



The Government  
of Montenegro

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# THE STRATEGY

FOR DEVELOPMENT OF NON-GOVERNMENTAL  
ORGANISATIONS IN MONTENEGRO 2014-2016

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Podgorica, 2013



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**Adopted at the meeting of the Government  
of Montenegro held on December 26, 2013**

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Editors-in-chief:  
**Veselin Vukčević  
Ivan Šikmanović  
Danka Latković**

Editor:  
**Ksenija Alorić**

Translation:  
**Azra Kosović**

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## 1. INTRODUCTION

Developed civil society and non-governmental sector is a specificity of any modern democratic society which is founded on both, *representative democracy* (role of political parties) and *participatory democracy* (role of citizens and non-governmental organisations in social and political life). The concept of participatory democracy and civil society means that citizens are involved, either directly or through non-governmental organisations (NGOs), in social and political processes, representing different legitimate interests and values. Different, freely expressed interests and values are not only the essence of pluralism which is one of the fundamental principles of democracy, but they also form integral part of the process of making and implementing sustainable public policies. Therefore, creation of legal, institutional and other conditions for the development and unhindered work of NGOs is one of the prerequisites for strengthening democratic processes, political stability and prosperity of any country.

Under the Constitution, Montenegro is defined as citizens' and democratic state founded on the rule of law which guarantees civil rights and freedoms, including the freedom of association. Moreover, Montenegro ratified a number of international conventions which guarantee freedom of association, including the Council of Europe Convention on Human Rights and the United Nations International Covenant on Civil and Political Rights. The new **Law on Non-Governmental Organisations** was adopted in mid-2011 (Official Gazette of MNE 39/11), the implementation of which began on 01 January 2012. The Law is harmonised with international standards (the Council of Europe Convention on Human Rights and Recommendations CM/Rec (2007) 14 of the Committee of Ministers to Member States on the legal status of non-governmental organisations in Europe) and with case law of the European Court of Human Rights. Moreover, the Law contributes to strengthening good governance and increasing transparency of the work of NGOs. All this shows commitment of Montenegro to the development of proper legal framework that ensures freedom of association and unhindered work of NGOs.

On the other hand, cooperation between the state and NGOs has become an integral part of political criteria for full-fledged membership of the Western Balkans countries in the European Union. The Communication from the European Commission on Civil Society Dialogue of 29 June 2005 highlights the following: *any future enlargement of the European Union needs to be supported by a strong, deep and sustained dialogue with*

*civil society...*, while state of play in the NGO sector is regularly subject to the analysis of quarterly country progress reports prepared by the European Commission. The Treaty on European Union (Treaty of Lisbon) explicitly sets out that representative democracy and participatory democracy are some of the fundamental constitutional values of the Union.

In an endeavour to further promote intersectoral cooperation, in 2009 the Government of Montenegro adopted: **the Strategy for Cooperation between the Government of Montenegro and Non-Governmental Organisations** with the Action Plan for the period 2009-2011.

*The Strategy lays down five principles of cooperation: **partnership, transparency, accountability, mutual informing and independence of non-governmental organisations** which were pillars for implementation of activities aimed towards improving cooperation between the Government and NGOs.*

The Action Plan was implemented to a great extent, while in early 2011 numerous activities were incorporated into the **Action Plan for implementation of recommendations from the Opinion of the European Commission** and they were completed within a short period of time. The European Commission gave positive assessment of implementation of these measures, which partly contributed to the decision of the European Council to open negotiations on full-fledged membership with Montenegro. Moreover, the 2011 spring Progress Report of the European Commission<sup>1</sup> emphasises that cooperation with NGOs and work of the Council for Cooperation between the Government of Montenegro and NGOs were positive examples for countries of the region due to the progress that had been achieved, particularly in the area of creating an enabling legal and institutional frameworks.

In 2012, the Government of Montenegro acceded to the **Global Initiative Open Door Partnership**. This multilateral initiative should help governments of the member states of the Initiative to commit to improving transparency, empowering the role of public in the decision-making process, suppression of corruption and promotion of the use of new technologies with the aim of developing democracy. In light of promotion of cooperation between the Government and the NGO sector, the Operating Team which also includes members of four NGOs (*CDT, MANS, Institute Alternative and CRNVO*) prepared an Action Plan for its implementation. This team is responsible for evaluation and monitoring of the implementation of the measures set out in the Action Plan, as well as for quarterly reporting on their implementation.

Therefore, NGO sector in Montenegro is recognised as a partner that may contribute to further democratisation of the society and to its dynamic and sustainable development. NGOs launch initiatives and participate in making laws and other public policy instruments, as well as in implementation of the projects of common and general interest. Basic institutional framework at the national level was established for this partnership. According to the data from the NGO Registry, in early September 2013 there were 2716

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registered active NGOs in Montenegro which harmonised their acts with the Law on NGOs or are recorded in the Registry in accordance with it. Of that number, the majority are non-governmental associations (2534), while 182 are foundations. In terms of geographic distribution, head offices of the majority of non-governmental organisations are located in the central region of the country. To be specific, head offices of the majority of NGOs, i.e. 1069 of them, are located in Podgorica, while head offices of 257 NGOs are located in Nikšić. They are followed by Bar with 150 NGOs and Bijelo Polje with 144 NGOs. The lowest number of registered NGOs is in Plužine (10) and Šavnik (6). According to the survey conducted by the *NGO ADP Zid* in 2010, and on the basis of data obtained from Tax Administration for the years 2008, 2009 and 2010 respectively, a total of 4962 persons were employed in NGOs (1550 in 2008; 1498 in 2009 and 1914 in 2010), of whom 1637 worked under the contract of employment and 3325 worked under special service agreement.

| Year                           | 2008 | 2009 | 2010 |
|--------------------------------|------|------|------|
| <b>Number of staff in NGOs</b> | 1550 | 1498 | 1914 |

On the other hand, in 2010 a total of 933 NGOs submitted financial statements to the Tax Administration. This data is slightly different compared to the earlier years – 945 NGOs submitted their statements in 2009 and 822 NGOs in 2008.<sup>2</sup>

| Year  | 2008 | 2009 | 2010 |
|---|------|------|------|
| <b>Number of NGOs that filed tax return</b> | 822  | 945  | 933  |

There are no official data that would provide detailed information about the funds of NGOs, but the overview of the information on annual operations submitted by 209 NGOs in 2010 demonstrates that over 70% of NGOs generate annual revenue which is below EUR 10,000.00, while only 12.9% of them generate annual revenue higher than EUR 50,000.<sup>3</sup>

<sup>2</sup> Source: Report on Needs Analysis of Montenegro, TACSO, October 2011; available at [http://www.tacso.org/doc/MN\\_NA\\_Report\\_mn.pdf](http://www.tacso.org/doc/MN_NA_Report_mn.pdf)

<sup>3</sup> Source: The 2012 Annual financial statement of civil society organisations, available at <http://www.tacso.org/documents/reports/?id=5802>



## 2. GOALS ACHIEVED AND LESSONS LEARNED IN IMPLEMENTATION OF THE STRATEGY FOR COOPERATION BETWEEN THE GOVERNMENT OF MONTENEGRO AND NON-GOVERNMENTAL ORGANISATIONS 2009-2011

Implementation of the Strategy for Cooperation between the Government of Montenegro and Non-Governmental Organisations and Action Plan for its implementation for the period 2009-2011 resulted in a higher level of cooperation in both directions, as well as in awareness raising about the need to cooperate and about different, but still complementary roles played by the Government and the NGOs in a pluralistic democratic society. This contributed to breaking down the prejudice about necessary contradiction between public and civil sectors and increased level of citizens' confidence in NGO activities. Citizens increasingly recognise NGOs as an efficient mechanism enabling them to voice and publicly express opinions and interests concerning important issues affecting their daily lives. With their work, proposals and initiatives, NGOs demonstrate that they are a significant potential source of knowledge and skills necessary for the achievement of the goals of societal and economic development. Results of the latest public opinion survey about NGOs conducted by *Ipsos Strategic Puls* in September 2012<sup>4</sup> show that the citizens of Montenegro in the majority of cases have positive attitude towards non-governmental organisations and that they predominantly see them as organisations working in the interest of the society and towards finding solutions to the problems. NGOs are predominantly perceived as necessary and important, but also as those with prospects for the future. Moreover, from 2006 until today, the share of citizens who do not have a specific/clear attitude towards the non-governmental sector has constantly declined, accounting for merely 10% of the population at the moment. On the other hand, the level of confidence in non-governmental organisations has not significantly changed compared to 2008. The majority of citizens still have moderate confidence in NGOs (37%), but the percentage of those trusting non-governmental organisations to a great extent has somewhat increased (from 8% to 13%).

<sup>4</sup> For more details, see the document Attitudes of citizens of Montenegro towards non-governmental organisations, available on website <http://www.tacso.org/documents/reports/?id=8463>

Results of monitoring implementation of the Decree on the manner of and procedure for establishing cooperation between state administration bodies and non-governmental organisations in 2012<sup>5</sup> show that 83 NGO representatives were included in the composition of 92 working bodies that had been established in ministries and autonomous state administration bodies. NGOs participated in the law-making process (Law on Non-Governmental Organisations, Law on Public Procurement, Law on Free Access to Information etc.), as well as in preparation of strategic documents in numerous areas (National Strategy for Air Quality Management, Strategy for the Development of Social and Child Protection, Strategy for the Integration of Persons with Disabilities in Montenegro, Strategy for Protection against Domestic Violence in Montenegro, National Strategy for the Fight against Corruption and Organised Crime and AP 2013-2014 etc.), while they also participate in several working bodies tasked with monitoring implementation of the strategic documents (Commission for monitoring implementation of the AP for the fight against corruption in local government, Coordinating Body for monitoring implementation of the Strategy for Road Safety Improvement 2010-2019, National Commission for implementation of the Strategy for the Fight against Corruption and Organised Crime etc.).

Upon the proposal put forward by the Council for Cooperation between the Government of Montenegro and NGOs, in July 2012 the Government of Montenegro adopted the Report on implementation of the Action Plan accompanying the Strategy for Cooperation between the Government of Montenegro and NGOs 2009-2011 and concluded that it was necessary to prepare a new strategic document (Strategy and Action Plan for a three-year period) which would elaborate the development of non-governmental organisations in Montenegro. On that occasion, it was stated that despite significant delay in implementation and extended time-limits, the Action Plan was still implemented to a great extent:

- 20 out of 29 measures were implemented, accounting for 97% of the planned activities,
- 7 measures were partly implemented, accounting for 24.14% of the planned activities,
- two measures, accounting for 6.90% of the planned activities, were not implemented.

One of the two measures which were not implemented is very important – it concerned fostering the culture of giving and corporate social responsibility by amending the Law on Corporate Profit Tax, while the second one concerned establishment of “departmental” databases in bodies connected to the central base in the Office, while it is worth noting that certain bodies keep records on NGOs active in the area that falls within the competence of these bodies.

Partly implemented measures were related to incorporating tasks to cooperate with NGOs into job descriptions of responsible staff which was to be done through the

<sup>5</sup> For more details, see the 2012 Annual report on monitoring implementation of the Decree on the manner of and procedure for establishing cooperation between state administration bodies and NGOs, available on website of the Centre for Development of Non-Governmental Organisations [www.crnvo.me](http://www.crnvo.me)

rulebooks on job descriptions, as well as to the increase in the number of staff in the Office and determining its competence, creation of a central database on NGOs in the Office, involvement of NGOs in translation of AQ and accessibility of state administration bodies to persons with disabilities.

However, most importantly, “core” activities – measures for improving legal and institutional frameworks were implemented (Law on NGOs was adopted, analyses of regulations and financing models were carried out, e-Registry of NGOs was established, Decree on the manner of and procedure for establishing cooperation between state administration bodies and NGOs was adopted, Decision on establishing the Council for Cooperation between the Government and NGOs was adopted etc.).

As mentioned earlier, in early 2011 numerous activities were taken over and incorporated into the Action Plan for implementation of recommendations from the Opinion of the European Commission (in the area of cooperation with civil sector) and their implementation was completed during 2011. Implementation of the measures mentioned above contributed to positive assessment by the European Commission in the Progress Report and to reaching the decision to open EU accession negotiations with Montenegro.

Despite this, barriers in implementation of the Strategy were identified - i.e. omissions to be borne in mind in order to avoid problems in achievement of the goals set in this document. In that regard, the following should be ensured:

- 1) more responsible approach of implementing entities, particularly in terms of activities implemented in the ministry/administrative body. When there are several bodies participating in implementation of certain activities, it should be clearly specified which body will be responsible for implementation and which one will ensure mutual communication and cooperation between all those participating in implementation of the activities;
- 2) more frequent and more complete informing the public about the Strategy and its goals, even about the problems encountered during implementation, but also about successful activities reflected in certain progress that has been made – i.e. in the results achieved. It would be justified to engage in multi-departmental and multi-sectoral promotion of the document and its implementation, while placing strong focus on the fact that, in the context of acquiring EU membership, the development of NGOs is equally important as the development of administrative capacity of the state, which is one of the reasons for adopting this document.

### **3. REASONS FOR ADOPTING THE STRATEGY, GENERAL AND SPECIFIC STRATEGY GOALS**

Modern global society, faced with dramatic economic and societal changes, offers new opportunities, but also presents new challenges. This requires a broad and continuous public debate on how to respond to the globalisation challenges, which values and strategic directions of the state enable prosperity of a society, how to preserve social cohesion and mobilise overall social capital to take part in the debate and in tackling these challenges.

In that regard, the Strategy is adopted in order to further improve legal, institutional and financial conditions for the development of NGOs and strengthen partnership with state administration bodies and local government towards further development of Montenegro as an open and democratic state. As mentioned earlier, considerable progress has been made over the past five years in the area of cooperation with NGOs and mobilisation of social capital: legal (legislative) framework for the work of NGO has been upgraded and institutional framework for cooperation between state bodies and the NGOs has been developed, while participation of NGOs in the process of adopting laws and other public policy instruments was regulated as well.

On the basis of the above mentioned, this Strategy takes as a starting point the fundamental constitutional values of Montenegro and results achieved so far in strengthening the role of NGOs and in partnerships established between the state and NGOs with a view to resolving increasingly complex and broader societal needs, while recognising the need to invest continuously in the achievement of strategic goals.

In relation to the progress made in the EU integration process, development of NGOs is considered from a longer-term perspective with the aim of creating conditions for capacity building of NGOs in order for them to be able to respond to the demanding procedures for the withdrawal of financial resources from the EU Structural Fund and Cohesion Fund that are exclusively allocated for civil sector.

First and foremost, the Strategy precisely defines what is known as “horizontal” matters relevant for achievement of its general and specific goals, which do not fall within exclusive competence of individual ministries and other state administrative bodies and proposes measures for addressing these. Proposed measures in the Action Plan for implementation of the Strategy are founded on the principles of effectiveness and proportionality, in order to ensure their efficient implementation.

**General Goal of the Strategy** is further improvement of legal, institutional and financial prerequisites for unhindered work of NGOs and development of social capital, as well as for partnership between NGOs, Government, line ministries, other state administration bodies and local government bodies, which will recognise their different, still complementary, roles and responsibilities in creating an open, prosperous and democratic society that offers equal opportunities.

**Specific goals of the Strategy are:**

- strengthening institutional framework for cooperation with NGOs at the national and local levels;
- higher degree of participation of NGOs in public policy making and implementation at the national and local levels ;
- creating legal and institutional prerequisites for greater financial sustainability of NGOs;
- creating an enabling environment for the work and development of NGOs;
- more important role of NGOs in the process of accession of Montenegro to the European Union;
- building organisational capacity of NGOs.

## 4. ASSESSMENT OF THE STATE OF PLAY AND PROPOSED MEASURES FOR IMPROVEMENT OF THE STATE OF PLAY - ACHIEVEMENT OF SPECIFIC GOALS IN INDIVIDUAL AREAS

### 4.1. Institutional Framework for Cooperation with Non-Governmental Organisations in Montenegro

#### 4.1.1. Institutional Framework for Cooperation at the National Level

With the aim of strengthening cooperation and partnership with NGOs, the Government established two special bodies: Office for Cooperation with NGOs and Council for Cooperation between the Government of Montenegro and Non-Governmental Organisations. Moreover, focal points responsible for cooperation with NGOs were appointed in all the ministries and state administration bodies. Montenegro also has NGO representatives on the Joint Consultative Committee (JCC) with the European Economic and Social Committee and it is the first state to include formally NGO representatives in working groups tasked with preparing negotiating positions for specific chapters of the European Union Acquis Communautaire. Finally, NGO representatives participate in the work of a number of advisory and other types of bodies established by the Government or line ministries (Council for the Protection against Discrimination, National Council for Sustainable Development, Council of the Statistical System of Montenegro, Council for Employment and Development of Human Resources, Council for Child Rights etc.).<sup>6</sup>

**The Office for Cooperation with NGOs** was established in 2007 as an organisational unit of the Secretariat General of the Government of Montenegro. It is the task of the Office to improve and coordinate the work of state bodies with NGOs by following the principles of partnership, transparency, accountability, mutual informing and independence of NGOs, as well as to initiate and organise training of civil servants about matters relevant for cooperation with NGOs and citizen participation, as well as to cooperate with NGOs, their coalitions and networks, international organisations and institutions in the areas that fall within the competence of the Office. The Office also carries out technical and administrative tasks to meet the needs of the Council for Cooperation between the Government of Montenegro and Non-Governmental Organisations.

<sup>6</sup> In I quarter of 2013 the Government decided, for the reasons of operability, to keep 15 councils at the Government level and to position all the other advisory bodies in line ministries (at the moment, there are around 55 councils).

The Office, which was involved in drafting almost all the regulations, materials and documents concerning NGOs and which coordinated preparation of the Strategy for Cooperation between the Government of Montenegro and Non-Governmental Organisations is faced with problems which are predominantly related to the limited competence as a consequence of its current position in the state administration system – it is the organisational part of the Secretariat General of the Government. On the other hand, NGOs and international stakeholders have great expectations from the Office, which exceed its current competences, human resource and financial capacities. The Office does not have sufficient number of staff and does not have a separate budget which considerably influences its work quality and dynamics, particularly if one bears in mind additional workload and new competences of the Office in relation to carrying out technical and administrative tasks to meet the needs of the Council for Cooperation with Non-Governmental Organisations, and of the new advisory body to be established under the Law on NGOs.

Having in mind the existing legal framework and increasing needs for cooperation between the Government and NGOs and for the development of NGOs as well, the Office capacity should be strengthened in order to meet these increasing needs in the best possible way. In addition to these measures, it is necessary to consider potential role of the Office in the process of IPA funds programming and management of certain IPA programmes with the aim of their better and more adequate utilisation, as is the case with offices in the Republic of Serbia and Republic of Croatia. Moreover, it is necessary to consider the possibility of creating an NGO database<sup>7</sup> in the Office which would include information and documents related to the organisational matters and work of NGOs (articles of association, statute, programme and financial reports etc.) and which would be updated by interested NGOs by means of the user number and password that would be allocated to them by the Office.

Analysis of the Office's status should reasonably include consideration of the possibility of bringing together all state administration tasks concerning the development of NGO sector under one ministry. In this way, the following tasks would be institutionally positioned in one place: preparation of strategies, projects, programmes, action plans and other documents concerning NGO sector; preparing drafts and proposals for laws and other regulations, preparation and adoption of the pieces of secondary legislation concerning NGO sector; provision of technical assistance to the ministries and other state administration bodies and citizens in matters related to the application and implementation of laws and other regulations concerning NGO sector; consideration and analysis of the state of play in this area, carrying out analyses, preparing informative documents and reports on the position of NGOs in Montenegro; keeping the NGO registry; allocating funds from the budget to the NGOs engaged in the area of the development of NGOs (if the decentralised financing system is established); coordination and monitoring of co-funded NGO projects financed from the EU funds; carrying out technical-administrative tasks to meet the needs of the Council for Development of NGO Sector in Montenegro etc.

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<sup>7</sup> Similar to the EU practice, following PADOR

**The Council for Cooperation between the Government of Montenegro and Non-Governmental Organisations** was established under the Decision of the Government of Montenegro (Official Gazette of MNE 28/10) and formed in January 2011, while it is composed of a chairman and 24 members (12 representatives of state bodies and 12 NGO representatives who were elected on the basis of a public call and proposals put forward by NGOs). Chairman of the Council is a Government representative, while deputy chairman is an NGO representative. The Council is tasked with monitoring implementation of the Strategy for Cooperation between the Government of Montenegro and NGOs and Action Plan for its implementation, while it also gives opinion on regulations and other documents concerning work and actions of NGOs, gives recommendations for improvement of cooperation between the Government and NGOs and fosters dialogue between the two sectors. At least once a year, the Council informs the Government about its work and about matters relevant for establishing cooperation between state bodies and NGOs.

The 2011 Progress Report on Montenegro prepared by the European Commission gives quite a positive assessment of the Council's work in the section on cooperation with civil sector. Under provisions of the Law on NGOs, it is necessary to adopt the decision on establishing a new Government advisory body, with competences set out by the Law and with a proper structure; it is also necessary to plan measures for strengthening capacities of members of the new advisory body (training, exchange of experience with similar bodies in the region and in the EU etc.) and allocate funds for their activities.

**Focal points in ministries and other state administrative bodies** are envisaged as a specific mechanism of horizontal cooperation with NGOs and they have been appointed continuously since 2007. The Decree on the manner of and procedure for establishing cooperation between state administration bodies and NGOs (Official Gazette of MNE 7/12) formally and legally lays down obligation of the managers of state administration bodies to appoint focal points in the bodies they manage. This mechanism was needed in order to create institutional and human resource prerequisites for horizontal (decentralised) cooperation between the Government and NGOs, while recognising the fact that line ministries are main points of cooperation with NGOs at the national level. According to the data from the Report on cooperation between ministries/state administration bodies and NGOs in the first half of 2013, a total of 61 persons were appointed in 57 authorities and bodies as those responsible for cooperation with NGOs, while it is worth noting that in some of the bodies several persons were appointed (by departments, and a coordinator was appointed in these from among managers). Four "bodies" did not appoint focal points (3 administrations and cabinet of the minister without portfolio).

Work and actions of focal points still fail to produce expected results due to unclearly defined tasks of cooperation with NGOs, frequent staff fluctuations among focal points in bodies and insufficient level of information and training of focal points about NGO sector. Even though the Government imposed several times an obligation on managers of state administration bodies to incorporate cooperation with NGOs into job descriptions of certain positions by amending rulebooks on internal organisation and job descriptions, in the majority of state administration bodies these tasks are still carried out *pro forma* and most often verbally, while they are also added on top of other obligations of employees which are laid down by the act on job descriptions.



In order to overcome the identified barriers, a uniform job description of focal points should be designed in order to incorporate it into the rulebooks mentioned above. The main tasks of focal points should include the following: identification of and record-keeping on relevant NGOs active in the area that falls within the competence of the body; record-keeping on the cooperation established between bodies and NGOs; creating specific models of cooperation with NGOs in certain areas that fall within the competence of the body; monitoring implementation of regulations concerning cooperation with NGOs; regular communication with the Office for Cooperation with NGOs with a view to better informing them and ensuring access to the different data that are important for their work; participation in the events organised to discuss NGO themes and training courses organised for this category of staff.

#### 4.1.2. Institutional Framework for Cooperation with Local Governments

**The Law on Local Government** (Official Gazette of RMNE 42/03, 28/04, 75/05, 13/16 and Official Gazette of MNE 88/09, 03/10 and 38/12) sets out the main framework for cooperation between local governments and NGOs (citizen participation in the process of making public policies that fall within the competence of local governments), but this cooperation is still insufficient. Insufficient promotion of the mechanisms for participation and cooperation in the processes mentioned above also contributes to this, as well as the lack of understanding of general and mutual benefits of these mechanisms. In the majority of local governments in Montenegro there are no institutional mechanisms for cooperation with NGOs or they are insufficiently developed.

**Focal points** for cooperation with NGOs were appointed in the majority of local governments, while main barriers in carrying out these tasks are identical to those at the national level: lack of clearly defined job description for tasks that include cooperation with NGOs and frequent staff fluctuations among responsible employees.

The **empty chair** concept is a frequently used mechanism for cooperation between local government and NGOs. It is mainly used in a way that one or two NGOs participate in the work of local parliaments on all items on the agenda, which indicates the need to ensure greater representativeness and competence of NGOs participating in this mechanism in practice, at least in places with larger number of NGOs. It is for this reason that the *Model Rules of Procedure for local parliament* was prepared concerning participation of NGO representatives in the work of local parliaments and it sets out the possibility of participation of a larger number of organisations in the work of local parliament in compliance with clearly set criteria. The novelty introduced by this model is reflected in the possibility for several NGOs to apply for the same item on the agenda, while in the joint meeting with the speaker of the parliament representatives of these organisations appoint representatives who will participate in the session. So far, 10 municipalities amended their rules of procedures to conform to provisions proposed in the Model<sup>8</sup>.

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<sup>8</sup> For more details, see Report on implementation of the principle of good governance in local government units in Montenegro, 2013, available on the website of the Centre for Development of Non-Governmental Organisations [www.crnvo.me](http://www.crnvo.me)

There are **Offices for Cooperation with NGOs** in several municipalities, but their capacities should be strengthened.

The need to strengthen cooperation between local governments and NGOs was confirmed in the Action Plan for implementation of recommendations from the Opinion of the European Commission, on the basis of which five model documents on cooperation between local governments and NGOs were prepared. The model Decision on the manner of and procedure for participation of local population in the conduct of public affairs; model Decision on establishing the Council for Cooperation between a Municipality and NGOs; model Rules of Procedure of the local parliament (with the aim of regulating participation of NGO representatives in the work of local parliament); model Decision on criteria, manner of and procedure for allocating funds to the NGOs and model Agreement on Cooperation between local parliament and NGOs. These models were prepared in 2012 by the Union of Municipalities in cooperation with the Ministry of Interior, CRNVO and OSCE Mission to Montenegro with the aim of, having in mind different needs and levels of development of local governments and NGOs, offering a broad range of cooperation mechanisms which may be tailored to their specific needs, while recognising principles of effectiveness and proportionality.

According to the CRNVO's information, until July 2013 four municipalities adopted decisions on establishing the Council for cooperation between local government and NGOs by following the model of the existing cooperation at the national level.

With the aim of strengthening cooperation between local government and NGOs, it would be useful to design a uniform job description for focal points in local governments responsible for cooperation with NGOs, as well as to provide continuous technical, IT and other types of support to the staff, offices and councils for cooperation with NGOs at the local level, should these be established.

## **4.2. Participation of Non-Governmental Organisations in Public Policy Making and Implementation**

### **4.2.1. Participation of NGOs in Public Policy Making and Implementation at the National Level**

The Law on Civil Service (Official Gazette of RMNE 38/03 and Official Gazette of MNE 22/08 and 42/11) prescribes that ministries and other state administration bodies are obligated to ensure cooperation with NGOs, particularly in the form of:

- consulting the non-governmental sector during preparation of strategies and situation analyses in a specific area, preparation of draft laws and proposals for laws and other regulations and during adoption of secondary legislation which regulates the manner in which civil rights and freedoms are exercised;
- enabling them to participate in working groups tasked with examining certain matters of common interest or with regulating certain matters;
- organising joint public consultations, round tables, seminars and other types of joint activities, and in other relevant forms;
- informing them about contents of activity programmes and activity reports of the state administration bodies;

The Strategy for Cooperation between the Government of Montenegro and Non-Governmental Organisations (2009-2011) recognised the need to make further improvements in informing, consulting with and participation of NGOs in the process of public policy making and the Action Plan set out that these matters should be regulated, but it is only on the basis of the Action Plan for implementation of recommendations from the EC Opinion, into which this measure was incorporated, that the two main regulations in this area were adopted: Decree on the manner of and procedure for establishing cooperation between state administration bodies and NGOs (Official Gazette of MNE 7/12) and Decree on the manner of and procedure for conducting public consultation in law-making (Official Gazette of MNE 2/12).

***The Decree on the manner of and procedure for establishing cooperation between state administration bodies and NGOs*** regulates for the first time the main forms of cooperation between public and civil sectors (informing, consulting, involvement in working bodies).

***The Decree on the manner of and procedure for conducting public consultation in law-making*** lays down legal prerequisites for efficient consulting with the public in the process of preparing laws, other pieces of legislation, strategic and planning documents and in that way it is focused on strengthening participatory democracy.

However, despite developed legal and institutional frameworks for participation of NGOs in public policy making, additional effort needs to be made to ensure full and consistent implementation of the decrees mentioned above. In fact, contrary to the provisions of the Decree on the manner of and procedure for establishing cooperation between state administration bodies and NGOs, the majority of state administration bodies still do not publish annual activity programmes on their websites, nor do they publish data on focal points responsible for cooperation with NGOs which makes impossible timely informing and proper participation of NGOs in the planned activities (by checking websites of state administration bodies in mid-September 2013, the Office established that out of 57 ministries and bodies within their composition, 28 posted data on their focal points, while 29 failed to do so).

As for participation of NGO representatives in working and other bodies established by state administration bodies, during the first half of 2013 state administration bodies sent 105 invitations for involving NGO representatives in these bodies on the basis of which 108 NGO representatives were elected, while it is worth noting that there were no candidates proposed for 31 invitations.

On the other hand, failure to publish on their websites the lists of laws in relation to which public consultation will be conducted and report on consultation conducted by interested public, and also failure of the majority of ministries to publish reports on public consultation show that the Decree on the manner of and procedure for conducting public consultation is not fully implemented.<sup>9</sup> During the first half of 2013, a total of eight round tables and 22 public consultations were organised to discuss different public policy documents.

<sup>9</sup> For more detail, see Report on monitoring implementation of the Decree on the manner of and procedure for establishing cooperation between state administrative bodies and NGOs and Report on monitoring implementation of the Decree on the manner of and procedure for conducting public consultation, Centre for the Development of Non-Governmental Organisations, 2012, available at [www.crnvo.me](http://www.crnvo.me)

Having in mind the above mentioned, it is necessary to organise consultations with the senior management staff regarding implementation of the provisions mentioned above and conduct training of all civil servants and state employees, including focal points, about prescribed mechanisms for NGO participation in the public policy making process. Moreover, training should be organised for NGOs as well about available mechanisms for participation in public policy making process at the national level.

Moreover, on the Government's initiative, the following portal was launched in October 2012: **Citizens' Voice – E-petitions**, as a service providing an opportunity to the citizens to influence the public policy making process by filing a petition in any area that falls within the Government's competence. The Government responded to numerous suggestions for improvement of this service by giving a task to the Team for Coordination of Communication Activities and Team for Open Door Partnership to propose measures to improve this service by the first quarter of 2013. In April 2013, the Government analysed the second Report on functioning of the portal *Citizens' Voice – E-petitions* and adopted a number of recommendations given in the report. The adopted recommendations refer to the following: promotion of this service and better visualisation of contents, presenting rules of portal functioning to the citizens and personal data protection; offering experiences gained in the development and implementation of this service to all the local government units that have expressed their interest in implementing this project.

#### 4.2.2. Participation of NGOs in Public Policy Making and Implementation at the Local Level

The lack of acts at the local level which would regulate different forms of cooperation between local government bodies and NGOs in a quality manner and in accordance with good international practice contributed to creating the feeling of mutual dissatisfaction with the existing cooperation. And while NGOs believe that local governments do not see them as partners in development of local communities on the basis of actual citizens' needs, local governments emphasise there is an insufficient level of interest among NGOs to participate in the decision-making process.

The European Commission recognised in its Opinion on Montenegro's Application for Membership of the European Union that cooperation between local governments and non-governmental organisations should be improved. The view of EC contributed to integrating preparation of model acts, which improve this cooperation, as one of the core activities in the Action Plan for implementation of recommendations given in the EC Opinion. **Model Decision on the manner of and procedure for participation of local population in the conduct of public affairs** for the first time introduces the principle of *preliminary expression of opinion* by the interested public in the procedure for drafting municipal acts and it regulates in detail the process of conducting public consultation. Still, despite recommendation given by the Ministry of Interior to all the municipalities, until July 2013 quite a small number of municipalities (eight of them) amended their decisions or prepared the new ones on the basis of the proposed model.

In order to improve participation of NGOs in public policy making and implementation at the local level, training should be organised for local officials and local government

employees about mechanisms for citizen participation in the public policy making process with the aim of strengthening capacity of the local government to implement and conduct self-evaluation of local mechanisms for citizen participation. Moreover, model decisions offering a broad range of mechanisms for citizen participation in the public policy making process, which may also be tailored to the specific needs, should be promoted even further. Finally, NGO capacity to understand and use mechanisms for participation at the local level should be strengthened.

**Promotion of what is known as CLEAR instrument** for self-evaluation of institutional framework for citizen participation in decision-making at the local level, which is promoted by the Congress of Local and Regional Authorities of the Council of Europe, may contribute to fostering citizen participation at the local level in Montenegro. CLEAR provides local government representatives with an analytical framework for analysis of mechanisms for citizen participation in decision-making and for measuring impact of this participation in order to identify good and bad sides of a specific mechanism and measures needed for its improvement.

### **4.3. Financial Sustainability of Non-Governmental Organisations**

#### **4.3.1. Financing NGOs at the National Level**

The Law on Non-Governmental Organisations, in legal terms, introduced significant novelties in financing NGOs from the government budget: the number of areas of common interest in which NGO projects will receive financial support has been increased, while it was decided that at the end of each year the Government would identify priority areas to be financed in the following year, the possibility of financing programmes, i.e. long-term activity plans of an organisation has been prescribed, the level of transparency of the allocation procedure has been increased, matters concerning reporting on and supervision over project implementation, as well as those concerning audit of designated funds, were defined, while establishing a central commission for allocation of funds at the national level has been envisaged as well.

In approving the Proposal for the Law on NGOs, the Government opted for establishing a multi-sectoral commission for allocation of funds to the NGOs as **a special – centralised form of financing NGOs at the national level** and for adoption of a piece of secondary legislation that would lay down criteria for the evaluation of projects and programmes. In that regard, the Government imposed an obligation on the competent ministries to prepare amendments to the special laws (Law on the Games of Chance, Law on Culture, Law on the Protection of Cultural Resources, Law on Minority Rights and Freedoms) with the aim of creating conditions for establishment of a “centralised” financing model. In the meantime, the Law on Culture has been amended, while Proposal for the Law amending the Law on the Games of Chance was withdrawn from the Parliament.

In accordance with the commitment to the “centralised” financing model, funds from the budget that were earlier allocated to the ministries to finance NGO projects and programmes (EUR 1.8 million were allocated to the NGOs in 2010 and EUR 1.2 million in 2011) were considerably reduced in 2012, and funding was stopped for the majority of them. In 2012, according to the data from the Report on cooperation between ministries/state administration bodies and NGOs, administrative bodies disbursed around EUR 175,000.00 from their budget items, and that mainly upon request for assistance filed by NGOs which was done after conducting an assessment of justifiability of the projects and programmes for which assistance was sought. In the first half of 2013, that amount equalled EUR 52,349.00.

The Fund for Minorities and Commission for Disbursement of Revenue from the Games of Chance are still positioned in the budget since special laws in these areas are not harmonised with the Law on NGOs.

**The Commission for Allocation of Funds to the NGOs** is still positioned in the budget even though since the Law on NGOs has entered into force it has not given any allocations despite extension of its mandate until the commission set out by the Law is established (Article 44 paragraph 2 of the Law – however, the commission has not been established yet). This resulted in EUR 200,000.00 per year (in 2011 and 2012 respectively) not being allocated to NGOs for implementation of their projects and programmes.

Over the past three years, data on the amounts of budgetary funds allocated for NGO financing have shown a downward trend, as is the case with other budget beneficiaries, which is to a great extent a consequence of adjustments of the budget at the national level to the conditions of global economic crisis. Therefore, the amount of EUR 4,000,000.00 which was available to the NGOs in 2010 in the government budget halved in the period of two years.

This trend additionally points to the need to **establish stronger link between public policies which are Government`s priority during a specific period and NGO programmes and projects** financed from the budget during that same period. In this way, prerequisites would be created for sustainable regime of financing NGOs from the budget, the aim of which would be implementation of created public policies.

Comparative practice (for example in Croatia, Serbia) shows that the model in which line ministries play crucial role in financing NGO projects and programmes from the budget enables more efficient allocation and disbursement of limited budgetary funds designated for NGOs since ministries, as entities implementing certain public policies, are inherently experts in certain areas and they also directly cooperate with NGOs. Moreover, from the perspective of a more efficient allocation and disbursement of limited budgetary funds designated for financing public policies through the NGO programmes and projects and perspective of seeing NGO financing as an investment in social capital, **it would be justified to combine “centralised” and “decentralised” financing models** in order for the budgetary funds designated for NGOs to be allocated by the line ministries. In such financing system, the centralised system would be re-

tained in the process of identifying areas in which NGO projects and programmes will be financed in a way that the Government`s advisory body responsible for NGO affairs will propose priority areas to the Government in which NGO projects and programmes will be financed during a specific calendar year. In further process of allocating funds, the ministries competent for the areas identified as priority ones would carry out the procedure for allocating funds for the NGO projects and programmes. In this way, line ministries would have a certain amount of funds available to be allocated on the basis of identified priorities.

In addition, during the phase of evaluation of programmes and projects supported from the budget it would be justified to prescribe that external evaluators and auditors be hired. That would ensure a higher quality and more comprehensive control over spending budgetary funds for these purposes.

On the basis of experience gained so far in allocation of the budgetary funds for NGO projects and programmes, it is necessary to regulate properly the conflict of interest of the members of commissions allocating these funds.

In order to achieve what was mentioned above, the **Law on Non-Governmental Organisations should be amended** in the part concerning financing NGO projects and programmes from the budget of Montenegro. These amendments to the Law would also regulate matters concerning co-funding the NGO projects and programmes, given the importance of this matter for sustainability of NGOs and the need to ensure that NGOs themselves co-fund from 5 to 20% of the project or programme value.

#### 4.3.2. Financing NGOs from Local Governments` Budgets

Legal basis for allocation of funds to the non-governmental organisations by local governments is contained in **Article 116 of the Law on Local Government** which prescribes that cooperation between local government and NGOs is established *inter alia* by “financing” NGO projects that are of interest for local population, under terms and conditions and in the procedure prescribed by the general municipal act”. On the basis of the adopted budget, local government adopts the Decision on criteria, manner of and procedure for allocating funds to the non-governmental organisations which regulates in more detail the criteria and procedure for allocating funds for NGO projects. Moreover, in the framework of allocating funds for NGO projects certain local governments also finance NGOs with a special financing status, such as charities with special status (Red Cross), veterans` associations and associations of persons with disabilities, in accordance with general acts and strategic documents of local governments.<sup>10</sup>

Nonetheless, it is important to emphasise that **certain local governments, due to the budget deficit, fail to allocate funds to NGOs** despite adopted decisions on the budget/decisions amending decisions on the budget, while the amount of allocated

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<sup>10</sup> Analyses of the model of financing NGOs from public funds, working group tasked with drafting the Law on NGOs, Ministry of Interior of Montenegro, Podgorica, March-April 2011

funds in the majority of local governments is lower than the amount designated in the budget. Funds are to a great extent allocated on another legal basis as well, most often under decision of a President of a Municipality/Mayor. Namely, on this legal basis eight municipalities allocated funds to NGOs in 2012.

Also, according to the report of the Centre for the Development of Non-Governmental Organisations (CRNVO)<sup>11</sup> on financing non-governmental organisations from local budgets in 2012, out of 21 municipalities, three municipalities: Šavnik, Nikšić i Žabljak did not have funds allocated for NGO projects under their decisions on the 2012 budgets. On the other hand, 7 out the total of 18 municipalities in which funds were allocated for non-governmental organisations did not publish a call for allocation of these funds by November 2012. Under decisions on the 2012 local budgets, in all the municipalities in Montenegro, Capital City Podgorica and Old Royal Capital Cetinje a total of EUR 485,400.00 were allocated for non-governmental organisations (compared to EUR 800,000.00 that were allocated for NGOs in 2009). As with the national level, there is a downward trend here as well in terms of the amount of funds allocated for NGOs in local budgets.

On the other hand, the process of financing NGOs at the local level is characterised by insufficiently clear time-limits set for publishing an open call and/or failure to comply with these, high level of discretionary decision-making as a result of the lack of clear criteria, as well as the fact that funds are not allocated only to NGOs, but also to the other entities in civil society. Procedures for monitoring project implementation and reporting are either undeveloped or they are not developed to a sufficient extent which is why monitoring mainly includes scrutiny of submitted reports, without requesting additional explanations concerning certain segments of the reports. Local government representatives – members of the commission for allocation of funds to NGOs generally lack knowledge about the meaning and purpose of the project, writing methodology and programme and financial reporting on implemented projects. Commissions lack mechanisms for project monitoring and evaluation. Also, transparency of the allocation process is not satisfactory. A few municipalities publish integrated versions of approved projects on their websites, while two municipalities, Plužine and Šavnik, do not even have their official websites. This makes it impossible to involve public in the process of monitoring project implementation.

As mentioned earlier, in order to improve the process and manner of allocating funds at the local level, in conformity with the principles of accountability and transparency, the **model Decision on criteria, manner of and procedure for allocating funds to the NGOs** was prepared with the aim of increasing transparency and accountability in allocating and using these funds. According to the CRNVO's information, since July 2013 merely 5 municipalities amended the existing or adopted new decisions on the basis of provisions contained in the model Decision.

<sup>11</sup> Report on financing non-governmental organisations from the 2012 local budgets is available on the CRNVO's website [www.crnvo.me](http://www.crnvo.me), under the section Analyses



### 4.3.3. Development of Philanthropy

Philanthropy is a broadly defined concept that includes any voluntary giving for general good, while it is related to benefaction, care for community, humanitarian actions and volunteering.

Depending on the nature of a benefactor, distinction can be drawn between individual philanthropy – giving by citizens and corporate philanthropy – giving by companies, the aim of which is to achieve general useful purposes. According to the results of the survey *Individual Philanthropy*<sup>12</sup>, 44.6% respondents believe that the custom of giving for the common good in Montenegro is little developed. Citizens believe that reasons for such situation lie in difficult financial situation and lack of awareness about the common good. Moreover, 61.4% of respondents believe that giving for the common good is very little encouraged, while 14.1% believe it is not encouraged at all.

**The Law on Corporate Profit Tax** (Official Gazette of RMNE 65/01; 80/04; 40/08; 86/09 and Official Gazette of MNE 14/12) prescribes that expenses on health, education, sports and cultural purposes and environment protection are recognised as expenditure in the amount not exceeding 3.5% of total revenue. Similar provision is contained in the Law on Personal Income Tax (Official Gazette of RMNE 65/01; 37/04; 78/06). Good side of these legal provisions is the fact that the base for recognising expenditures in taxation is the total revenue, and not the profit of a legal entity – a taxpayer. In addition, the law recognises giving for the public interest (for the common good) as expenditure regardless of whether this concerns giving to the public institutions or to NGOs active in these areas. This provision follows comparative good practice and principles of liberal political philosophy according to which no person may have monopoly over the public good. This also stimulates healthy competition between public institutions and NGOs, i.e. between their programmes and projects. However, the main shortcoming of these legal provisions is narrowly defined scope of activities of public interest. For example, giving by legal and natural persons - taxpayers in the area of human rights are not recognised as expenditure even though human rights are recognised as a fundamental constitutional value. The similar is valid for European and Euro-Atlantic integration, suppression of corruption etc. Moreover, this narrowly defined scope of activities of public interest is not harmonised – compatible with provisions of the Law on NGOs which sets out considerably broader scope of activities of public interest for which NGOs may apply to receive budgetary funds.

Therefore, **amendments to the tax laws are necessary** in order to harmonise the concept of activities of public interest with relevant provisions of the Law on NGOs and to use fully the potential for the development of philanthropy in Montenegro, particularly having in mind the tendency of decreasing budgetary funds allocated for NGO programmes and projects by the state and local governments. It should be particularly emphasised that amendments to the tax laws mentioned above would not have impact on the percentage of tax relief, instead they would just expand the scope of activities of public interest which are covered by tax relief.

<sup>12</sup> The survey was conducted by the agency De Facto Consultancy for the Fund for Active Citizenship, 2012.

It is worth noting that the Action Plan for implementation of the previous Strategy for Cooperation between the Government and NGO envisaged amendments to the Law on Corporate Profit Tax with the aim of extending the scope of activities of public interest mentioned above, but this measure was not implemented. In addition to amending tax laws, philanthropy in the society should be encouraged and conditions for its development created through the educational system, fostering corporate social responsibility and more adequate informing the public about philanthropy.

In order to illustrate how much funds could be provided for investments in the common good on the basis of recognised tax expenditures, particularly in terms of development of corporate philanthropy, we present the data on revenue of all the banks in Montenegro in 2012.<sup>13</sup> Their total revenue amounts to EUR 265,085,200.00 of which 3.5%, i.e. EUR 10,603,408.00 account for potential recognised expenditures in taxation that may be given for the implementation of activities of public interest.

#### 4.3.4. Placing State-owned Premises at Disposal of NGOs

Budgetary support to the projects and programmes implemented by NGOs and tax benefits granted for giving for generally useful purposes are not the only public policy instruments used for providing material support to the development of the non-profit sector. In addition to this, there are also some other forms of material (non-cash, in-kind) support to the NGOs that are becoming increasingly important which has been slowly recognised in the region (Croatia). This type of support is particularly important if one takes into account the fact that many NGOs in Montenegro do not have their own premises or necessary technical equipment, while they also do not have the possibility to pay for rental of premises to organise an event etc.

In that regard, the Report on Cooperation between ministries/state administration bodies and NGOs in 2012 shows that in practice, although there are only few examples of it, we already have had cases where a ministry placed its premises – conference room at disposal of an NGO for the purpose of organising an event. In addition to these *ad hoc* examples of good practice, **the possibility of finding more permanent model of in-kind support to the NGOs should be considered.** For that purpose, an inventory – records on state-owned premises and assets (office furniture and equipment that were written-off, vehicles that were written-off etc.) which are not in use any longer should be compiled and transparent procedure and criteria for using these premises by NGOs should be established in order to implement programmes and projects of common interest. Taking this measure would be extremely helpful to NGOs, particularly if one bears in mind the fact that no additional funds are required for its implementation since it could be implemented by the competent Property Administration within the scope of its regular activity related to the state-owned premises and assets.

<sup>13</sup> Source: website of the Central Bank of Montenegro

## **4.4. Enabling Environment for the Work of Non-Governmental Organisations**

### **4.4.1. Development of Volunteering**

The aim of the **Law on Volunteering** (Official Gazette of MNE 26/10 and 14/12) was to create favourable legal environment for the development of volunteering. The Law sets out a number of mechanisms and matters that are relevant for volunteering: definition of a volunteer, his/her rights and duties, definition of an organiser of volunteering, his/her rights and duties, definition of a beneficiary of a volunteering service, mandatory elements of the volunteer agreement, international volunteering, development and monitoring of volunteering etc.

However, contrary to its purpose, instead of contributing to the development of the volunteering culture in Montenegro the Law **to a great extent creates a barrier for its further development**. This is so due to the fact that the Law (by following bad practice of other countries in the region) treats volunteering as a special form of labour-legal relations, instead of treating it as volunteering, as a private citizens' initiative. Therefore, the Law overregulates the role of the state in regulating volunteering and imposes unreasonably high transaction costs on the organiser of volunteering. In addition, the Law prohibits volunteering of children below 15 year of age, even in cases when an action is organised by a school or for the purpose of educating children. This prevents development of the volunteering culture among those that are of age which is a natural target group for development of the volunteering culture. One should bear in mind that these provisions of the Law contradict practice of the Educational Office which has developed optional and mandatory elective subject for elementary and high school called *Volunteering and Humanitarian Work* that envisages practical volunteering. In addition, the 2012 amendments to the Law regulate what is known as recognised internship for certain activities, although it would be more suitable to regulate this manner in the Labour Law. Finally, the Law prohibits what is known as corporate volunteering, even when it is organised outside of work and official premises of a business organisation, despite the fact that it is precisely this form of volunteering that is becoming increasingly important.

Therefore, **the new law should be adopted** as the one which will fully correspond to the nature of volunteering which should be a voluntary, citizens' initiative. It is worth noting that the **Action Plan for Chapter 23** envisages for 2014 an activity entitled *Preparation of the new Law on Volunteering with the aim of creating an enabling framework for civil activism and sustainability of civil society organisations*. Due to similar problems in legal regulations governing volunteering, the Republic of Croatia has made considerable amendments to the Law on Volunteering this year and the similar process is taking place in Bosnia and Herzegovina (Republic of Srpska) and is planned in the Republic of Serbia as well.

#### 4.4.2. Participation of NGOs in Implementation of the Non-formal and Lifelong Learning Concepts

Lifelong learning is **an imperative of the time we live in**. In the 2009 Strategy for Cooperation between the Government and NGOs this was set as one of specific goals, i.e. a target within the goal, the aim of which was to create enabling environment for the work of NGOs which was partly achieved and since this is a continuous process it is "repeated" in this strategy as well.

It is worth noting that adoption of the new legal and strategic documents in the areas of education and upbringing created solid legal and strategic prerequisites for involving NGOs in the processes mentioned above. Non-formally acquired knowledge and skills in numerous training courses provided by NGOs to the different groups of beneficiaries, from state and local administration, business organisations, to the civil sector and citizens are mainly not verified formally since traditional, formal education is still preferred. However, even though NGOs may propose their non-formal education programmes to be accredited by the competent council, a relatively small number of organisations does that (three NGOs accredited their programmes in 2013). Moreover, NGOs may apply for licence of the education organiser. In one part, there is also the possibility for teacher training provided by NGOs to be incorporated into the catalogue of accredited training programmes on the basis of a call published by the Education Office for each year.

Lifelong learning should also be seen as the potential for **human resource development** which would contribute to the efforts to establish open and competitive economy and modern society in Montenegro in which employment and human resource development will be at the heart of development policy, while lifelong learning is a generally accepted model which is able to respond to the increasing demands for verification of non-formally and informally acquired knowledge and skills. Development and application of the lifelong learning concept, particularly in the area of civil education (activities in which youth and adults are trained to participate actively in a democratic society and to exercise their rights and freedoms and take on their responsibilities in a society) still does not include all the available potential of NGOs to a sufficient extent, but certain positive changes have been identified over the past several years. Focus is placed on acquiring eight core competencies for lifelong learning (communication in the mother tongue, communication in foreign languages, mathematical competence, basic competences in science and technology, digital competence, learning skills ("learn to learn"), civic competences, entrepreneurship and cultural expression).

The Ministry of Education adopted the **Guidelines on criteria and procedure for granting consent for NGO programmes and projects**, while the Education Office prepares catalogue of accredited teacher training programmes for each year which is a significant step forward in creating conditions for lifelong education and learning to become part of our lives and culture of living. The University of Montenegro contributed to this trend by adopting the Lifelong Learning Strategy 2012-2014 and Rules for Lifelong Learning Programmes in the framework of the TEMPUS project. These measures are useful not only for an individual receiving education thus becoming more competitive in the labour market, but also for boosting general competitiveness of a society in a global market

arena. The new adult education strategy for the period 2015-2025 will be prepared in the coming period and it will set the goals and activities for improvement of the condition in this area. However, there is no database on implemented non-formal education programmes, number of participants in these programmes and system of monitoring and ensuring quality of non-formal education.

On the other hand, since many donors have left, there is a problem with financing non-formal education programmes conducted by NGOs which at the moment cannot be compensated from other (domestic) sources of financing. Local NGOs can hardly rely on the approach that includes charging fees for educational programmes from beneficiaries due to the lack of culture of paying for education, particularly for non-formal one, the fact that oftentimes target groups are those that are marginalised and also partly due to the fact that such programmes are not accredited by competent institutions, i.e. they are not part of the educational system. It is precisely because of the outstanding issues related to the advantages of using programme certification system that opportunities were missed to make these programmes official and recognised in the labour market. State institutions and local governments are certainly a potential source of financing in accredited non-formal education programmes implemented by accredited NGOs which are recognised as important for capacity building of the society in general and for a specific local community.

In order to make more considerable progress in this area, it is necessary for competent authorities to engage in continuous communication and cooperation with NGOs active in the area of non-formal education, particularly in the part concerning civic education, human and minority rights, civil society development and in other areas relevant for development of an individual and of a society in general. This means that the Government, through the line ministry and in cooperation with other state administration bodies and also on the basis of valid regulations governing this area should consult with NGOs and, by creating an enabling environment, it should ensure that they are involved in implementation of non-formal education programmes.

#### 4.4.3. Social Entrepreneurship

The concept of social entrepreneurship and social enterprise has become increasingly important in some European countries over the past twenty years and it is first and foremost a consequence of the crisis of what is known as the “welfare state”, i.e. of limited capacities of a state to respond to the increased and new social needs. This created room for more active role to be played by private stakeholders (NGOs, cooperatives, non-profit business organisations) in meeting these needs. However, there is no agreement in literature, and even less in legislative practice, concerning characteristics that are important for social entrepreneurship and social enterprise. In the broadest sense, social entrepreneurship means using innovative practice in selling goods and services in the market with the aim of generating revenue to be used for the advancement of a generally useful interest. This **generally useful interest** first and foremost refers (but it is not limited) to the employment of hard to employ social groups and social inclusion of marginalised social groups. On the other hand, according to the Austrian Institute for

Small and Medium-sized Enterprises a social enterprise is the form of organising that has the following characteristics:

- it undertakes a specific social mission, meets the needs of especially vulnerable social groups (for example, persons with disabilities, hard to employ persons etc.).
- it takes actions in different status-legal forms, considerably uses volunteering resources in its actions,
- it is established for with the aim of achieving a generally useful purpose, or if it has been established to generate profit,
- it reinvests profit to achieve generally useful goals, and
- it may be recipient of budgetary funds.<sup>14</sup>

In the broadest sense, social entrepreneurship represents an **integral part of economic and social cohesion** and this is the area of shared competence between the European Union (EU) and Member States (Articles 174-178 of the Treaty on the Functioning of the European Union).<sup>15</sup> At the EU level, there is no separate legal regulation governing social entrepreneurship and the fact that such regulation exists for certain status forms in which “social enterprises” may operate in the territory of two or more Member States (“European” cooperatives and “European” foundations) does not have impact on this statement. Lack of separate EU legal regulations that would govern social entrepreneurship is a consequence of disagreement between the EU Member States concerning contents of the notion and concept of social entrepreneurship/social enterprises, and also of the fact that social entrepreneurship is not equally developed in all the Member States.

However, the EU devotes special attention to social entrepreneurship. Social entrepreneurship is defined as a priority **thematic area to be financed by the European Social Fund (ESF) from 2013 until 2020** and also as one of the areas to be supported in the framework of the new European Commission programme, i.e. *Programme for Social Change and Innovation*. The *European Parliament Social Economy Intergroup* has been active in the European Parliament since 1990. In addition to the activities undertaken by the European Parliament in this area, in 2010 the European Commission published the document *Europe 2020: A European strategy for smart, inclusive and sustainable growth*.<sup>16</sup> The Communiqué identifies EU priorities and goals in the next ten years with a view to overcoming effects of global economic crisis and ensuring a leading position of the EU in international division of labour, while it also proposes three mutually complementary priorities for the EU with the aim of further development of the social market economy: *smart growth* (developing an economy based on knowledge and innovation); *sustainable growth* (promoting a more efficient, competitive and greener economy); and *inclusive growth* (fostering a high employment economy delivering social and territorial cohesion). The Communiqué does not contain specific proposals in terms of the way in which social entrepreneurship, as part of the social market economy, can contribute to inclusive growth and poverty alleviation both, at the EU level and at the level of Member

<sup>14</sup> *Austrian Institute for SME Research: Study on Practices and Policies in the Social Enterprise Sector in Europe, Vienna, June 2007, cmp. 2.*

<sup>15</sup> Official Journal of the European Union, 30. 03. 2010, C 83-13.

<sup>16</sup> European Commission, (Europe 2020: Strategy for Smart, Inclusive and Sustainable Growth).COM (2010)2020; [http://europa.eu/press\\_room/pdf/complet\\_en\\_barroso\\_\\_\\_007\\_-\\_europe\\_2020\\_-\\_en\\_version.pdf](http://europa.eu/press_room/pdf/complet_en_barroso___007_-_europe_2020_-_en_version.pdf)

States, instead that is left to the discretion of the Member States.<sup>17</sup> The 2011 Opinion of the Economic and Social Committee on Social Economy and Social Entrepreneurship emphasises that all social enterprises are essential element of the European social model, that efforts of the European Commission to create political framework and action plan for the promotion of social enterprises are supported, suggests that the next cycle of programming the EU structural funds should *explicite* provide support to the establishment and operation of social enterprises and proposes reform of the public procurement rules so as to better recognise specificities of social enterprises.<sup>18</sup>

***In Montenegro there are already individual cases of social entrepreneurship and social enterprises*** (handicraft cooperative *Rukatnice* which operated within the scope of the *NGO SOS* from Nikšić and was engaged in tailor`s and hairdressing trade, employing Roma women; *New Chance* from Herceg Novi, enterprise employing persons with disabilities etc.). Importance of social entrepreneurship has been recognised by the Government of Montenegro as well. *The National Strategy for Employment and Human Resource Development (2012-2015)* highlights that the social entrepreneurship concept, which has not become reality in Montenegro yet, may contribute to opening alternative new jobs, particularly for those who belong to the most vulnerable population groups (p. 31).

In early 2013, the Ministry of Labour and Social Welfare established a working group to prepare the law on social entrepreneurship with technical assistance from TACSO project. The pre-draft law was prepared and its adoption was planned, according to the Government Activity Programme, for the second quarter of 2013, along with adoption of the Social Entrepreneurship Strategy and Action Plan. However, under the Government`s Conclusion reached in the session held on 24 May 2013, obligations of the Government concerning preparation of the Proposal for the Law on Social Entrepreneurship and Entrepreneurship Strategy 2013-2016, with the Action Plan for 2013, were deleted from the 2013 Government Activity Programme.

Experience gained during preparation of the pre-draft law on social entrepreneurship and the Government`s position concerning the offered concept and deletion from the 2013 Government Activity Programme point to the need to launch an ***information and awareness raising campaign*** about what social entrepreneurship is and what kind of social entrepreneurship concept is necessary for Montenegro, as well as about which legal framework is optimal for the development of this concept. In addition, NGOs active in the area of social entrepreneurship should be encouraged to become part of European networks of social enterprises (ENSIE, CECOP etc.), while experiences from countries of the region should be collected, particularly if one bears in mind the problems and outstanding issues faced by those who have already adopted the law on social entrepreneurship/enterprises (Slovenia) and by those preparing to adopt it (Republic of Serbia).

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<sup>17</sup> p. 20-22.

<sup>18</sup> Opinion of the European Economic and Social Committee on Social Entrepreneurship and Social Enterprises (exploratory opinion), Brussels, 26 October, 2011, INT/589.

#### 4.4.4. Creating Conditions for Equal Access of Persons with Disabilities to the State Administration Bodies

The need to create conditions for equal access of persons with disabilities to the state administration bodies was also recognised as a specific goal in the earlier Strategy for Cooperation between the Government and NGOs (2009-2011.). On the basis of the analyses carried out so far by the Ministry of Sustainable Development and Tourism in cooperation with NGOs, a general conclusion was reached that **buildings used by public in Montenegro are not fully adapted** to meet requirements set by the Rulebook on more detailed requirements and manner of adapting buildings to ensure access and movement of persons with reduced mobility.

An important issue is also insufficient accessibility to the websites of state administration bodies, including the portal *Citizens` Voice - E-petitions*, by certain categories of persons with disabilities and for that purpose an IT solution should be found to make contents of these websites accessible, first and foremost, to the visually impaired people.

#### 4.4.5. Statistics and Records on NGOs

**Statistics and records on non-governmental organisations are not separately regulated** in laws and secondary legislation, nor in internal procedures of competent state administration bodies. One of significant barriers to better consideration of the needs and functioning of NGOs in Montenegro, particularly in terms of their development, is the lack of official data on employees and volunteers, revenue (donations from domestic and international sources, economic activities, membership fees etc.), offices for their work, technical equipment. This shortcoming makes it difficult to plan and consider further directions of NGO development and support that the state bodies and local government bodies should provide to non-governmental organisations.

On the basis of the above mentioned, it is necessary to examine the possibility of **embarking on monitoring certain data related to the specificities of the work of NGOs and entering them into the data system** which is kept *ex officio* by the bodies competent for data (statistics, tax and other bodies). The need to amend the Law on Accounting and Audit has been identified, particularly in the part concerning a group of legal persons on which the Law applies and specificities of filling out final accounts by NGOs. It is believed that this will lead to obtaining data that are important for monitoring activities, staff structure and financial operations of NGOs in Montenegro which have direct impact on the transparency of their work and on their development.



#### 4.5. Role of NGOs in the Process of Accession of Montenegro to the EU

As mentioned in the introduction to the Strategy, cooperation between the Government and civil society has *de facto* become integral part of political criteria for full-fledged EU membership of the Western Balkan countries. **Partnership between the Government and NGOs** has been confirmed by the development of numerous national and local strategies, reform programmes and laws. NGOs provided significant expert assistance to state institutions in formulating answers to the European Commission's Questionnaire, thus contributing to the process of acquiring the EU candidate status by Montenegro, as well as to the establishment of permanent framework for structural dialogue on relations between the EU and Montenegro for individual chapters of the EU *Acquis Communautaire*. **NGOs are involved in working groups tasked with the preparation of negotiating positions for the following chapters:** Free movement of goods; Free movement of workers; Right to establish enterprises and freedom to provide services; Free movement of capital; Public procurement; Commercial law; Intellectual property law; Competition policy; Financial services; Information society and media; Agriculture and rural development; Food safety, veterinary and phytosanitary policy; Fisheries; Transport policy; Energy; Taxes; Economic and Monetary Union; Statistics; Social and employment policy; Entrepreneurship and industry; Trans-European Networks; Regional policy and coordination of structural instruments; Judiciary and fundamental rights; Justice, freedom and security; Science and research; Education and culture; Environment; Consumer protection and health; Customs Union; Foreign affairs; Foreign, security and defence policy; Financial supervision; Financial and budgetary provisions (33 working groups - data from July 2013).

The Chief Negotiator's Office developed a mechanism for election of NGO representatives which includes publishing an open call for participating in working groups for negotiating chapters by following the model for election of NGO representatives prescribed under the Decree on manner of and procedure for establishing cooperation between state administration bodies and non-governmental organisations. Public calls are published on the MFAEI website and by sending it to the NGO networks (CRNVO, MANS, ZID, Green Home). However, the fact that each institution/organisation bears costs of participation of their representatives on the negotiating teams is an aggravating circumstance for NGO representatives in negotiating groups due to the limited financial resources of NGOs.

**In the framework of IPA component I, Transition Assistance and Institution Building, a part of funds** which is currently managed by the European Union Delegation in Podgorica **is allocated for civil society development.** On that basis, the Delegation publishes an open call for submission of project proposals for specific areas. So far, a total of EUR 4,095,620.00 were allocated in the framework of IPA and European Instrument for Democracy and Human Rights (EIDHR) for NGO projects in Montenegro. Under IPA component II (cross-border cooperation), Montenegrin NGOs participate in implementation of projects the total value of which amounts to EUR 2,155,949.00. It is worth noting that NGOs are involved in the process of programming IPA I – *Development of Civil Society* and the European Instrument for Democracy and Human Rights (EIDHR).

During preparation of the **Strategic Coherence Frameworks** and **Operating Programmes for IPA components III and IV**, three public consultations were held and they were organised by the Ministry of Foreign Affairs and European Integration and CDP (Capacity Development Programme). Strategic Coherence Framework (SCF) contains a clear definition of priority directions to be taken in implementation of activities and on the basis of it two Operating Programmes were established - one for IPA Component III, focused on regional development, which will regulate support in the areas of transport and environment protection, and the second one for IPA Component IV, focused on human resource development. These operating programmes set main development priorities, as well as the measures for their achievement, while for each of these measures specific projects are designed for which financial support will be sought. Representatives of civil sector, i.e. 20 representatives from 16 NGOs participated in public consultation.

The European Commission, in cooperation with the European Parliament and European Council, works intensively on preparing follow-up to the pre-accession assistance under IPA II for the financial period 2014-2020. Regulations that will constitute legal basis for using IPA II are currently being prepared. Two strategic documents which constitute basis for programming are **Common Strategic Framework – CSF and Country Strategy Paper – CSP**. CSF will be prepared by the EC in cooperation with the beneficiaries and it will set general strategic priorities in programming for all IPA II beneficiaries. On the other hand, CSP will set priorities for financing at the national level for the seven-year period, with one audit envisaged in the half of the programming period. This document will be prepared by the EC Directorate General for Enlargement, in consultation with the other directorates general and in close cooperation with the beneficiaries. In that regard, role of the Office of National IPA Coordinator will play a crucial role in the process of preparations for IPA II. The plan is to form sectoral working groups that will set priorities in providing support in individual sectors and they will be included in the programming process. It is envisaged that sectoral groups also involve a civil society representative.

Finally, the role of NGOs **in informing all the citizens about the EU integration process and specific steps to be taken in the negotiations process** is extremely important. Understanding processes and informing citizens well about results are crucial for the actual European integration. The Ministry of Foreign Affairs and European Integration is developing the new Communication Strategy for informing the public about European Union and preparations of Montenegro for membership for the period 2014-2018. Three NGO representatives were elected to the working group tasked with preparing this document.

## 4.6. Capacity Building of NGOs

As mentioned earlier, the majority of NGOs are active at the national level. At the local level, in the majority of cases there are NGOs with a small number of members, without paid staff, they are under-equipped and have modest IT knowledge. On the other hand, at the national level there is a core of distinguished, professional NGOs that are predominantly engaged in public advocacy, monitoring, capacity building in the areas such as suppression of corruption, democracy and human right and research in the area of public policies. At the national level, there are also NGOs operating as resource centres (for example, NGO Centre for the Development of Non-Governmental Organisations from Podgorica which operates as the resource centre<sup>19</sup> which “provides support to NGOs in relation to the organisational development and individual capacity building, gives legal advice on establishment and management of NGOs, advice on financial management of NGOs, information about other NGOs and activities undertaken by civil society, while it also provides data on available donors.”<sup>20</sup>)

The Law on NGOs also makes it possible for the juveniles that have turned 14 years of age to be founders of associations, subject to consent of a legal representative. This creates additional institutional prerequisites for active involvement of youth in social life.

Evidently, NGOs, and youth associations in particular, should **further improve their knowledge in the area of organisational management**, as well as their specialised knowledge related to their fields of action, and **in particular they should improve knowledge about the EU policies and European integration process**. It has been perceived that a large number of NGOs do not invest sufficiently in human resources and staff education, particularly with regard to understanding public policies, which is primarily the result of limited financial resources. In addition, NGOs should be trained about importance of self-regulation mechanisms (codes, standards of quality and the like) in order to promote good governance, increase transparency and quality of work and services of NGOs. This would lead to an increase in the level of trust and establishment of a positive perception about the work of NGO sector. In that regard, some examples of good practice already exist. Coalition of non-governmental organisations *With Cooperation towards Reaching the Goal*, which gathers more than 100 NGOs, adopted a set of criteria for improving programme and financial transparency of work which means, amongst other things, publication of annual activity reports and data on revenue of the Coalition members on the Coalition’s website. In addition, in accordance with the Statute of the Coalition, filing annual financial statements with the Tax Administration is a prerequisite for membership in the Coalition. On the other hand, commitment to the quality, in the form of introducing internationally recognised standards, represents one of the possible ways in which an organisation may become more competitive in the services market, thus demonstrating its commitment to work in the best interest of employees and target groups.

<sup>19</sup> Findings and recommendations for the development of social services in local community, N.Radeljić, O.Kovačević, May-June 2011, p.3; the report available at: <http://www.undp.org/content/dam/montenegro/docs/projectdocs/si/SWR/Nalazi%20i%20preporuke%20za%20razvoj%20socijalnih%20servisa%20u%20lokalnoj%20zajednici%202011.pdf>

<sup>20</sup> Report on Needs Analysis, Montenegro, Technical assistance to the civil society organisations in the Western Balkan countries and Turkey, October 2011, p. 22; available at [www.tacso.org](http://www.tacso.org)

There is room for improvement of **NGO networking** which would go beyond boundaries of project networking. Even though there are NGO networks in certain areas, there is no continuous process of consulting within specific sectors among NGOs. This matter is particularly important for future consultations on IPA funds programming in certain areas (SEKO mechanisms). Establishing networks by the fields of action the NGOs (also known as sectoral networks) with the aim of encouraging their more active participation in the process of programming and monitoring implementation of the prepared projects of state administration bodies supported in the framework of the Instrument for Pre-accession Assistance (IPA). In that regard, non-governmental organisations play a key role in the process of establishing sectoral networks and they also bear responsibility for implementation of this activity, while Office of IPA Coordinator (NIPAC) plays a key role in providing support to this process and ensuring timely consultation process in the networks mentioned above during the programming process. Consultation process would mean: involving networks in the process of identifying project ideas in specific sectors and giving comments on the prepared project proposals (project fiche or *working action in accordance with the information related to IPA II perspective*). Moreover, communication with sectoral networks would also mean timely exchange of information about the approved projects. In this way, sectoral networks would have the possibility of monitoring their implementation. Equally important is the role of the Office for Cooperation with NGOs which would participate in establishing a link between sectoral networks and Senior Programme Officers (SPO) in ministries in the programming and project implementation procedure. Also, sectoral networks would be involved in the process of reviewing the Country Strategy Paper (CSP) since the document draft (p. 3) states that review of this document will be conducted in the middle of the period 2014-2020 or more frequently, depending on initiatives from the European Commission.

Besides involvement in the process of programming and monitoring implementation of the approved projects and review of the Country Strategy Paper, this form of organising within the NGO sector creates considerable room for improvement of communication and cooperation between sectors concerning matters of common interest.

This approach is fully compatible with the intention presented in documents of the Ministry of Foreign Affairs and European Integration that are related to the process of managing IPA funds since it is stated that "with the aim of meeting those citizens' needs that may not be voiced and fulfilled in any other manner, during the programming process the Secretariat for European Integration will conduct consultations in cooperation with the Office for Cooperation with NGOs on identification and formulation of projects".

## 5. MONITORING AND EVALUATION OF THE STRATEGY IMPLEMENTATION

Monitoring and supervision over implementation of the Action Plan will be the task of the **Government`s advisory body which will be established to replace the existing Council for Cooperation between the Government and NGOs**. This body will have special competences in the area of financing NGOs from public funds and in the procedure for controlling these funds. In that regard, a representative of the Ministry of Finance will have to be included in composition of the new advisory body, which has not been the case with the existing Council.

**The Office for Cooperation with NGOs will carry out administrative and technical tasks** for the new advisory body, including collection of data on the implementation of specific measures set in the Strategy and Action Plan and timely reporting to the advisory body and to the Government about their implementation. State bodies/institutions which will be designated as implementing entities for specific activities set out in the Action Plan will be obligated to submit report to the Council every six month about the status of implementation of specific activities. At least once a year, the Council will submit the report on Strategy implementation to the Government.

This document represents framework for the development of non-governmental organisations and it may be updated. In that regard, the Council will initiate, where necessary, the procedure for amending the document with the aim of creating better conditions for further development of non-governmental organisations in Montenegro.

## 6. STRATEGY IMPLEMENTATION – ACTION PLAN 2014-2016

| <b>Goal</b>  | <b>Activity</b>   | <b>Responsibility for implementation</b>   | <b>Time-limit</b>  | <b>Funds</b>   | <b>Indicator</b>  |
|--|---|--|--------------------|--|---|
| <b>1. Institutional Framework for Cooperation with NGOs at the National and Local Levels</b>               |   |  |                    |  |   |
| <b>Improve capacity of the Office for Cooperation with NGOs (hereinafter: the Office)</b>                  | 1. Prepare Analysis of the institutional framework for carrying out tasks concerning development of NGO sector  | Ministry of Interior in cooperation with the Secretariat General of the Government, Ministry of Foreign Affairs and European Integration, Ministry of Finance and NGOs | II Quarter of 2014 | Budget of Montenegro – regularly allocated funds   | Analysis prepared   |
|  | 2. Increase the number of the Office staff in accordance with the Analysis  | Secretariat General of the Government  | IV Quarter of 2014 | Budget of Montenegro – regularly allocated funds   | Number of staff increased   |
| <b>Improve capacity of the advisory body in accordance with the Law on NGOs (hereinafter: the Council)</b> | 3. Create a separate website of the Office in the gov.me domain, including availability of data about NGOs and ensure greater accessibility of the website to the persons with disabilities | Secretariat General of the Government, in cooperation with the Ministry for Information Society and Telecommunications and NGOs  | IV Quarter of 2014 | Budget of Montenegro – regularly allocated funds Donors (for creating the base – EUR 8,000.00) | A separate website of the Office created<br>Internet platform for the NGO database established<br>At least 30% of NGOs applying for public funds, starting from 2015, use the database<br>Level of satisfaction among NGOs with contents and functioning of the database<br>Website and database accessible to the screen readers |
|  | 4. Adopt the new Decision on establishing the Council, in accordance with the Law on NGOs   | Government, upon the proposal by the Ministry of Interior  | II Quarter of 2014 | Budget of Montenegro – regularly allocated funds   | Decision and Order on appointment of the chairman and members of the Council adopted  |

| <b>Goal</b>  | <b>Activity</b>   | <b>Responsibility for implementation</b>   | <b>Time-limit</b>                                       | <b>Funds</b>  | <b>Indicator</b>  |
|--|---|--|---|---|---|
|  | 5. Organise exchange of comparative experiences for the Council members (study visits, round tables, workshops, seminars etc.)  | The Office in cooperation with the relevant institutions in the region and NGOs      | Starting from 2014, until the end of IV quarter of 2016 | Donors (costs of a three-day study visit to the region for the Council members - EUR 8,610.00)  | Number of implemented activities focused on exchange of comparative experiences   |
| <b>Design job description of focal points in state administration bodies responsible for cooperation with NGOs</b>   | 6. Adopt amendments to the rulebook on organisation and job descriptions of state bodies and incorporate a uniform job description for the staff responsible for cooperation with NGOs  | The Government, upon the proposal by state administration bodies                     | IV Quarter of 2014                                      | Budget of Montenegro – regularly allocated funds  | At least 80% of state administration bodies amended their rulebooks   |
| <b>Increase the number of municipalities that adopted new mechanisms for cooperation with NGOs</b>   | 7. Organise consultations with the municipalities interested in adopting the decision on establishing the Council for Cooperation between Local Government and NGOs and develop model job description of focal points responsible for cooperation with NGOs | Union of Municipalities of Montenegro in cooperation with local governments and NGOs | Starting from 2014, until the end of I quarter of 2016  | Donors (EUR 1,836.00 for travel expenses and per diems for 4 members of the working group tasked with preparing model decision on establishing the Council) | At least 15 municipalities adopted the Decision on establishing the Council for Cooperation between Local Government and NGOs and job description of focal points responsible for cooperation with NGOs |
| <b>2. Participation of NGOs in Public Policy Making and Implementation</b>   |   |  |   |   |   |
| <b>Ensure monitoring of implementation of the Decree on the manner of and procedure for establishing cooperation between state administration bodies and NGOs and Decree on the manner of and procedure for conducting public consultation in law making</b> | 8. Prepare annual report on implementation of the decrees   | Ministry of Interior and the Council in cooperation with state administration bodies | Annually, starting from 2014                            | Budget of Montenegro – regularly allocated funds  | Reports on implementation of the decrees available on websites of the Ministry of Interior, the Council and the Office  |
|  | 9. Organise consultations for the senior management staff in state administration bodies on implementation of the decrees   | Ministry of Interior in cooperation with the Office                                  | IV Quarter of 2014                                      | Budget of Montenegro – regularly allocated funds  | Consultation held with at least 30 civil servants that are in the category of senior management staff   |

| <b>Goal</b>  | <b>Activity</b>  | <b>Responsibility for implementation</b>  | <b>Time-limit</b>                 | <b>Funds</b>   | <b>Indicator</b>   |
|--|--|---|-----------------------------------|--|--|
| <b>Improve the level of information of focal points and NGOs about the existing mechanisms for participation in the public policy making and implementation process at the national level</b>  | 10. Organise 5 two-day workshops for focal points and NGO representatives about the existing mechanisms for participation in the process of public policy making and implementation at the national level  | Human Resources Management Authority in cooperation with the Office and NGOs                                    | During 2014                       | Donors<br>NGOs<br>(EUR 9,350.00 – EUR 1,870.00 per workshop for 20 participants)   | At least 80% of focal points participated in workshops<br><br>At least 60 NGO representatives participated in workshops<br><br>Level of satisfaction among NGOs concerning cooperation with NGOs   |
| <b>Increase the level of harmonisation of decisions on citizen participation in the conduct of public affairs and of Rules of Procedures of municipal assemblies with models of these acts</b> | 11. Organise consultation in municipalities interested in harmonising the decision and rules of procedure with the proposed models   | Union of Municipalities of Montenegro, in cooperation with the Ministry of Interior, local governments and NGOs | II Quarter of 2014                | Donors<br>NGOs<br>(EUR 1,224.00 – for travel expenses and per diems for 4 members of the working group tasked with developing models of these acts)  | At least 15 municipalities harmonised their acts with proposed models  |
| <b>Build capacity of local officials and civil servants for proper implementation of regulations governing citizen and NGO participation in public policy making and implementation</b>        | 12. Organise 2 consultative meetings for chief administrators, managers of local government bodies and public services responsible for implementation of these decisions in municipalities and focal points responsible for cooperation with NGOs at the local level concerning implementation of decisions on citizen participation in the conduct of public affairs and implementation of the rules of procedure of municipal assemblies | Union of Municipalities of Montenegro, in cooperation with the Ministry of Interior, local governments and NGOs | Starting from III quarter of 2011 | Donors<br>NGOs<br>(EUR 1,909.00 – EUR 954.50 per meeting to be attended by chief administrators, managers of local government bodies and public services and focal points from all municipalities) | Chief administrators, managers of local government bodies and public services responsible for implementation of these decisions in municipalities and focal points from at least 15 municipalities participated in consultative meetings<br><br>Level of satisfaction among NGOs concerning cooperation with local governments |



| <b>Goal</b>  | <b>Activity</b>  | <b>Responsibility for implementation</b>  | <b>Time-limit</b>  | <b>Funds</b>   | <b>Indicator</b>  |
|--|--|---|--|--|---|
| <b>Build capacity of NGOs for active participation in the decision-making process at the local level</b>   | 13. Organise 4 two-day workshops for NGOs about manners of and procedures for participation in the conduct of public affairs   | Union of Municipalities of Montenegro, in cooperation with the Ministry of Interior, local governments and NGOs | Continuously, starting from 2014, until the end of the I quarter of 2016 | Donors NGOs (EUR 7,480.00 – EUR 1,870.00 per workshop for 20 participants) | At least 60 NGO representatives participated in workshops<br><br>Increased number of citizen initiatives launched by NGOs   |
| <b>3. Financial Sustainability of NGOs</b>   |  |   |  |  |   |
| <b>Create legal framework for allocation of funds from the Government budget to the NGOs</b>   | 14. Endorse proposal for the Law amending the Law on NGOs in the part concerning financing NGO projects and programmes and co-financing NGO projects supported by the EU funds   | Government, upon the proposal by the Ministry of Finance  | II Quarter of 2014   | Budget of Montenegro – regularly allocated funds                           | Proposal for the Law endorsed   |
|  | 15. Adopt secondary legislation, on the basis of the Law on NGOs, which will regulate in more detail the manner of and procedure for allocating funds for NGO projects and programmes                                    | Government, upon the proposal by the Ministry of Finance  | II Quarter of 2014   | Budget of Montenegro – regularly allocated funds                           | Decree adopted  |
| <b>Establish a single IT mechanism for monitoring results of the approved NGO projects and programmes financed from public sources at the national level</b> | 16. Ensure availability of public data on grants allocated to the NGOs from public sources at the national level, results achieved under the projects that received support and results of external evaluation and audit | Ministry of Finance, in cooperation with state administration bodies  | IV Quarter of 2014   | Budget of Montenegro – regularly allocated funds Donors - (EUR 3,000.00)   | Data are available on the website of the Ministry of Finance (projects and programmes that received support, reports on implementation of projects and programmes and reports on external evaluation and audit) |

| <b>Goal</b>   | <b>Activity</b>  | <b>Responsibility for implementation</b>   | <b>Time-limit</b>  | <b>Funds</b>  | <b>Indicator</b>   |
|---|--|--|--------------------|---|--|
| <b>Increase the level of harmonisation of decisions on criteria, manner of and procedure for allocating funds to NGOs with the model decision</b>                       | 17. Organise consultations in municipalities interested in harmonising their decisions with the proposed models  | Union of Municipalities of Montenegro, in cooperation with the Ministry of Interior and NGOs | I Quarter of 2016  | Local governments<br>NGOs<br>Donors<br>(EUR 1,734.00 for travel expenses and per diems for 4 members of the working group tasked with preparing model decision) | At least 80% of municipalities harmonised their decisions on criteria, manner of and procedure for allocating funds to NGOs with the model decision  |
| <b>Increase the level of knowledge of the members of commissions for allocating funds to the NGOs about the methodology of project monitoring, evaluation and audit</b> | 18. Organise 5 two-day workshops for the members of local commissions for allocating funds to the NGOs in Montenegrin municipalities about monitoring project implementation, evaluation and audit | Union of Municipalities of Montenegro, in cooperation with NGOs                              | II Quarter of 2015 | Donors<br>NGOs<br>Local governments<br>(EUR 9,350.00 – EUR 1,870.00 per workshop for 20 participants)   | At least 60 members of commissions from the Montenegrin municipalities participated in workshops about monitoring project implementation, evaluation and audit<br><br>Number of commissions that carry out monitoring and evaluation of the projects that received support |
| <b>Improve legal framework governing development of philanthropy</b>  | 19. Prepare analysis of the legal framework for fostering the culture of giving  | The Government, upon the proposal by the Ministry of Finance                                 | II Quarter of 2014 | Budget of Montenegro – regularly allocated funds<br>Donors (EUR 4,000.00 for hiring a consultant)   | Analysis of legal framework adopted<br><br>Proposals and recommendations concerning specific amendments to the relevant laws given in the Analysis   |
|   | 20. Endorse proposals for the new and/or amendments to the existing regulations in accordance with proposals and recommendations given in the Analysis   | The Government, upon the proposal by the Ministry of Finance in cooperation with NGOs        | II Quarter of 2015 | Budget of Montenegro – regularly allocated funds  | Proposals for the new and/or amendments to the existing regulations endorsed (Law on Corporate Profit Tax, Law on Personal Income Tax)   |

| <b>Goal</b>  | <b>Activity</b>  | <b>Responsibility for implementation</b>   | <b>Time-limit</b>  | <b>Funds</b>                                     | <b>Indicator</b>  |
|--|--|--|--------------------|--|---|
| <b>Examine the possibility of placing state-owned premises and assets at disposal of NGOs</b>                                    | 21. Prepare informative document about the possibility of placing state-owned premises and assets at disposal of NGOs  | Property Administration  | I Quarter of 2015  | Budget of Montenegro – regularly allocated funds | Informative document prepared and recommendations given   |
| <b>Set criteria and establish procedure for placing state-owned premises and assets at disposal of NGOs</b>                      | 22. Adopt Government act which will set criteria and establish procedure for placing state-owned premises and assets at disposal of NGOs, on the basis of previously prepared informative document | Government, upon the proposal by the Ministry of Finance                         | II Quarter of 2015 | Budget of Montenegro – regularly allocated funds | Act adopted   |
| <b>4. Enabling Environment for the Work of NGOs</b>  |  |  |                    |  |   |
| <b>Set requirements for equal access of persons with disabilities and reduced mobility to the state administration bodies</b>    | 23. Ensure access of the premises of state administration bodies to the persons with disabilities and reduced mobility   | All state administration bodies, inspection authorities                          | Starting from 2014 | Budget of Montenegro – regularly allocated funds | Number of state administration bodies per year that adapted their premises in accordance with the Law on Spatial Planning and Construction of Structures and Rulebook on more detailed requirements and manner of adapting buildings to ensure access and movement of persons with reduced mobility |
| <b>Create an conditions for equal access to the websites of state administration bodies, including the use of screen readers</b> | 24. Adapt the existing and create new websites of state administration bodies in a way to make them accessible to the screen readers   | Ministry for Information Society and Telecommunications in cooperation with NGOs | IV Quarter of 2014 | Budget of Montenegro – regularly allocated funds | Websites of all state administration bodies are adapted to be used with the assistance of the screen reader   |

| <b>Goal</b>  | <b>Activity</b>   | <b>Responsibility for implementation</b>  | <b>Time-limit</b>  | <b>Funds</b>   | <b>Indicator</b>   |
|--|---|---|--------------------|--|--|
| <b>Create enabling legal framework for the development of volunteering in Montenegro</b> | 25. Endorse proposal for the law on volunteering  | Government, upon the proposal by the Ministry of Labour and Social Welfare                          | IV Quarter of 2014 | Budget of Montenegro – regularly allocated funds   | Proposal for the Law endorsed  |
| <b>Establish efficient accreditation system for non-formal education programmes</b>      | 26. Organise consultations with the interested NGOs on the ways to improve accreditation process  | Education Office and Vocational Education Centre  | II Quarter of 2014 | Budget of Montenegro – regularly allocated funds   | Informative meeting held with the interested NGOs concerning accreditation of non-formal education programmes<br><br>Report on consultations published on website of the Education Office  |
|  | 27. Launch information campaign about programmes offered by NGOs and importance of establishing cooperation with the local government and state institutions in the area of raising employees and citizens' awareness | Ministry of Education, in cooperation with the Education Office and Centre for Vocational Education | During 2014        | Budget of Montenegro – regularly allocated funds<br>Donors (EUR 3,000.00)  | Number of organised activities and participants in the campaign  |
| <b>Promotion of social entrepreneurship</b>  | 28. Organise two round tables about the social entrepreneurship concept, comparative experiences and experiences of Montenegro  | Office in cooperation with NGOs   | II Quarter of 2014 | Budget of Montenegro – regularly allocated funds<br>Donors (EUR 3,560.00 – EUR 1,780.00 per round table for 50 participants) | Number of participants in round tables<br><br>Recommendations given for the purpose of improving condition in this area<br><br>Better understanding of the social entrepreneurship concept among key stakeholders (Government, social enterprises, NGOs) |

| <b>Goal</b>  | <b>Activity</b>   | <b>Responsibility for implementation</b>  | <b>Time-limit</b>   | <b>Funds</b>  | <b>Indicator</b>   |
|--|---|---|---|---|--|
| <b>Create legal prerequisites for establishing records on the work and operations of NGOs</b>  | 29. Endorse Proposal for the Law amending the Law on Accounting and Auditing which will expand the scope of legal persons on which the law applies and regulate specificities concerning financial operations of NGOs | Government, upon the proposal by the Ministry of Finance (in cooperation with the Statistics Office)                        | III Quarter of 2015   | Budget of Montenegro – regularly allocated funds                                | Proposal for the Law endorsed  |
| <b>5. Role of NGOs in the Process of Accession of Montenegro to the EU</b>   |   |   |   |   |  |
| <b>NGO participate equally in designing and programming financial resources from the EU funds and in the EU negotiations process</b> | 30. Include NGO representatives in the process of finalising and reviewing the Country Strategic Programme  | Ministry of Foreign Affairs and European Integration, in cooperation with NGOs  | Starting from 2014 (depending on the number of initiatives from the European Commission to review the document) | Budget of Montenegro – regularly allocated funds                                | Number of NGOs included in the process of finalising and reviewing the Country Strategic Programme   |
|  | 31. Include NGO representatives in project programming in sectors envisaged in the Country Strategic Programme  | Ministry of Foreign Affairs and European Integration, in cooperation with NGOs  | Starting from 2014, until the end of the IV quarter of 2016   | Budget of Montenegro – regularly allocated funds                                | Number of NGOs included in the consultative process with the aim of identifying and formulating project ideas within the sector<br><br>Number of NGOs that gave comments on project descriptions prepared by state administration bodies |
|  | 32. Organise 5 six-day training courses for NGOs about the topic “Managing EU-Funded Projects”  | Human Resources Management Authority, in cooperation with the Ministry of Foreign Affairs and European Integration and NGOs | Starting from 2014, until the end of I quarter of 2016  | Donors (EUR 18.150,00 – EUR – 3.630,00 per training course for 20 participants) | At least 100 NGO representatives participated in training courses<br><br>Number of project proposals prepared in the EU application form   |

| <b>Goal</b>  | <b>Activity</b>  | <b>Responsibility for implementation</b>  | <b>Time-limit</b>   | <b>Funds</b>   | <b>Indicator</b>  |
|--|--|---|---|--|---|
|  | 33. Organise 3 one-day lectures for NGOs about decentralised (indirect) system of managing EU funds and possibilities of submitting project proposals in the framework of IPA II (2014-2020) | Ministry of Finance in cooperation with the Ministry of Foreign Affairs and European Integration and NGOs | I Quarter of 2015   | Donors<br>EUR 2,640.00<br>(EUR 880 per lecture for 20 participants)  | At least 50 NGO representatives participated in lectures  |
| <b>6. Capacity Building of NGOs</b>  |  |   |   |  |   |
| <b>Strengthen capacities of NGOs in the area of organisational development and in their field of action</b>                  | 34. Organise training/ consultations with NGOs concerning organisational development and field of action of NGOs   | Office,<br>in cooperation with NGOs   | I Quarter of 2015   | Budget of Montenegro – regularly allocated funds<br>Donors (EUR 66,090.00 – a package for 8 three-day training courses/ consultations which include 100 NGO representatives) | Number of training courses delivered/ consultations held on the basis of identified needs                       |
| <b>Provide support in the consulting process within certain fields of action of NGOs</b>                                     | 35. Establish networks by the fields of action of NGOs to meet the needs related to programming and monitoring implementation of projects supported under IPA II (2014-2020)                 | NIPAC Office<br>in cooperation with the Office and NGOs   | Starting from 2014, until the end of the IV quarter of 2016 | Donors (EUR 7,500.00 for the work of 5 established networks – EUR 500.00 per year for administrative costs)  | Number of networks established<br><br>Number of consultations in the networks on the matters of common interest |
| <b>Increase the level of information of NGOs concerning models and ways of introducing quality management system in NGOs</b> | 36. Organise three regional informative meetings to discuss models and ways of introducing quality management system in NGOs   | Office in cooperation with NGOs   | III Quarter of 2015   | Donors<br>(EUR 3,405.00 – EUR 1,135.00 per informative meeting for 30 participants respectively)   | At least 90 NGOs participated in regional informative meetings  |

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