Agency head was instructed by the Prime Minister, “Blokira nas po nalogu Markovića” [He is blocking us on the orders of Marković], [Dan Online](http://www.dan.co.me/?nivo=3&rubrika=Politika&clanak=574607&datum=2016-11-24&naslov=Blokira%20nas%20po%20nalogu%20Du%20Markovi%E6a].
130 “Apelacioni sud: Radenoviću tri godine i osam mjeseci zbog “Košljuna”” [The Court of Appeal: Radenović to serve three years and eight months because of “Košljun” case], [Vijesti Online](http://www.vijesti.me/vijesti/apelacioni-sud-radenovicu-tri-godine-i-osam-mjeseci-zbog-kosljuna-878515), 9 March 2016.
131 “Podgorica: Radenoviću godina i po zatvora i kazna od 30 hiljada eura” [Podgorica: Radenović to serve year and a half and pay €30,000], [VolimPodgoricu portal](http://volimpodgoricu.me/2016/07/20/volim-podgorica-radenovicu-godina-i-po-zatvora-i-kazna-od-30-hiljada-eura/).