

# Weekly Brief

**Weekly Brief is a collection of news and information concerning events that happened in Montenegro published on weekly basis. This publication is free of charge.**

## POLITICS

### Broad opposition front in Podgorica elections

The leaders of 12 opposition political parties, whose core consists of three parliamentary parties – SNP, PzP and NSD – signed a coalition agreement on joint participation in the elections in the Montenegrin capital Podgorica, as well as city municipalities Golubovci and Tuzi.

The leader of the joint opposition list will be the vice president of the SNP Neven Gošović, who stated that no electoral lists so far had so much political power.

'Better Montenegro' is the slogan under which the united opposition will participate in the elections in 14 Montenegrin municipalities.

The united opposition lists for Podgorica elections consists of following parties: SNP, PzP, NSD, National Democratic Serbian Party, Democratic Center, Party of Pensioners and Social Justice, Democratic Union of Muslim-Bosniak, Bosniac Democratic Party of Montenegro, Patriotic party, Yugoslav Communist Party of

Montenegro, and Democratic Party of Unity.

In an interview with Radio Free Europe, Gošović stated: "I think that the citizens of Montenegro finally realized that it is time to determine responsibility for everything that has been done or should have been done in Montenegro". Gošović accused the ruling coalition of trying to present the opposition as a danger to the statehood of Montenegro. "I believe the citizens are seeing through this false image and grasping that the parties in power are trying to put the question of responsibility for wrongdoings aside", concluded Gošović.

On the other side, Democratic Party of Socialists, Liberal Party and Bosniak Party, signed a coalition agreement on cooperation in the local elections in Podgorica. This coalition will compete under the slogan 'For European Podgorica - Dr. Miomir Mugoša'.

Social Democratic Party will independently participate in the local elections in the capital, the same as the Serbian Peoples Party. ber, there are 18,643 civil servants working

in the Government and Pension Fund, 12,892 in education, and 12,356 people employed in health and social services.

### Shinawatra in Podgorica

Answering journalists' questions, former Thai Prime Minister Thaksin Shinawatra said that he is in contact with his supporters in Thailand that seek dissolution of the parliament and early elections. "We are only fighting for democracy. Let them fight for democracy and rights in Thailand," said Shinawatra.

Montenegrin Minister of Foreign Affairs said recently that nobody will be allowed to plot against any country from Montenegro.

Shinawatra said he is considering investing in First Financial Bank (FFB), and buying a part of the Sveti Nikola island in Budva.

Shinawatra acquired Montenegrin citizenship in 2006 under mysterious circumstances. In Thailand, he was ousted from power and sentenced to two years imprisonment for corruption in absentia.

### **Montenegrins will be equal with other national communities in Kosovo**

Representatives of the Montenegrin national community in Priština have informed the Ministry of Foreign Affairs of Montenegro that the Kosovo Government confirmed the amendment to the Law on Protecting and Promoting the Rights of Communities in the Republic of Kosovo. This amendment recognizes the equal status of Montenegrin communities with other ethnic communities in Kosovo and provides its members the same rights as to other communities.

According to announcements from the Government of Kosovo, the amendment will be adopted at the first following session of the Assembly. Montenegrin Ministry of Foreign Affairs welcomed this decision of the Kosovo authorities.

The recognition of the Montenegrin community in Kosovo is one of the conditions set by Montenegrin Government in order to establish further diplomatic ties with Kosovo, such as sending an ambassador.

Montenegro has also asked the Kosovo Government to facilitate the return of some 1,500 Kosovo Roma who live as refugees in Montenegro.

## **ECONOMY**

### **A devastating picture of the Montenegrin economy**

There are currently only 59 companies that could acquire credit support from Montenegrin banks, said Central Bank of Montenegro (CBCG) chief economist's advisor Zorica Kalezić.

CBCG conducted a research, analyzing the quality of economic resources, which involved 15,000 companies that have submitted financial statements. The main parameters in this study were payments in the last three months, the last financial statements in 2008 and the companies' credit history.

Kalezić pointed out that the financial statements of companies for 2009 are in the process and that the results will "certainly be catastrophic".

"Net income of the economy at the end of 2008, was only 12 million, while at the end of 2007 it was 270 million" - said Kalezić at a conference organized by the Employers Union.

According to Kalezić, the poor condition of the economy is confirmed by the fact that there are 740 million of loans for which repayment is delayed, which makes up 30% of the total loan portfolio.

When asked what can CBCG do in order to help employers, Kalezić said that CBCG will not urge banks into additional risks.

### **Highway construction deadline extended again**

Montenegrin government has extended the deadline for Greek-Israeli consortium Aktor - HCH for submitting a bid for the construction of three sections of the Bar - Boljare highway.

Government and the European Investment Bank (EIB) have agreed that the EIB would finance the construction of the first two sections with 50% of the funds from the loan.

The Greek-Israeli consortium offered to build the sections for 3.92 billion euros, with Montenegro's share amounting to 2.78 billion.

Minister of Transport and Infrastructure Andrija Lompar stated that the Government would try to lower the proposed price to a level acceptable to the budget. He refused to specify the maximum amount the Montenegrin Government is willing to participate with in the construction of the highway.

### **A trilateral agreement to save KAP?**

Ministry of Economy, Aluminium Combine Podgorica (KAP) management and Trade Union have signed an agreement, which in the words of the Minister of Economy Branko Vujović, "creates conditions for continuity of production and implementation

of all obligations arising from the social program, in order to establish a basis for long-term successful business”.

Vujović said that there are many obligations to be fulfilled toward workers and stated that the management should offer a social program, which will be enhanced through additional funding provided by the sale of property.

The Trade Union canceled the strike previously announced to be held on 05 May and pledged to help in the realization of social programs. Ministry of Economy promised to help selling the KAP property to be sold at favorable price.

Earlier in the week, workers' protests in KAP reached culmination when they took over the administrative buildings, practically ousting the management. The direct motive was the refusal of the management to withdraw layoffs of numerous workers. Over forty decisions on termination of employment were handed to the workers by the KAP administration throughout the week.

On the proposal of Government's representatives, the board chairman Vyacheslav Krylov accepted to undo the decision on layoff of workers. Krylov accepted all of the workers' demands and expressed willingness to delay the decision on formation of new organizational units in

KAP, which the workers earlier objected.

### **Lukšić: Strengthening DRI's capacities - a priority**

Further strengthening of the State Audit Institution (DRI) is of great importance for the transparency in the control of budget funds, said Minister of Finance Igor Lukšić during the meeting with members of the Audit, Economics, Finance and Budget Committee of the Parliament of Germany.

Lukšić said that DRI achieved great success, in spite of being a relatively young institution.

He said that further training and education of auditors as well as improvement of legislation is of key importance for strengthening DRI. "At the same time the Government is committed to the development of internal financial control as well, and harmonize our system of auditing with the standards of the European Union (EU), in order to achieve the effectiveness of internal audit," he added.

Lukšić explained that at the same time, implementing the Action Plan for IPA decentralized management of resources is an important task in the EU Integration process. "Obtaining accreditation for independent use of EU funds is an important condition for EU membership. In this context, consolidation of public spend-

ing on the local and national level is crucial", said Lukšić.

Representatives of the German Bundestag noted that a strong and independent parliament is needed in order to secure support for the development of democracy. They concluded that an effective parliamentary control of the Government is of utmost importance.

### **DRI and Commission together against Corruption**

Representatives of State Audit Institution and the Commission for the Control of Public Procurement Procedure signed an agreement on cooperation and announced that they will significantly contribute through coordinated efforts to strengthen anti-corruption front.

"There has been significant progress in the control and transparency of public procurement in Montenegro, but special attention in the coming period should be given control of fulfilling obligations under awarded contracts, since significant irregularities have been registered in the previous years", said President of the DRI Senate Miroslav Ivanišević.

The agreement stipulates the organization of consulting and education of officials and employees, production of technical publications, capacity development, as well as greater

support to the implementation of the Law on Public Procurement. The aim of the agreement is also prompt informing each other about the audit findings concerning public procurement and timely adoption of decisions on appeals filed in these proceedings.

### **Five applicants for Morača power plants construction**

Five companies and consortia applied to the public advertisement for prequalification procedure for awarding concessions for hydroelectric plants on Morača river, which was published on 26 February this year and lasted until 30 April.

The following companies and consortia have applied: Sihydro Corporation Limited from China, ENEL S.p.A. from Italy; A2A from Italy, Strabag International GmbH from Germany and the leading member of the Allgemeine Baugesellschaft - A. Porr Aktiengesellschaft from Austria.

Tender Commission has determined that all information supplied by the applicants meet the eligibility requirements provided for prequalification ad. Qualified bidders will be invited to submit bids for the project.

### **Montenegro's IBRD voting share increased**

Montenegro is among the countries whose voting share in the International Bank for Reconstruction and Development (IBRD), a part of the World Bank Group, increased from 0.6 to 0.7 percent.

The criterion for the redistribution of voting share was "a combination of the size of the economy, purchasing power, exchange rates and contribution to development".

World Bank member states, including Montenegro, have adopted a decision to increase the bank's capital for more than 86 billion dollars and increase the voting rights of developing and transitional countries to 47% of the total votes.

Member states have also endorsed the Bank's new strategy for the period after the crisis, and reform package that will enable the Bank to be faster, more flexible and responsive.

### **Lazović: A2A follows its contractual obligations**

Vice Prime Minister Vujica Lazović stated that according to available data, Italian company A2A is fulfilling all of its contractual obligations that derive from purchasing shares of the Montenegrin Electric Enterprise (EPCG).

"Following the appointment of representatives of A2A in the managing board of EPCG, a stable business and supply of

electricity is evident, as well as intensified activities in the implementation of a number of projects," said Lazović.

It is announced that the EPCG will this year achieve 15% increase in production. President of the EPCG Board of Directors Srđan Kovačević, said that the production of electricity is half a million kilowatt-hours greater than in 2004, which was a record up to now.

Executive Director of EPCG Enrico Malerba announced that the company A2A will participate in the tender for the construction of hydroelectric power plants on Morača river. Malerba said that their aim is to reduce losses in the network, increase production from renewable energy sources, improve the distribution network and reduce imports, which would ensure that Montenegro has enough of its own electricity at a lower price.

### **Mediators sued for losses in Montenegro**

More than thirty Irish investors, who credited buying real estates in Montenegro, have sued the company Byrne Wallace Solicitors for over 3.9 million euros of losses, which they have suffered in this business.

The complaint against numerous individuals from this company has been submitted

to the Irish Commercial Court, while the trial is scheduled for 20 May writes Irish Times.

### **Regional water supply line ready for the main season**

Regional water supply line for municipalities at the Montenegrin coast will be completed in June, when it will be tested and put into operation, announced Ministry of Spatial Planning and Environment.

Water supply network in the municipalities of Bar, Budva, Kotor and Tivat will be able to use water from the system of regional water supply line this season.

### **Montenegro mostly traded with Serbia**

Total foreign exchange of Montenegro from January to March 2010 amounted to 366 million euros according to preliminary data. This represents a drop of 13.85% compared to the same period last year, announced MONSTAT.

Exported goods are worth 55.7 million euros, which is lower by 22.3% compared to same period last year, while the imports amount to 310.3 million euros, which is lower by 12.1 percent compared to same period last year.

Concerning exports, the main foreign trade partners are Serbia (17 million), Greece (8.3 million), Italy (6.5 mil-

lion). When it comes to imports, the main foreign trade partners are Serbia (78.2 million), Bosnia and Herzegovina (24.4 million) and Germany (22.5 million), states MONSTAT. Foreign trade was the largest with signatories of CEFTA and the EU member states.

### **Participation in a round table on privatization - a cause for dismissal**

Network for Affirmation of NGO Sector (MANS) strongly condemned the attempt of the Aluminum Combine Podgorica (KAP) leadership to intimidate trade union leader Sandra Obradović by presenting her with the dismissal warning notice because of the participation in a round table on privatization. At the round table organized by Alliance of Free Trade Unions and MANS, Obradović spoke specifically about being harassed by her employer, who even engaged a person to monitor and keep records of her trade union activities

The NGO also called on Vice Prime Minister Vujica Lazović and Minister of Economy Branko Vujović to prevent the harassment of trade union representatives.

### **Strike in Montenegrin Telecom ended**

Signing of the agreement between the representatives of

the strike committee and the management of the Montenegrin Telecom officially ended the strike in this company.

The two sides have agreed upon most of the strikers demands, including the promise that the earnings and other incomes will not be reduced in future, that a new system of ranking and earnings will be introduced through cooperation of the trade union and the management, and the harmonization of salaries of all employees in the Montenegrin Telekom in the next three years.

The agreement has confirmed that 3.6 million euros will be allocated for solving housing issues of the Telecom employees in this year.

### **Hunger strike in 'Tehnostil' ended**

Workers of the 'Tehnostil' company from Nikšić have ended their ten-day hunger strike after they received assurances of the Government of Montenegro, which promised to pay three salaries.

Workers of 'Tehnostil' have been striking in the fabric halls since the beginning of March, and started a hunger strike, which lasted over ten days. They requested their due salaries to be paid and the continuation of the production to be guaranteed.

### **Mayor of Podgorica – An illegal builder?**

Mayor of Podgorica Miomir Mugoša is one of the illegal builders according to data from the Government's Real Estate Directorate.

According to data published by the daily *Vijesti*, Mugoša owns three residential buildings in Podgorica suburb Mareza, which were built without valid building permits.

## **SOCIETY**

### **Montenegro's Freedom House ranking dropped**

According to the latest report by the US NGO Freedom House is once again ranked in the group of countries with 'partially free media'. However, compared to the previous year, Montenegrin ranking fell from 78<sup>th</sup> to 80<sup>th</sup> position on the list.

This year's 78th position is occupied by Serbia, which makes it best ranked of all the former Yugoslavia states, except for Slovenia, which is classified as a country of free media.

Croatia occupies 85<sup>th</sup> position, Macedonia 94<sup>th</sup> and Bosnia and Herzegovina 97<sup>th</sup> position. Freedom House latest report includes Kosovo for the first time. It is placed on the 108<sup>th</sup> position.

The report concludes that the state of press freedom in the world declined for the eighth consecutive year, which is why only one sixth of humanity lives in countries with the free press.

### **Government to ban discrimination**

Government adopted the bill on the prohibition of discrimination, according to which all institutions are obliged to keep separate records on cases of discrimination and deliver them to the Ombudsman.

Minister for Human and Minority Rights Ferhat Dinoša said that the bill includes specific forms of discrimination such as harassment, mobbing and segregation.

The bill also defines special forms of discrimination - the treatment by the public authorities, in the use of objects and surfaces, discrimination based on health status, age, discrimination in the field of education, training, vocational training in the field of labor, on the basis of religion and belief, discrimination against persons with disabilities, discrimination based on gender and sexual orientation.

### **Population census in April 2011**

Census of population, households and housing will be

conducted in the first half of April next year. This project is worth 3.5 million euros.

Montenegrin Government adopted a draft law on the census, households and housings in the coming year.

Minister of Finance Igor Lukšić stated that the population census will be conducted by the Statistical Office of Montenegro (MONSTAT).

### **CoE: Reform of electoral legislation and judiciary must be completed**

Parliamentary Assembly of the Council of Europe (CoE) unanimously adopted a report on Montenegro, which states significant progress made in implementing the commitments undertaken by the admission in this organisation.

The report states that it is necessary to step up efforts to complete the initiated process of reforms in the areas of electoral legislation and the judicial system.

Transparency of financing political parties must be greater, states the CoE report.

The need to continue training judges to use the standards and jurisprudence of the European Court of Human Rights, as well as to achieve effective implementation of minority rights and integration of refugees and displaced persons was also emphasized in the report.

Good cooperation between state authorities of Montenegro with the CoE and especially the Venice Commission in the process of adoption of the Constitution and certain laws. contributes to better coordination and monitoring of the implementation of the Stabilization and Association Agreement and the accession of Montenegro to the EU.

## EU INTEGRATION

### **NSEI discussed EC Progress report**

National Council for European Integration (NSEI) has discussed assessments in the European Commission's Progress Report on Montenegro in the past year, concerning justice, freedom and security. NSEI President Nebojša Medojević determined the agenda of the session, concerning visas, border management, asylum and migration, money laundering, drugs, fight against organized crime and corruption.

NSEI consist of a chairman and his deputy, six members from the opposition, the president and vice president of foreign policy committee, the presidents of standing committees of the Parliament, one member designated by the President of Montenegro, as well as representatives of the University, Montenegrin Academy of Arts and Sciences, Judicial and Prosecutorial Council.

Decision on the establishment of NSEI provides that it functions as an advisory body and

*We hope that you enjoyed the new design of Weekly Brief and found its contents useful. Any suggestions, comments, remarks or opinions regarding the design and contents of this newsletter are welcome.*

*Editorial team*

**GLOSSARY**

*This glossary contains the most commonly used abbreviations. It is subject to revision.*

<b>ANB</b>	Agency for National Security
<b>ARD</b>	Broadcasting Agency
<b>BS</b>	Bosniak Party
<b>CGO</b>	Centre of Civic Education
<b>CRNVO</b>	Centre for the Development of Non-Governmental Organisations
<b>CFSP</b>	Common Foreign and Security Policy of the EU
<b>CoE</b>	Council of Europe
<b>DC</b>	Democratic Centre
<b>DPS</b>	Democratic Party of Socialists
<b>DSCG</b>	Democratic Alliance in Montenegro
<b>DSS</b>	Democratic Serbian Party
<b>DUA</b>	Democratic Union of Albanians
<b>EC</b>	European Commission
<b>EMIM</b>	European Movement in Montenegro
<b>EU</b>	European Union
<b>IA</b>	Institute Alternative
<b>IPA</b>	Instrument Pre-Accession Assistance
<b>LSCG</b>	Liberal Alliance of Montenegro
<b>LP</b>	Liberal Party

<b>MANS</b>	Network for the Affirmation of Non-Profit Sector
<b>MOC</b>	Montenegrin Orthodox Church
<b>NATO</b>	North Atlantic Treaty Organisation
<b>NS</b>	People's Party
<b>NSD</b>	New Serb Democracy
<b>NSS</b>	People's Socialist Party
<b>PZP</b>	Movement for Change
<b>SAA</b>	Stabilisation and Association Agreement
<b>SDP</b>	Social Democratic Party
<b>SL</b>	Serbian List
<b>SNP</b>	Socialist People's Party
<b>SNS</b>	Serbian National Council
<b>SOC</b>	Serbian Orthodox Church
<b>SRS</b>	Serbian Radical Party
<b>SSR</b>	Party of Serbian Radicals
<b>UN</b>	United Nations
<b>UNDP</b>	United Nations Development Program
<b>UNSC</b>	United Nations Security Council
<b>OSCE</b>	Organisation for Security and Cooperation in Europe

**DISCLAIMER**

INFORMATION PROVIDED IN THIS BRIEF COMES FROM LOCAL DAILY NEWSPAPERS (DAN, POBJEDA AND VIJESTI), WEEKLY 'MONITOR', E-ZINE ARTICLES, WEB PORTALS, AND NEWS AGENCIES' BRIEFS, AS CITED THROUGHOUT THE TEXT. THESE INFORMATION ARE SUPPLEMENTED BY INSTITUTE ALTERNATIVA'S OWN ANALYSES AND OPINIONS.

**Institute Alternative**

Founded in September 2007, Institute Alternative is a Montenegrin-based think tank. Founders are prominent individuals with civil society, public administration and business sector background.

IA's mission is to strengthen democratic processes in Montenegro by identifying and analyzing policy options.

IA's strategic objectives are to increase quality of public policy development, to contribute to human rights protection in Montenegro, to contribute to development of democracy and rule of law.

The values we share are commitment, independence, learning, networking, team work.

**INFO**

Address: Dalmatinska 78 st., Podgorica, Montenegro

Tel/Fax: (020) 219 120

E-mail:

[info@institut-alternativa.org](mailto:info@institut-alternativa.org)

Website:

[www.institut-alternativa.org](http://www.institut-alternativa.org)