



**REPUBLIC OF MONTENEGRO
GOVERNMENT OF THE REPUBLIC OF MONTENEGRO**

**NATIONAL COMMISSION
FOR MONITORING OF THE REALIZATION OF THE ACTION PLAN FOR IMPLEMENTATION OF THE PROGRAM FOR FIGHT AGAINST CORRUPTION AND ORGANIZED CRIME**

**THE FIRST
REPORT ON THE REALIZATION OF MEASURES
FROM THE
ACTION PLAN FOR IMPLEMENTATION OF THE PROGRAM FOR FIGHT AGAINST CORRUPTION AND ORGANIZED CRIME
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PRELIMINARY REMARKS

The course of events before the National Commission was established - The Government of the Republic of Montenegro adopted in its session, held on 28 July 2005, the Program for the fight against corruption and organized crime. In the session, held on 24 August 2006, the Government of the Republic of Montenegro adopted the Action Plan for implementation of the Program for the fight against corruption and organized crime. The Action plan renders operational priorities established in the Program for the fight against corruption and organized crime in such way that concrete measures and activities of line ministries, administration bodies and institutions competent for the prevention and suppression of corruption and organized crime are determined. The Action plan determines also objectives, terms, i.e. dynamics of obligation fulfillment, indicators for measuring success and possible risk factors.

Implementation of the Action plan confirms the respecting of the Decisions of the European Union Council on principles, priorities and conditions contained in European partnership (24th January 2006), UN Convention on trans-national organized crime (Palermo, UNTOC convention), the requirements related to the implementation of the UN Convention against corruption (came into effect on 19th January 2006), the European convention on the protection of human rights and fundamental freedoms and other obligations, which result from the membership of the Republic of Montenegro in the international organizations and institutions.

The constituting of the Government on 10 November 2006, was followed by adoption of Amendments to the Decree on State Administration Organization and Operations, adoption of the new systemization of job positions in public administration bodies, determining of the Government Work Program for 2007 and preparation of Decision on establishment of the National Commission, which was necessary in order to ensure continuation of responsible institutions work and work of public administration bodies and to fulfill obligations in the Government Work Program.

Activities of the National Commission – The Government of the Republic of Montenegro made a Decision to establish the National Commission for monitoring the implementation of the Action plan for implementation of the Program for fight against corruption and organized crime (Official Gazette of RMNE, No. 15/07), appointed its president, vice president and secretary, determined its composition and defined the scope of its work, on 15 February 2007.

The Cabinet of the Deputy Prime Minister for European integration, who is also the President of the National commission, organized a number of preparatory meetings with the representatives of Police Directorate and of Anticorruption Initiative Directorate. On that occasion, propositions concerning documentation necessary for the Constitutional session of the National Commission were put forward.

Constitutional session of the National commission for implementation of the Action plan for implementation of the Program for fight against corruption and organized crime was held on 16 March 2007. Rulebook on the Work and draft Form for monthly reports, which is filled in by 30 institutions (including one of the NGOs)¹ and returned to the secretary of the National commission, on the 10th day of each month after the end of the monitoring period, were adopted in the session. It has been suggested that the first monthly report should include the period from September 2006 to March 2007, and that responsible authorities should continue presenting regular monthly reports. In addition, it has been agreed that the proposal for the First monitoring report concerning implementation of the Action plan should be formulated based on the first three reports, which will include the period from the adoption of the Action plan to the end of May 2007. Framework calendar of the National commission's work, for the first two reports until 2007, was considered and adopted in the session:

¹On 30 May, Anti-corruption Initiative Directorate invited through Public Announcement, all NGOs, which participated, during the monitoring period, in cooperation with the Government of the Republic of Montenegro or with international partners, in different anticorruption initiatives, to report on their activities. One more NGO responded to the announcement before the writing of the First report. The invitation for cooperation will always be open.

- Framework calendar of the National commission work -

- THE FIRST MEETING REGARDING PREPARATION OF THE FIRST REPORT - 1 June 2007².
- THE SECOND MEETING REGARDING ADOPTION OF THE FIRST REPORT – 6 July 2007;
- THE FIRST MEETING REGARDING PREPARATION OF THE SECOND REPORT – 8 November 2007.
and
- THE SECOND MEETING REGARDING ADOPTION OF THE SECOND REPORT– 11 January 2008.

Expert team for preparation of the First report – according to the Rulebook on the work, technical analysis of monthly reports was entrusted to the technical body, composed of: representatives of Police Directorate, Anticorruption Initiative Directorate, Ministry of Justice, Supreme State Prosecutor, and Deputy Prime Minister for European integration Cabinet. Regular electronic enter of monthly reports in the table for monitoring was made for the reports submitted for the period from September 2006 to 31st March 2007 and for monthly reports for April and May 2007. The Government of the Republic of Montenegro and particularly the institutions, which did not submit reports in due time, were informed about the work of the expert team, about the state of fulfillment of obligations included in monthly reports of institutions and about the quality of reports. Fair cooperation with all institutions was established and the sense of responsibility for obligations gradually heightened.

Adoption of the First report – once the First report by the National Commission is adopted, at the suggestion of the Commission, the First report will be passed to the Government of RMNE (July 2007) for consideration and adoption. After its adoption, the report will be submitted to the Committee for Economy, Finance and Budget and to the Committee for Political system, Judiciary and Administration of the Parliament of RMNE.

Transparency – after carrying out of procedure, the first Report on realization of measures from the Action plan for implementation of the Program for fight against corruption and organized crime will be translated into English and submitted to the international development partners.

² Due to necessary preparation of the Draft First report by The Expert team, the date of the meeting was postponed until the beginning of July.

I POLITICAL AND INTERNATIONAL OBLIGATION TO ACT

GENERAL ASSESSMENT:

In this chapter of the Action plan, measures concerning cooperation between political parties, Parliament, public authorities, NGOs and other non-governmental bodies on horizontal and vertical level, in order to tackle severe forms of crime and corruption jointly, were defined. In line with that, particular attention was given to the realization of obligations from the European partnership, which classifies fight against organized crime and implementation of international instruments and standards in the field of fight against corruption as short- term priorities. In addition, a package of measures, aimed to intensify already introduced judiciary system reform and reform of financial system, was formulated.

Resolution on the fight against corruption and organized crime and the future parliamentary body for its monitoring (measures 1 and 2) – apart from a number of laws, which were adopted by the Constitutional Assembly of the Republic of Montenegro, and proposed by the Government of the Republic of Montenegro, it is evident that the Constitutional Assembly did not prepare an appropriate text in the form of resolution, which would include fundamental principles and commitments of Montenegro in order to deal with the most severe criminal acts. It is certain that the Constitutional Assembly of the Republic of Montenegro will intensify activities in that field in the future.

In this chapter, obligation of establishment of **National Commission (measure 3)** was defined, and provided in the introductory part of the Report, as the basic activity realized in the field of coordination and quality reporting on Action plan implementation.

Identification and adoption of laws, which are relevant for the fight against corruption and organized crime (measure 4) and laws in the field of general judiciary reform (measure 5) include proposal, adoption and implementation of a whole range of regulations, which will improve these policies (about 30 legal regulations in the period 2007-08).

Constitutional Assembly of the Republic of Montenegro adopted in the previous period a number of laws, which enabled fulfillment of obligations set out in this chapter of the Action plan: Law on Responsibility of Legal Entities for Criminal Offences (Official Gazette of RMNE, No. 2/07), Laws on Salaries and other Incomes of Judges and State Prosecutors (Official Gazette of RMNE, No 36/07), Law on Public Procurement (Official Gazette of RMNE, No. 46/06), Law on Amendments to the Law on Personal Income Tax (Official Gazette of RMNE, No. 4/07), Law on Asylum (Official Gazette of RMNE, No. 45/06), Law on Protection of Competition (Official Gazette of RMNE No. 69/05), etc.

The work on the preparation of the new **Criminal Code Procedure**, which transfers the investigation out of courts and gives prosecutors and police full authority over the conduction of investigation, began in February 2007. Working group, in charge of the elaboration of this Law, is composed of judges and prosecutors, representatives of the Faculty of Law in Podgorica, Chamber of Lawyers, Police Directorate, and Ministry of Justice. During the writing of the text of Proposal for this Law, parallel experiences and international documents were used, while considerable assistance was provided by experts of different international organizations (OSCE, Council of Europe, and European Commission through TAIEX seminars). In the third quarter of this year, the Law will be submitted to the Council of Europe for expertise. While implementing the reform of criminal legislation from 2003, a number of documents in the international field, particularly the United Nations Convention against Transnational Organized Crime, were taken into account. Therefore, the existing legislation already includes a number of solutions, which represent a good example of implementation of international standards.

Ministry of Justice, with the assistance of experts from the Council of Europe, analyzed the harmonization level of provisions of the existing **criminal legislation regarding institute for the extended deprivation of the profit rights from property**³, from the aspect of their harmonization with international standards and parallel legislation. This analysis is of fundamental importance, since it indicated further steps, which must be undertaken in this field and which are important for the fight against organized crime.

³ These activities relate to fulfilment of obligations in the measure 10 – Analyze harmonization of legislation with international standards in the field of fight against organized crime.

Ministry of Justice elaborated **Draft law on providing of international legal assistance** in criminal matters, which was submitted to Slovenian experts for opinion within CARDS project. The Draft was submitted also to the Council of Europe for expertise. After acquiring expertise, which is expected soon, the work on preparation of this law will be accelerated, due to requirements of the Government's procedure.

After acquiring expertise, which was financed by the German organization GTZ, **Text of the Proposal for the Law on obligations** was submitted to the Secretariat for Legislation in order to obtain opinions, suggestions and remarks. During May, joint work of Ministry of Justice and Secretariat for Legislation on the text of **the Proposal for the Law on obligations** was intensified. Since this is an extremely large text (there are over 1300 articles), the forthcoming period will be used for legal, technical and terminological redaction of the text of the Proposal and for exclusion of a number of issues that require additional engagement.

Ministry of Finance prepared the text of Proposal for the Law on Property –Legal Relations, which basic solutions must be harmonized with the future Constitution, before its submitting to the further procedure. Therefore, before the adoption of the new Constitution, the Government of the Republic of Montenegro will await formulation of the Proposal for this law.

Ministry of Finance formed a working group for the preparation of the text of Proposal for the Law on Amendments to the Law on financing local self-government. If the envisaged dynamics is respected, the Proposal for this law will be outlined in the third quarter of 2007, in line with the Government Work Program.

In order to implement the Law on Asylum, Ministry of Interior Affairs and Public Administration set the Office for Asylum, as a first instance authority. Law on Foreigner is also expected to be adopted by the Constitutional Assembly of the Republic of Montenegro in the second quarter of 2007.

It must be pointed out that the Customs Directorate is working on the preparation of text of the proposal for **the Law on Amendments to the Law on Customs and to the Law on Customs service**. In the submitted information, there is no indication of the state of drafting of these legal texts and of the period for their submission to the governmental procedure.

Within joint work with the United Nations Development Program in Montenegro (UNDP) and with the assistance of OSCE Mission to Montenegro, Anticorruption Initiative Directorate undertakes activities **in the field of performing of Harmonization Analysis of the Montenegrin legislation with United Nations Convention against corruption (measure 6, 7, 8, 9, 11, 14, 15)**. Once responsible public authorities provide necessary information in line with relevant provisions of this international instrument, the visit of UNODC (United Nations Office on Drugs and Crime) experts are expected in the third quarter of 2007. Experts will perform harmonization analysis of five priority legal texts: Criminal Code, Criminal Code Procedure, and Law on Conflict of Interests, Law on Public Procurement and Law on Free Access to Information. The presentation of analysis results and formulation of priorities for complete harmonization of the national legislation with United Nations Convention against corruption are expected in the fourth quarter of 2007. Once the analysis is performed, Anticorruption Initiative Directorate will undertake activities concerning harmonization of the national legislation with United Nations Convention against corruption.

Human Resources Management Authority developed the project, entitled „**Prevention of corruption in public administration**” in line with GRECO recommendations. Foreign experts will take part in the development of this project.

In the Department for fight against organized crime, a Deputy of the Special Prosecutor for the fight against organized crime was appointed. Another Deputy will be appointed soon. Accordingly, the Department will be ready to perform its function completely and according to the law. The **Council of Prosecutors** adopted the Code of Ethics for public prosecutors in November 2006 and initiated its implementation. These activities are in line with recommendations within the Report on the I and II joint ASSESSMENT of the Republic of Montenegro, which was adopted by the Group of Countries of the Council of Europe against corruption (GRECO) in October 2006.

⁴ The South East European Prosecutors Advisory Group (SEEPAG); members are: Albania, BiH, Bulgaria, Croatia, Grece, Maedonia, Moldova, Montenegro, Romania, Sebia, Slovenia and Turkey (www.seepag.org)

⁵ IPA (Instrument for Pre-Accession assistance) is the new instrument of pre-accession assistance of European Union, which relates to the period of 2007 – 2013.

⁶ The Government of the Republic of Montengro adopted the Strategy of judiciary reform for 2007-2012, on 21th, Juna 2007 (available at the web page of the Ministry <http://www.pravda.vlada.cg.yu/>)

It must be pointed out that the activities of **Supreme State Prosecutor concerning establishment of bilateral cooperation (measure 12, 13)** were undertaken in the previous period. Supreme State Prosecutor is the member of South-East Europe Public Prosecutors Advisory Group (SEEPAG), which gathers public prosecutors from 11 countries in the region in order to establish cooperation in the field of fight against cross- border crime.⁴ The Supreme State Prosecutor signed bilateral agreements with the Public Prosecutor of Russian Federation and with the General Prosecutor of Ukraine. The Agreement on cooperation and prosecution of war crimes perpetrators, perpetrators of crimes against humanity and genocide with the Republic of Croatia was also signed. The Agreement on cooperation and data exchange concerning all types of crime, particularly organized crime and corruption was signed with the Public Prosecutor of Macedonia on 29 May 2007, in Ohrid. During the meetings with the General Prosecutor of Albania, the agreement concerning the necessity of signing a bilateral agreement between the two Prosecutor's Offices regarding joint action in the field of fight against crime was reached. The signing of the Agreement with the General Prosecutor of Albania is expected in July 2008.

Concerning bilateral relations, Ministry of Justice of Montenegro established cooperation with Ministry of Justice of Italy. Harmonization work concerning the text of the Agreement, which completes the European Convention from 20 April 1959, on providing international legal assistance in criminal matters and which simplifies its application is being conducted. At the same time, negotiations with countries in and outside the region, with the view of providing a mechanism regarding a more simple form of giving international legal assistance (B&H, Croatia) are in the pipeline. Concerning multilateral relations, Ministry of Justice signed Memorandum on understanding with the Governments of the Stability Pact for Anticorruption Initiative member states (SPAI) in Zagreb.

Police Directorate undertook numerous activities at the international level. Regional cooperation was established through bilateral agreements on cooperation, international police organizations, and liaison officers. Up to date, the Police Directorate signed agreements with: Austria, Romania, OSCE and UNMIK. At the end of 2006, the Agreement on cooperation and understanding between police organizations of the Kingdom of Belgium and of Montenegro was signed. During the reporting period the initiative for signing of an agreement with Europol started. Activities regarding the admission of Police Directorate into the SECI Centre are under way. Text of the Proposal for the Law on ratification of the Vienna Convention on police cooperation between countries in the South East Europe is being prepared. Rulebooks on the degree of data secrecy, way of treatment, special protection and measures of keeping secrets and the Rulebook on conditions and ways of selection of police officers, who are set to work abroad, were adopted. **National central bureau (NCB) of INTERPOL** established intensive communication with other NCBs, situated in Belgrade, Sarajevo, Ljubljana, Wiesbaden, and Rome, which contributed to the more efficient prevention and detection of cross border crime.

Customs Directorate signed in the previous period bilateral agreements with neighboring countries: Albania, Macedonia, Croatia, and Slovenia. Activities concerning signing of agreement on customs cooperation and mutual assistance with Moldavia, Ukraine and Belarus are being undertaken. During the reporting period negotiations were conducted with the Customs Directorate of Serbia concerning electronic data exchange for tracking of all types of goods and for introduction of customs information lists for all shipments, i.e. vehicles (full or empty). Negotiations on tracking of excise goods continued with the aim of tackling of illegal activities with neighboring customs services. (Croatia, BIH, Serbia, Albania, UNMIK).

EU funds and bilateral development assistance (measure 16) – there is a certain non-coordination and lack of professional capacities for the preparation of the proposal for the project, which can be proposed in certain countries on bilateral level and in international organizations and in the EU on multilateral level. Therefore, a large amount of funds, which can be routed towards Montenegro, are disused. Irrelevant number of public authorities uses short- term types of assistances in the form of the **TAIEX** instrument (Technical Assistance And Information Exchange) of the European Commission. Therefore, all responsible authorities should consider using short -term types of assistances in the form of the TAIEX instrument.

The Government of the Republic of Montenegro adopted on 10 May 2007, the Information on activities regarding preparation of the program, which will be established through **IPA⁵ 2007 funds** and it submitted the proposal for the program to the European Commission, which will adopt the IPA program for 2007 in November of 2007. Within the first IPA component, Transition Assistance and Institution Building, under political requirements, **funds intended for the fight against organized crime and corruption amount to 3 millions of €.**

The aim of the project is to ensure functioning of institutions, which are in charge of enforcement of laws on the fight against organized crime, and to increase the level of cooperation between institutions. The Project will include the following activities:

1. Advisory assistance for the reinforcement of intelligence and investigating activities of the Criminal Police Directorate and for the reinforcement of secret investigations and of criminal investigation intelligence system;
2. Assistance for capacity building of relevant participants in the fight against organized crime and for strengthening of cooperation mechanisms;
3. Assistance for operational capacity building of the Unit for fight against money laundering;
4. Assistance for operational capacity building of Anticorruption Initiative Directorate, particularly regarding coordination of consolidation commercial crime legislation, with the aim of introduction of a specific framework related to anticorruption and of raising awareness of target groups and of the public;
5. Considerable investments are required for the building of Police Academy facilities and for provision of specialized equipment of the Department for organized crime (400.000 €). This activity depends on the development of performance project and technical specifications, and of requirements related to co-funding
6. Trainings will be organized within institutional framework of Police Academy, and it will include prosecutors, investigating magistrates and representatives of the Ministry of Justice.

Within IPA 2007, Tax Directorate nominated the project, entitled „Capacity building for the more efficient and functional work of Tax Directorate, in line with European standards“, the purpose of which is to provide assistance to the Tax Directorate for the implementation of laws and regulations and for meeting of goals related to work procedures, human resources and information technology (1,92 mil €, together with customs reform funds)

The Project »Capacity building of the NVO sector for the participation in anticorruption initiatives in Montenegro«, which was launched in mid-March 2007 by the Anticorruption Initiative Directorate in cooperation with UNDP, is being carried out according to the planned program of activities. In the course of May 2007, Directorate for the assistance of line ministries expressed its willingness to become a local partner of the Centre for European constitutional law from Athens, which will carry out a regional project regarding implementation of the United Nations Convention against corruption in Albania, B&H, Montenegro, Macedonia and Serbia. The Centre nominated the project with the donor Hellenic Aid and is now waiting for response. Should financial means be provided, the carrying out of the project would start in October 2007 and it would last until October 2008.

Data for the implementation of the project „Strategy of police development and functioning“ for the forthcoming medium-term period, which will determine the framework of further functioning of the organization of Police directorate, are being collected.

Police Directorate developed project documentation for the introduction of DNA analysis; for acquiring of screening electronic microscope, i.e. equipment for analysis of firearm traces.

NCB Interpol Podgorica in cooperation with the General secretariat of Interpol in Lyon initiated the process of launching the MIND project, installing Interpol system on border crossings (examination of Interpol data basis on stolen vehicles and travel documents on border crossings). NCB Interpol in cooperation with CIS of the Ministry of Interior of Montenegro initiated the development of the project for acquisition of necessary equipment and infrastructure for electronic data acceptance, management and Interpol case filing and introduction of the Interpol I-24/7 system in all working units of NCB officials. The project will be realized by the end of 2007.

Ministry of Justice, together with the Commission of European communities and with the AUTOMATION SPA Project from Italy, carries out the project «Establishment of judicial network in the Western Balkans». The above-mentioned Project will last until the end of 2008, and Ministry of Justice of Italy participates in its implementation.

Judiciary Reform Strategy for 2007 – 2012

Following the declaration of independence of the Republic of Montenegro, conditions were realized for the performance of radical and complete reforms in all areas of social life, particularly in the area of judiciary. The forthcoming constitutional reform should ensure a valid constitutional and legal framework for the establishment of an independent, reliable and functional judiciary. Implementation of the complete judiciary reform requires, before the introduction of constitutional reform, the adoption of the new strategic document for the area of

judiciary, which will represent the basis for finding of the best constitutional and legal solutions, as a guaranty of a higher level of independence and efficiency of judiciary. In fact, Ministry of Justice prepared the new strategic document for the area of judiciary, the Judiciary reform Strategy for 2007 – 2012⁶, which envisages further ways and objectives, which are to be obtained by the reform of the judiciary system. Experts from the Ministry of Justice of Austria expressed previously their opinion concerning the text of the Strategy. Adoption of the Judiciary reform Strategy is expected in June of 2007. The adoption will be followed by the elaboration of the Action plan for its implementation. Action plan will specify a number of particular steps for the implementation of the Strategy, which will then set out a number of projects for its implementation.

MEASURE	COMPETENT INSTITUTION	Time frame (starting from the moment of adoption of the Action Plan)	ASSESSMENT / RECOMMENDATION FOR EACH MEASURE INDIVIDUALLY
1. Resolution on the fight against corruption and organized crime	Parliament of the Republic of Montenegro	6 months as of the day of adoption of the Action plan	<p>Parliament of the Republic of Montenegro: Resolution has not been adopted. Since the principles of the Resolution imply activities, which refer in particular to the entire legal system (particularly in the area of criminal and financial legislation), it was impossible to adopt the Resolution in the envisaged period.</p> <p>ASSESSMENT: Obligation was not realized.</p> <p>RECOMMENDATION: Adopt the Resolution in the shortest possible period on the proposal of the competent parliamentary authority (Security Committee). Adoption of the Resolution does not depend on the adoption of the Constitution.</p>
2. Election of a Parliamentary body for the monitoring of the implementation of the Resolution	Parliament of the Republic of Montenegro	30 days as of the day of adoption of the Resolution	<p>Parliament of the Republic of Montenegro: Since the Resolution has not been adopted, than the working body for its implementation was not formed.</p> <p>ASSESSMENT: Obligation was not realized.</p> <p>RECOMMENDATION: Form the body for monitoring of the Resolution implementation.</p>
<p>3. Establishing of the national commission for the monitoring of the Program and the implementation of the Action Plan</p> <p>1) Drafting of the Rule book on the work of the National commission (description and operation rules) for the monitoring of the Program and implementation of the Action plan</p> <p>2) Drafting the monitoring of the plan</p> <p>3) Submittal of three month reports on the implementation of the Action plan and submittal of other</p>	<p>Government of the Republic of Montenegro</p> <p>1) National commission for the monitoring of the Program and implementation of the Action Plan</p> <p>2) National commission for the monitoring of the program and implementation of the</p>	<p>30 days as of the day of adoption of the Action Plan</p> <p>1) 30 days as of the day of the establishing of the National</p> <p>2) 60 days as of the day of the establishing of the National commission</p> <p>3) Permanent</p>	<p>Government of the Republic of Montenegro formed on 15th, February 2007, the National Commission for monitoring of the Action plan implementation, with the aim of managing, organizing and synchronizing of activities of public administration authorities and of other institutions responsible for the Action plan implementation.</p> <p>In the constitutional session of the National Commission, held on 16th, March 2007, Rule book on work was adopted, which specifies organization, manner of work and decision making process of the National Commission.</p> <p>According to the Rulebook on work, sessions of the National Commission are held at least four times a year and each other time, one third of the total number of member asks for it. In the constitutional session, the metrology of the future work of the Commission is determined and the plan of regular monthly reports for all institutions, which participate in the Action plan implementation, is agreed (up to the 10th day of the month).</p> <p>1. ASSESSMENT: Obligation was realized.</p> <p>2. ASSESSMENT: Obligation was realized.</p> <p>3. ASSESSMENT: Obligation was realized.</p>

analysis and reports concerning corruption and organized crime	Action plan 3) All competent bodies		
<p>4. Determining and adopting the laws directly relevant for the fight against corruption and organized crime:</p> <p>1) Changes and amendments of the Penal Code (especially in the domain of the introduction of the institute of expanded confiscation) and the Law on criminal procedure</p> <p>2) The Law on the responsibility of legal entities for criminal acts</p> <p>3) The Law on rendering international legal assistance in criminal matters</p> <p>4) The Law on national DNA register</p> <p>5) The Law on changes and amendments of the Law on the conflict of interests</p> <p>6) The Law on changes and amendments of the Law on the prevention of money laundering and financing terrorism</p> <p>7) Law on judges' wages</p> <p>8) Law on state prosecutors' wages</p> <p>9) Law on changes and amendments of the Law on wages and other incomes of state officials</p>	<p>Government of the Republic of Montenegro, i.e. competent ministries, Parliament of the Republic of Montenegro</p> <p>1. Ministry of Justice</p> <p>2. Ministry of Justice</p> <p>3. Ministry of Justice</p> <p>4. Ministry of Interior and Public Administration</p> <p>5. Ministry of Interior and Public Administration / Parliament of the Republic of Montenegro</p> <p>6. Ministry of finance</p> <p>7. Ministry of Justice</p>	<p>1) (2006) 2007</p> <p>2) (2006) 2007</p> <p>3) 2007 Fourth quarter of 2007</p> <p>4) 2007-08</p> <p>5) 2006 Fourth quarter of 2007</p> <p>6) 2006 (third quarter of 2007)</p> <p>7) 2007</p> <p>8) 2007</p> <p>9) 2007</p>	<p>1) Ministry of Justice: One of the main reform objectives of the Government of the Republic of Montenegro is the adoption of the new Code on criminal proceedings, which transfers the investigation out of courts and gives to the prosecutors and police full authority over the conduction of investigation with the minimal control by the court (detention, special investigating activities, etc.). Minister of Justice formed the working group for the writing of the text of the Proposal for the Code on criminal proceedings at the beginning of 2007. The working group is composed of judges and prosecutors, representatives of the Faculty of Law in Podgorica, Chamber of Lawyers, Police Directorate, and Ministry of Justice.</p> <p>Ministry of Justice signed the Memorandum of Understanding with the OSCE Mission in Montenegro, which specifies cooperation in the area of criminal proceedings reform, on 16th, February 2007. At the beginning of May 2007, Ministry of Justice established cooperation with the High Judicial and Prosecutor Council of Bosnia and Herzegovina. This country is known to have implemented the highest level of the criminal proceedings reform in the Western Balkans region after the introduction of criminal investigation in 2003. Since Croatia stated preparing the new Law on criminal proceedings, which will assign the conduction of investigation process to prosecutors, cooperation between Montenegrin and Croatian ministries responsible for legislation was established. The President of the working group prepared the First working version of the Law on criminal proceedings in the second half of March 2007, using experiences of Germany, Bosnia and Herzegovina and Serbia in this field. Four meetings of the working group were held in Podgorica on 5th, 13th, 14th and 20th, April 2007. During the meetings, members of the Working group expressed their remarks and suggestions in order to improve the First working version, which contained 528 articles. OSCE offered its assistance to the Working group from the 3rd to 5th, May 2007. A part form members of the Working group, meetings were attended by the representatives of the OSCE Mission in Montenegro and the high representative of judiciary of Bosnia and Herzegovina.</p> <p>The meeting of the Working group was held on 11th, May in Podgorica and on 17th, and 18th, May OSCE offered its assistance for the organization of the meeting of the Working group in Podgorica with the high representative of judiciary of Bosnia and Herzegovina. In two days, the Working group completed «the first reading» of the First working version with detailed remarks, suggestions and corrections of the text.</p> <p>Since deprivation of profit right on the property gained by criminal proceeding and building of institutions, which manage the property deprived in the criminal proceedings in Europe, generate intensive discussion, the Working group focused particular attention to this issue. Ministry of Justice in cooperation with TAIEX and GTZ organized on 29th and 30th, May 2007 in Podgorica, a seminar concerning offering international criminal legal assistance in cases of deprivations of profit rights on property gained by criminal proceedings. The lecturers were experts from RMNE Great Britain, Belgium and Austria, engaged by the European Commission.</p> <p>Within CARDS Project of the Council of Europe, Ministry of Justice organized on 15th and 16th June 2007 in Podgorica a meeting of the Working group dedicated entirely to preparation of provisions, which define deprivation of profit rights on property. The meeting was attended by two experts of the Council of Europe; one of them was from Slovenia and the other from Holland. They contributed to the formulation of provisions, which were fundamental for creation of necessary conditions for the fight against the most severe types of crime. In this meeting, the Working group devoted due attention to materialized aspects of deprivation of profit right on properties and prepared suitable proposals for substitution of the existing criminal- material provisions concerning this issue.</p> <p>Supreme Court: Representatives of the Supreme Court participate in the working group for the preparation of the Proposal for the Code on criminal proceedings.</p> <p>ASSESSMENT: Obligation is partially realized.</p> <p>RECOMMENDATION: Respect the dynamics of proposal for the law preparation. Form a working group for the preparation of amendments to the Code on criminal proceedings or settle in other way the issue of extended deprivation of profit right fRMNE property. In the new Law on criminal proceedings, instead of the amount of the fine as the basis for the application of secret surveillance measures, produce a catalogue of criminal acts for the application of MTN.</p> <p>2) Law was adopted in December 2006 and entered into force on 1st, January 2007.</p> <p>NOTE: Ministry of Justice published the Comment of the Law on the responsibility of legal entities for criminal acts and it was distributed</p>

10) Law on public procurement	8. Ministry of Justice	10) 2006	to all judges. Intensive education for the implementation of this law is planned. ASSESSMENT: Obligation was realized.
11) Law on the protection of persons who report corruption		11) (2006-07) Third quarter of 2007	3) Ministry of Justice; Supreme Court: Draft to the Law on rendering international legal assistance in criminal matters was submitted to Slovenia for expertise within the CARDS project. Draft was also submitted to the Council of Europe for expertise. After acquiring expertise, which is expected soon, the work on preparation of this law will be accelerate, due to requirements of the Government's procedure. ASSESSMENT: Obligation was partially realized.
12) Changes and amendments of tax laws	9. Ministry of finance	12) 2006-07	RECOMMENDATION: Respect deadlines for the adoption of the proposal for the law, because of its importance for the AP implementation.
13) Law on changes and amendments of the Law on financing political parties	10. Ministry of finance	13) 2007	4) Ministry of Interior and Public Administration: Activities concerning education of inter-ministry working group for the preparation of the proposal for the law have not been yet undertaken. The Law must be submitted in the course of 2008, as defined by the Action plan, so that intensification of activities, concerning the preparation of law, would not question the finalization of already undertaken legal projects. ASSESSMENT: Obligation was not realized
14) Law on lobbying	11. Ministry of Interior and Public Administration / Ministry of finance	14) 2007-08	RECOMMENDATION: Intensify preparation of the proposal for the law, because of its importance for the AP implementation.
15) Law on changes and amendments of the Law on banks (in relation to the obligation of control of the origin of the paid cash)		15) 2007	5) ASSESMENT: Obligation was realized. RECOMMENDATION: Intensify preparation of the proposal for the law, because of its importance for the AP implementation. Obligation of the Ministry of Interior and Public Administration.
16) Law on changes and amendments of the Law on customs, in relation to cross border cash circulation (including the passing of measures of seizure of illegally transferred money)	12. Ministry of finance	16) 2007	6) Working group prepared Draft law in this reporting period. ASSESSMENT: Obligation was partially realized. RECOMMENDATION: Intensify preparation of the proposal for the law, because of its importance for the AP implementation. We suggest that the new proposed deadline – third quarter of 2007 - should be respected.
	13. Parliament of the Republic of Montenegro		7, 8) Ministry of Justice: Government adopted the Proposal for the Law on Salaries and other Incomes of Judges and State Prosecutors on 29th, March 2007 (increase up to 35%). Law on Salaries and other Incomes of Judges and State Prosecutors will be applied starting from 1 st , September 2007, due to creation of appropriate conditions for its application by the budget of the Republic. Parliament: Law adopted (Official Gazette of RMNE, No. 36/07). ASSESSMENT: Obligation was realized.
	14. Parliament of the Republic of Montenegro	17) 2006	9) ASSESMENT: Obligation was not realized. RECOMMENDATION: Ministry of Finance should provide information – comment on functionality of the measure for the reaching AP objectives, taking into account the above mentioned measures under 7 and 8.
17) Law on determining the degree of secrecy of data	15. Ministry of finance	18) 2006 2007	10) Law was adopted by the Parliament of the Republic of Montenegro ASSESSMENT: Obligation was realized.
18) Law on the protection of personal data		19) 2006-07	11) Ministry of Interior and Public Administration: Measure was not implemented, because of the necessity for questioning exclusive competency of the ministry, which elaborated the law. Ministry of Finance, engaged in the accomplishment of the measure in cooperation with this ministry, should not only elaborate but perform the activity as well. Furthermore, there in no law entitled as such in countries in the region and in the majority of EU countries. According to these facts, we believe that the adoption of the law entitled as such as well as its concepts and contents should be questioned.
19) Law on taking care of temporarily and permanently ceased property	16. Ministry of finance	20) 2007-08	ASSESSMENT: Obligation was not realized. RECOMMENDATION: Ministry of Interior and Public Administration should in cooperation with Directorate for anti-corruption initiative, prepare the proposal for this law in line with international standards concerning protection of all persons who report criminal offenses of corruption („whistleblowers”). Prepare the proposal by the end of the third quarter of 2007. Directorate for anti-corruption initiative should present UN standards in this field.
20) Law on changes and amendments of the Law on budget (in the part of distribution of profit acquired from the ceased property)	17. Ministry of Interior and Public Administration	21) 2006-07	12) Parliament: Law on Amendments to the Law on Personal Income Tax was adopted. ASSESSMENT: Obligation was realized. Obligation is being permanently realized. RECOMMENDATION: Ministry of Finance should report in detail the effect of the fiscal reform over the anticorruption policy in the reporting period.
21) Law on changes and	18. Ministry of		

<p>amendments of the Law on telecommunications (securing direct links and connections with databases of providers of telecommunication services; condition: adoption of the Law on the protection of personal data)</p>	<p>Interior and Public Administration</p> <p>19. Ministry of finance</p> <p>20. Ministry of finance</p> <p>21. Ministry of Transport, Maritime Affairs and Telecommunications</p>	<p>13) Parliament: Activities concerning the adoption of laws – measures 13 and 14 were intensified. ASSESSMENT: Activities concerning the adoption of laws – measures 13 and 14 were intensified. RECOMMENDATION: Parliament of the Republic of Montenegro should provide information on activities concerning the preparation of the Proposal for Amendments to the Law on Financing political parties, in order to establish transparent network for financing political parties. Law must be prepared in the given timeframe (by the end of 2007).</p> <p>14) Parliament: Activities concerning the adoption of laws – measures 13 and 14 were intensified. ASSESSMENT: Obligation was not realized REMARK: Parliament states that there is a lack of budgetary means for the implementation of the measure. RECOMMENDATION: Intensify preparation of the proposal for the law, because of its importance for the AP implementation.</p> <p>15) Ministry of Finance: Central Bank of Montenegro submitted draft Law to the Ministry of Finance. Harmonization with the Secretariat for Legislation is still in progress. ASSESSMENT: Obligation was not realized. NOTE: This measure will be treated in Amendments to the Law on prevention of money laundering and financing terrorism (working version is ready). RECOMMENDATION: Measure under 4.15 is integrated in the measure 4.6, which diminishes by one the number of measures for monitoring in this field. This change is elaborated statistically, so that it can be compared with the future report.</p> <p>16) Customs Directorate: Preparation of the draft Law on Amendments to the Law on customs and Law on customs service for uninterrupted monitoring and harmonization with the EU customs regulations is in progress. Working group of the Customs Directorate and EU CAFAO for Montenegro harmonize the text of the Draft law on amendments to the Law on Customs, accompanying regulations and Law on customs service. Parliament: Law on Amendments to the Law on Customs was adopted (3rd, November 2006). Adopted Amendments to the Law on Customs relate to cross border traffic of cash and imply the adoption of measures, contained in the Action plan. Remark to the Customs Directorate: Law on Amendments to the Law on Customs, which was published in the Official Gazette of RMNE, on 3rd, November 2006, does not contain provisions on cross border traffic of cash (such as stated in the report of the National Commission, provided by the Parliament). ASSESSMENT: Obligation was partially realized. RECOMMENDATION: Ministry of finance and Customs Directorate should take into account this AP measure in the Amendments to the Law on Customs (in progress). Customs Directorate should inform the National Commission on the accomplishment of this measure.</p> <p>17) Ministry of Interior and Public Administration: Draft law is in procedure, i.e. is being evaluated by responsible ministries and state authorities. Draft law will be submitted to the Government for ASSESSMENT and adoption until 30th, June 2007. ASSESSMENT: Obligation was partially realized. RECOMMENDATION: Ministry of Interior and Public Administration should respect the given dynamics for the accomplishment of this measure.</p> <p>18) Ministry of Interior and Public Administration: Draft law is submitted to the Secretariat for Legislation for ASSESSMENT. Draft law will be submitted to the Government for ASSESSMENT and adoption until 30th, June 2007. ASSESSMENT: Obligation was partially realized. RECOMMENDATION: Ministry of Interior and Public Administration should respect the given dynamics for the accomplishment of this measure.</p> <p>19) ASSESSMENT: Obligation was not realized. RECOMMENDATION: Ministry of Finance in cooperation with the Ministry of Justice should prepare the text of the Law on taking care of temporarily and permanently ceased property. Intensify preparation of the proposal for the law in 2007, because of its importance for the AP implementation. Measure 4.20 should be integrated in this measure.</p> <p>20) ASSESSMENT: Obligation was not realized. RECOMMENDATION: Measure under 4.20 is integrated in the measure 4.19, since the existing solutions of the law render possible the use of planned incomes. All other procedures will be defined by the particular law, mentioned under 4.19. Therefore, this measure should not be the object of statistical monitoring of the accomplishment degree.</p>
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<p>5. Determining and adopting of laws from the domain of general legislative reform⁷, among which the most important ones are:</p>	<p>Government of the Republic of Montenegro, i.e. competent ministries, Parliament of the RoM</p>		<p>1) Ministry of Finance prepared Draft law. ASSESSMENT: Obligation was partially realized. REMARK: Procedure was cancelled because of previous solution, which has to be included in the Constitution.</p> <p>2) Ministry of Justice: After acquiring expertise, which was financed by the German organization GTZ, Text of the Proposal for the Law on obligations was submitted to the Secretariat for Legislation in order to receive opinions, suggestions and remarks. During May, joint work of Ministry of Justice and Secretariat for Legislation on the text of the Proposal for the Law on obligations was intensified. Since this is an extremely large text (there are over 1300 articles), Ministry of Justice asked for the modification of the Government Work Program, considering the deadline for adoption of the Proposal for the Law on obligations. The forthcoming period will be used for legal, technical and terminological redaction of the text of the Proposal and for exclusion of a number of issues, which require additional engagement. ASSESSMENT: Obligation was partially realized RECOMMENDATION: Ministry of Justice should respect the specified dynamics.</p> <p>3) Ministry of Interior and Public Administration: Law on Asylum (Official Gazette of RMNE, No. 45/06) entered into force on 26th, June 2006. It has been applied since 26th, January 2007. Office for Asylum, as the first instance body, was opened by the Act on internal organization and systemization of the Ministry of Interior and Public Administration. ASSESSMENT: Obligation was realized</p> <p>4) Ministry of Interior and Public Administration: Law on Foreigners is in parliamentary procedure. Office for readmission, visas and migration was opened. Parliament: Law was submitted in June 2006. The adoption is expected in the third quarter of 2007. ASSESSMENT: Obligation was partially realized. RECOMMENDATION: Accelerate the procedure for the adoption of the law in the Parliament.</p> <p>5) Law on protection of competition was adopted in October 2006; Amendments to the Law were adopted in May 2007. These specify the opening of the Office for Protection of Competition, according to obligations from the initialed Stabilization and Association Agreement with the EU. ASSESSMENT: Obligation was realized</p> <p>6) ASSESSMENT: Obligation was not realized NOTE: Government formed the Commission for complaints, proposals and suggestions of citizens and other interested parties for the privatization process on 10th, May 2007.</p> <p>7) Ministry of Finance: Working group was formed. Adoption is expected in the third quarter, in line with the Working Program of the Government. ASSESSMENT: Obligation was partially realized. RECOMMENDATION: Line ministry should integrate instruments for the fight against corruption on the local level, into the Proposal for this law.</p>
1) Law on property relations	1. Ministry of finance	1) (2006) 2007	
2) Law on obligations	2. Ministry of Justice	2) 2007-08	
3) Law on asylum	3. Ministry of Interior and Public Administration	3) 2006	
4) Law on foreigners	4. Ministry of Interior and Public Administration	4) 2006-07	
5) Passing of anti-monopoly law	5. Ministry for Economic Development	5) 2007	
6) Law on changes and amendments of the Law on privatization of economy	6. Ministry for Economic Development	6) 2006-07	
7) Law on changes and amendments of the Law on financing local self-government	7. Ministry of finance in cooperation with Ministry of Interior and Public Administration	7) 2007	

⁷ Proposal of the Supreme Court of the Republic of Montenegro: measure 5 should include Amendments to the Law on criminal proceedings, with the aim of transferring "non-judicial proceedings" out of courts, i.e. out of proceedings which reach verdicts according to original documents. This proposal is justified by the fact that, according to statistical data, the number of these proceedings in the total number of proceedings, settled before courts, amounts to 100.000. This is also the practice in neighbouring countries, which would effect positively the work of courts.

6. Analyze the degree of harmonization of the legislation with international standards from the field of the fight against corruption	Anticorruption Initiative Directorate in cooperation with competent state bodies	Continuous	<p>Anticorruption Initiative Directorate: Within joint work with the United Nations Development Program in Montenegro (UNDP) and with the assistance of OSCE Mission to Montenegro, Anticorruption Initiative Directorate undertakes activities in the field of performing of Harmonization Analysis of the Montenegrin legislation with United Nations Convention against corruption. Once responsible public authorities provide necessary information in line with relevant provisions of this international instrument, the visit of UNODC (United Nations Office on Drugs and Crime) experts is expected in the third quarter of 2007. Experts will perform harmonization analysis of five priority legal texts: Criminal code, Law on Criminal Procedure, Law on Conflict of Interests, Law on Public Procurement and Law on Free Access to Information (by the end of the third quarter of 2007).</p> <p>The presentation of analysis results and formulation of priorities for complete harmonization of the national legislation with United Nations Convention against corruption are planned (fourth quarter of 2007).</p> <p>ASSESSMENT: Obligation was not realized</p> <p>RECOMMENDATION: Intensify activities related to performance of analysis and prepare the basic material in the shortest possible period of time (fourth quarter of 2007).</p>
7. Continue with the harmonization of legislation with the UN Convention against corruption	Government of the Republic of Montenegro, Parliament of the Republic of Montenegro	2008	<p>Parliament: Activities were intensified. Extension of deadlines due to the adoption of the Constitution.</p> <p>ASSESSMENT: Obligation was partially realized.</p> <p>RECOMMENDATION: Intensify activities in this field. Related to pervious point.</p>
8. Ratify Civil-legal convention of the Council of Europe on corruption	Ministry of finance Parliament of the Republic of Montenegro	2007- 2008	<p>Ministry of foreign affairs: Committee of Ministers of the Council of Europe reached a decision, which recognizes the Republic of Montenegro as the signer or the contracting party of the Civil-legal convention on corruption, starting with 6th, June 2006 (174).</p> <p>Parliament: Activities, concerning ratification of the convention, were intensified.</p> <p>ASSESSMENT: Obligation was not realized.</p> <p>RECOMMENDATION: Ministry of Finance in cooperation with Administration for anticorruption initiative should prepare the Proposal for the Law on ratification, now that the Republic of Montenegro has been admitted into the Council of Europe.</p>
9. Ratify additional protocol with Criminal-legal convention of the Council of Europe on corruption	Ministry of Justice, Directorate for anti-corruption initiative, Parliament of the Republic of Montenegro	2007-2008	<p>Ministry of foreign affairs: Republic of Montenegro became a rightful member of the Council of Europe on 11th, May 2007, which recognized its membership into the Criminal-legal convention of the Council of Europe on corruption, with effective date, 6th, June 2006 (173).</p> <p>Parliament: Activities were intensified. Extension of deadlines due to the adoption of the Constitution.</p> <p>ASSESSMENT: Obligation was not realized.</p> <p>RECOMMENDATION: Ministry of Finance in cooperation with Administration for anticorruption initiative should prepare the Proposal for the Law on ratification of the Addition Protocol.</p>
10. Analyze the degree of harmonization of the legislation with international standards in the field of fight against organized crime	Ministry of Interior, Ministry of Justice	2007- 2008	<p>Ministry of Justice: Ministry of Justice, with the assistance of experts from the Council of Europe, analyzed the harmonization level of provisions of the existing criminal legislation regarding institute for the extended deprivation of the profit rights on property, form the aspect of their harmonization with international standards and parallel legislation. This analysis is of central importance, since it indicated further steps, which must be undertaken in this field and which are important for the fight against organized crime.</p> <p>Ministry of Interior and Public Administration: Obligation was not realized. This Ministry has not provided information on the accomplishment of this measure. In the second part of this year, we will intensify, in cooperation with Police Directorate, measures concerning development of information.</p> <p>ASSESSMENT: Obligation was partially realized.</p> <p>RECOMMENDATION: Promote cooperation between Ministry of Justice and Ministry of Interior and Public Administration concerning accomplishment of this measure. Obtain complete information from above mentioned line ministers as soon as possible.</p>

<p>11. Continue with the harmonization of the legislation with the UN Convention (Palermo, UNTOC convention), and other conventions in the field of organized crime</p>	<p>Ministry of foreign affairs, Ministry for economic development, Ministry of justice, Ministry of Interior</p>	<p>2007, Permanent</p>	<p>Ministry of foreign affairs: Montenegro acceded to the UN Convention on fight against corruption and to the UN Convention on fight against transnational organized crime after depositing subsequent statement with the Secretary-General of the United Nations on 23rd, October 2006. Montenegro submitted in July 2006 the statement on acceptance/succession concerning Conventions of the Council of Europe, signer or contracting party of which was the State Union of Serbia and Montenegro</p> <p>Ministry of Justice: While implementing the reform of criminal legislation form 2003, Ministry of Justice took into account a number of documents in the international field, particularly the United Nations Convention against Transnational Organized Crime. Since February 2007, Ministry of Justice has prepared the new Code on criminal proceedings. Criminal proceeding include heterogeneous criminal acts, such as the petty offences, traditional criminal acts against fundamental individual values and new complex types of organized international crime. The new Code on criminal proceedings will specify differential treatment; conform with criminal act and to particular categories of appellants. It will provide reconciliation and dispute settlement and ensure economic and fast conduction of proceedings. These are tasks and guidelines of the new legal system, conceived in the basis for the development of the new Code on criminal proceedings. In severe cases of crime, prosecution against suspects, whose testimony is essential for the solving of the most severe cases of crime, particularly of organized crime (witness collaborator) may not be brought. Regulations are harmonized with international sources, in order to provide optimal conditions for crime repression. Particular treatment regulations will be used in severe cases of criminal acts, primarily of corruption and organized crime. Therefore, respect of human rights protection and equal solution of complex factual and legal issues are respected.</p> <p>Ministry of Interior and Public Administration: The Ministry did not provide information on the accomplishment of the measure. In the second semester of this year, activities concerning dynamics of measure accomplishment will be undertaken.</p> <p>Secretariat for European integration: Activities of responsible state authorities in this field were included In the draft European Partnership Implementation Action plan, which was approved by the EU Council of Ministers on 22nd, January 2007</p> <p>ASSESSMENT: Obligation was partially realized.</p> <p>RECOMMENDATION: Promote cooperation between Ministry of Justice and Ministry of Interior and Public Administration concerning accomplishment of this measure. Obtain complete information from above mentioned line ministers as soon as possible.</p> <p>REMARK: Since Ministry of foreign economic relations and European integrations was succeeded by the Ministry for economic development, in the field of foreign arms trade, Ministry for economic development should participate in the reporting process.</p>
<p>12. Signing of bilateral agreements:</p> <ul style="list-style-type: none"> • With the countries in the region • With EU countries • With EUROPOL 	<p>Government of the Republic of Montenegro, Ministry of foreign affairs, line ministries, administration bodies, Supreme state prosecutor, Supreme court</p>	<p>Permanent</p>	<p>Ministry of Interior and Public Administration: The most important event in August 2006 was the admission of Montenegro into Interpol (September 2006). The Office of CNB Interpol was opened in Podgorica. At the end of 2006 the Agreement on cooperation and understanding between police organizations of the Kingdom of Belgium and of Montenegro was signed (cooperation concerning tracking and repression of transnational organized crime; models of future cooperation with the Swedish regional police, region of Skone, with particular priorities for repression of organized crime, development of criminal-investigating data, and building of capacities of Police Directorate.</p> <p>Important engagement in activities of relevant international and regional initiatives, organizations and associations, such as OSCE, Adriatic- Ionic initiative, SEPICA, ICITAP, TAIEEX, OCTN, CARPO project, OLAF, SECI initiative and SIDA, was carried out.</p> <p>Signing of agreements with Bosnia and Australia and other countries is planned. Complete information on already signed bilateral agreements will be provided.</p> <p>Supreme State Prosecutor: The Supreme State Prosecutor signed bilateral agreements with Public Prosecutor of Russian Federation in September 2006, in Podgorica and with General Prosecutor of Ukraine in Kiev. Signing of Memorandum on cooperation and understanding was agreed with the Prosecutor's Office of Macedonia and their Public Prosecutor on 21st and 22nd 2007. The text of the Memorandum was defined. The Memorandum on cooperation and data exchange concerning all types of crime, particularly organized crime and corruption was signed with the Public Prosecutor of Macedonia on 29th, May 2007, in Ohrid. During the meetings with the General Prosecutor of Albania, the agreement concerning the necessity of signing a bilateral agreement between the two Prosecutor's Offices regarding joint action in the field of fight against crime was reached. The signing of the Agreement with the General Prosecutor of Albania is expected in July of 2008. Draft bilateral Agreement with the Republic of Italy, submitted by the Italian Ministry of Justice, is being considered. The Office of the Supreme State Prosecutor of Montenegro will be particularly dedicated to signing of Agreements</p>

			<p>with the National Bureau for fight against mafia of Italy.</p> <p>Customs Directorate: Agreement on customs cooperation and mutual assistance was signed between Slovenia and Montenegro (19th, April 2007). Activities concerning signing of agreement on customs cooperation and mutual assistance with Moldavia, Ukraine and Belarus are being undertaken. During the reporting period negotiations were conducted with the Customs Directorate of Serbia concerning electronic data exchange for tracking of all types of goods and for introduction of customs information lists for all shipments, i.e. vehicles (full or empty). Negotiations on tracking excise goods continued with the aim of tackling illegal activities with neighboring customs services. (Croatia, BIH, Serbia, Albania, UNMIK). Continuation of negotiations:</p> <ul style="list-style-type: none"> • On tracking of excise goods together with neighboring customs (UNMIK, Croatia, Bosnia, Serbia, Albania) services with the aim of repression of illegal activities • With Customs Directorate for indirect taxation of Bosnia. Subject of negotiations was the Protocol on tracking (electronic or physical) of goods, with particular accent on cigarettes and tracking of goods between two neighboring border crossings. • With Customs Directorate of Croatia on electronic or physical tracking of goods • With UNMIK for the implementation improvement of the existing agreement due to security problems. <p>Police Directorate: Continuation of communication with Bosnia. Continuation of communication with Holland. Proposals for the Memorandum were exchanged, with the aim of harmonization with Australia. Lobbying for the membership in the SECI Centre continued. Negotiations on tracking excise goods continued with the aim of tackling illegal activities with neighboring customs services. (Croatia, BIH, Serbia, Albania, UNMIK). Negotiations with Customs Directorate for indirect taxation of Bosnia continued. Subject of negotiations was the Protocol on tracking (electronic or physical) of goods, with particular accent on cigarettes and tracking of goods between two neighboring border crossings. Furthermore, negotiations with Customs Directorate of Croatia on electronic or physical tracking of goods and with UNMIK for the implementation improvement of the existing agreement due to security problems, continued. Visit to the high commissioner of Swedish Police was undertaken, without defining agreement on cooperation.</p> <p>Ministry of Justice: Ministry of Justice of Montenegro established cooperation with Ministry of Justice of Italy. Harmonization work concerning the text of the Agreement, which completes the European Convention from 20th, April 1959, on providing international legal assistance in criminal matters and which simplifies its implementation is being conducted.</p> <p>Police Directorate: In the period between 1st, September and 31st, March 2007, agreements with neighboring countries were not signed. Agreements were previously signed with the following neighboring countries: Albania, Macedonia, Croatia and Slovenia. Activities and initiatives concerning signing of an agreement with Bosnia were initiated. In the above-mentioned period, agreement was signed only with the Kingdom of Belgium of all EU countries. EU countries and organizations, the agreements were signed with, before the above-mentioned date, are Austria, Romania, OSCE, UNMIK. Activities and initiatives concerning signing of agreements with Holland and Australia were initiated. In the above-mentioned period, initiative for signing of agreements with Europol with third countries was initiated. Activities concerning admission of Police Directorate into the SECI Centre were undertaken.</p> <p>Ministry of foreign affairs did not provide information on measure accomplishment.</p> <p>ASSESSMENT: Obligation is being continuously realized.</p> <p>RECOMMENDATION: Responsible authorities should provide requirements analysis and plan of signing bilateral agreements and information on plan accomplishment not later than the third quarter.</p>
13. Creating conditions for the improvement of regional cooperation in the area of the fight against corruption and organized crime	Ministry of foreign affairs, Ministry of justice (courts and prosecutors), Police Directorate	Permanent	<p>Ministry of Justice: Ministry of Justice signed Memorandum of understanding with the Governments of the Stability Pact for Anticorruption Initiative member states (SPAI) in Zagreb. Negotiations with countries in and outside the region, with the view of providing a mechanism regarding a simpler form of giving international legal assistance</p> <p>Ministry of Interior and Public Administration: In the period between 19th, September 2006 and 31st, March 2007, the following activities were completed: NCB Interpol processed the total number of 741 cases, concerning international control, 546 of which were completed, while the work on another 195 cases continued. While processing submitted cases, 1492 communications were established, 617 of which with NCB of other countries. In the establishment of cooperation with NCB of other countries, the most intensive communication was established with the following NCB: Belgrade, Sarajevo, Ljubljana, Wiesbaden and Rome, which contributed to prevention that is more efficient and revealing of cross border criminal acts.</p> <p>Police Directorate:</p>

			<p>Regional cooperation was established through bilateral agreements on cooperation, international police organizations and liaison officers. The measure is being undertaken through international police cooperation and through providing international and legal assistance in the field of prosecutors and courts. Text of the Proposal for the law on ratification of the Vienna Convention on police cooperation between countries in the South East Europe is being prepared. The level of cooperation will depend on the country, cooperation was establish with, i.e. on positive legal regulations of each country, by which the level of international cooperation is defined.</p> <p>Rulebooks on the degree of data secrecy, way of treatment, special protection and measures of keeping secrets and the Rulebook on conditions and ways of election of police officers, who are set to work abroad, were adopted</p> <p>ASSESSMENT: Obligation is being continuously realized.</p> <p>RECOMMENDATION: Responsible authorities should provide requirements analysis and plan of signing bilateral agreements and information on plan accomplishment not later that the third quarter of 2007.</p>
14. Implementation of the Declaration on ten joint measures for the fight against corruption in the Southeast Europe	Directorate for anti-corruption initiative, in cooperation with other competent bodies and civil society	Permanent	<p>Directorate for anti-corruption initiative: Republic of Montenegro, together with other SPAI countries, was obliged to determine three priority measures from the Declaration out of ten joint measures for the fight against corruption in South East Europe, the implementation Report of which was submitted to the Regional Secretariat for Anticorruption Initiative of the Stability Pact for South East Europe (SPAI/RSLO) on September 2006.</p> <p>Measure 1 of the Declaration: Sign, ratify and implement the UN Convention against corruption – Montenegro deposited with the Secretary-General of the United Nations, statement on succession of the UN Convention against corruption on 23rd, October 2006. Montenegro has already taken steps, through complete reform of legislation and implementation of new legal solutions and relevant international standards, establishment of specialized authorities in the field of corruption, public procurement, prevention of money laundering and conflict of interests and through introduction an application of special investigating activities (witness protection, secret surveillance measures, etc.), with the aim of incorporating UN Convention against corruption into the national legislation.</p> <p>Measure 2 of the Declaration: Complete and work out the existing anticorruption strategy in line with international conventions, general principles and priorities of EU institutions, Council of Europe Committee for the fight against corruption (GRECO) – The Government of the Republic of Montenegro adopted the Plan for fight against corruption and organized crime in July 2005 and the Actions Plan for its implementation in August 2006. Priorities in the Program for fight against corruption and organized crime were made operational by the Action Plan, through determining concrete measures and activities of line ministries, public administration authorities and institutions responsible for prevention and repression of corruption and organized crime. The Action Plan envisaged deadlines/dynamics of obligations, indicators of success, possible risk factors and financial sources. The Action Plan considered as well the priorities of the: Decision of the Council of ministers on principles, priorities and conditions contained in the European Partnership, the UN Convention on transnational organized crime, the Requirements of the UN Convention against corruption implementation, the European Convention on protection of human rights and freedoms and other obligations, determined by the membership of Montenegro in international organizations and institutions.</p> <p>Measure 8 of the Declaration: Promote and assist researches and analysis of corruption phenomenon, including assessment of its forms and of its originators in target sectors and institutions – This obligation is determined by the GRECO Report on ASSESSMENT of Montenegro and by the Working Program of the Government of the Republic of Montenegro for 2007. The research is planned to be conducted in the first part of 2007, and it will be conducted within the project »Capacity building of the NGO sector for participation in anticorruption initiatives in Montenegro«. The project is financed by UN Democracy Fund (UNDEF) and implemented by the UNDP Office in Podgorica and the Public Administration. Expert assistance for the research will be provided by the UN Office on Drugs and Crime. The analysis of results and research of the corruption level and of its forms will be presented to the public.</p> <p>Activities determined by the Declaration on ten joint measures for the fight against corruption in South East Europe, form part of the Action Plan for implementation of the Program for fight against corruption and organized crime. Therefore, monitoring of the Action Plan implementation renders possible the insight into implementation of measure, determined by the Declaration.</p> <p>ASSESSMENT: Obligation is being continuously realized.</p> <p>RECOMMENDATION: Monitor the implementation of the Declaration, considering mentioned measures are horizontally dislocated throughout the Action Plan. Submit quarter reports to the National Commission, starting with the third quarter of 2007.</p>

<p>15. Fulfilling of binding recommendations from GRECO Report on the estimate of anti-corruption measures and activities in the Republic of Montenegro</p>	<p>Government of the Republic of Montenegro (Directorate for anti-corruption initiative, Police Directorate, Ministry of justice, other competent ministries), Supreme state prosecutor, Supreme court and other competent bodies and institutions</p>	<p>Following submitting of GRECO Report (Report submitted in January 2007, available at www.gom.cg.yu/antikorup)</p> <p>2007-08</p>	<p>Ministry of Justice: Following the submission of proposals on issues and on target groups for training implementation by the representatives of Ministry of Justice, Ministry of Interior and Public Administration, Human Resources Management Authority, Supreme State Prosecutor and High Court, the Human Resources Management Authority developed the project „Prevention of corruption in public administration“ in line with GRECO recommendations. The project includes 4 components: performing of training necessity analysis, development of the training program itself, organization of 2 seminars on the topic of corruption and its revealing and sanctioning, and training for lecturers. Foreign experts will be engaged in carrying out of the project.</p> <p>Police Directorate: In the pipeline</p> <p>Anti-corruption Initiative Directorate: On the 30th, Plenary session of GRECO in October 2006, the Report on the I, and II, Joint Evaluation for the Republic of Montenegro, which was prepared by the Directorate in cooperation with responsible state authorities, was considered and adopted. The Government of the Republic of Montenegro considered in December 2006 the above-mentioned Report and entrusted responsible authorities with the undertaking of activities concerning fulfillment of obligations, determined by recommendations in the Report. Directorate is obliged to inform GRECO on implementation of above mentioned measures until the 31st, May 2008.</p> <p>Concerning recommendations in the GRECO Report, Directorate has:</p> <ul style="list-style-type: none"> • Undertaken activities related to implementation of the GRECO recommendation 1; • Offered professional assistance to the line ministry for the modification of the Code on criminal proceedings, in line with the GRECO recommendations 8 and 11; • Participated in the Working Group for the elaboration of training program, which will be dedicated to the fight against corruption and which correspond to requirements of different categories of public servants and employees, in line with GRECO recommendation 15; • Offered professional assistance for the implementation of training for public servants and employees concerning Code of Ethics in line with GRECO recommendation 18. <p>Supreme State Prosecutor: Implementation of binding recommendations from the GRECO Report, concerning assessment of anticorruption measures and activities in the Republic of Montenegro was partially achieved, by the adoption and implementation of the Code of Ethics for state prosecutors in November 2006. Draft Constitution does not guarantee durability of the state prosecutor's mandate, which diminishes the level of individuality of performing prosecution function and of work independence. GRECO recommendations were respected, reinforcing the Office of the Department for the fight against organized crime by appointing a deputy. Another Deputy will be appointed soon. Therefore, personnel of the Department will be reinforced and ready, not only in number but professionally as well, corresponding to the number of applied persons, to perform their functions completely and according to the law.</p> <p>Recommendation to the Supreme State Prosecutor: Insist on the permanency of prosecution function and election of a prosecutor, which must be transferred out of the Parliament, during the public debate. Recommendation to form a Special department for corruption in the Prosecutor's Office is organizational in nature. Therefore, analysis, which will demonstrate the necessity and the organizational rearrangement of the Department and possible modification of the Law on State Prosecutor, will be anticipated. Clear mechanisms of cooperation between police and state prosecutors in the pre-criminal proceedings, where the state prosecutor conducts pre-criminal proceedings, were established. Modification of the Law on criminal proceedings imposes that the state prosecutor should conducts investigation. The modification of the Code on criminal proceedings states that the State Prosecutor should take over the investigating process, while the judge will still be responsible for defining treatments and custody, approving of secret surveillance measures and of search, in line with Convention on protection of human rights and freedoms. Permanent joint training of police and state prosecutors, responsible customs officers and Tax Directorate officers, with the aim of better education and understanding of how to reveal forms of corruption and financial crimes, related to corruption, are being organized. It is expected that modifications of the Law on criminal proceedings would include a greater number of criminal acts of corruption; the measures of secret surveillance will be set for. Therefore, it will be easier to reveal these types of criminal acts. Financial investigations were initialed and there are already available results, which are reflected in the temporary deprivation or detainment of objects and their permanent detraction. Deprivation of profit rights on property must be elaborated and higher</p>
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<p>16. Securing technical and financial support to competent bodies Budget of the Republic of Montenegro</p>	<p>Government of the Republic of Montenegro Ministry of Finance, Directorate for anti-corruption initiative, Administration for prevention of money laundering, Police Directorate, Customs Directorate of Montenegro, Tax Directorate, Real estate Directorate, Commission for investigation of conflict of interests and Commission for control public procurements</p>	<p>Permanent</p>	<p>None of the institutions provided information on the plan of ensuring technical and financial assistance in the reporting period. The information is expected before the second reporting period, when the Plan of the budget for next year will be developed.</p> <p>ASSESSMENT: Obligation was not realized.</p> <p>RECOMMENDATION: All line ministries should, while planning of the budget for 2008, take into account priorities defined in the Action plan.</p>
<p>17. Defining priorities, drafting of projects and their candidacy with international organizations and institutions</p>	<p>Government of the Republic of Montenegro and competent ministries, Supreme state prosecutor, Supreme court Secretariat for European</p>	<p>Permanent</p>	<p>Customs Directorate: In the course of May 2007, the Government of the Republic of Montenegro adopted the Information on activities concerning preparation of the program, which will be implemented from IPA 2007 funds and it submitted the proposal for the program to the European Commission, which will adopt the IPA program for 2007 in November. Projects, which relate to Customs Directorate and amount to 1, 92 mil €, 0, 8 mil € of which are intended for technical assistance, are included in the Proposal for the program.</p> <p>Secretariat for European integration (SEI): It has been proposed that the assistance of the IPA financial instrument for the fight against organized crime and corruption in 2007, would amount to 3 mil (Services/Twinning 1,5 mil €, works 1 mil € and procurement 0,5 mil €)</p> <p>The aim of the project is to ensure efficient functioning of institutions, which enforce the law in the field of fight against organized crime, and to increase the level of their cooperation. Therefore, adequate enforcement of the rule of law would be ensured, in line with national strategies, EU regulations and the best practice. The Project will be composed of the following activities:</p> <ul style="list-style-type: none"> - Counseling assistance for the enforcement of intelligence services and investigation activities of the Criminal Police Directorate and

	integration (SEI)	<p>improvement of commercial investigation of the intelligence system;</p> <ul style="list-style-type: none"> - Assistance for building of capacities of relevant participants in the fight against organized crime and for improvement of cooperation mechanism; - Assistance for building of operational capacities in the Unit for fight against money laundering; - Assistance for building of operational capacities of the Directorate for Anticorruption initiatives, particularly concerning coordination of legislation improvement in the field of commercial crime, with the aim of introduction of specific framework related to anticorruption and raising of awareness of target groups and public; - Considerable investments are required for building of facilities of Police Academy and for ensuring specialized equipment of the Department for organized crime. This activity depends on development of project and technical specifications and of requirements considering co funding. - Training will be organized under institutional framework of Police Academy, and it will include prosecutors, investigating judges and representatives of the Ministry of Justice. Police Academy submitted a tender for project development. Technical specification for procurements was provided, which must be in line with EU public procurement procedures. Ministry of Interior and Public Administration confirmed co funding. <p><u>Relation to relevant documents - MIPD/European Partnership/Annual Progress Report/SAA</u></p> <p>All strategic documents emphasize the necessity for assistance while implementing Government strategy and Action Plan for the fight against corruption and organized crime. MIPD and European Partnership contain provisions, which emphasize the necessity for building of efficient institutional mechanisms for inter-institutional cooperation in this field. The necessity to ensure efficient legislation implementation in this field and the necessity to provide financial intelligence unit were emphasized. European Partnership emphasizes the importance of capacity building, which are in charge of deprived goods and money gained by criminal acts, and the importance of further building of police capacities, specialized training, development of intelligence funds and means, used for risk assessment. The necessity to ensure regular functioning of Police Academy was emphasized.</p> <p><u>Previous activities – CARDS</u></p> <p>CARDS program (assistance amounted approximately to 5 millions euros) has been intended, up to date, for building of capacities for border management, after the transfer of green and blue borders to civil forces by the State Union Army. Assistance was provided to the transformation of Police School into Police Academy, including providing equipment and adequate infrastructure. Assistance provided introduction of modern principles of border management. Specific training, considering anti-trafficking, for servants on borders was organized.</p> <p>Anticorruption Initiative Directorate: 1) Directorate nominated the project with the OSCE Mission in Montenegro (5.000 euros). Project entitled “Capacity building of Directorate for anti-corruption initiative in the treatment of reported cases of corruption”, was carried out in the period between September – December 2006.</p> <p>2) In December 2006, Directorate nominated with the OSCE Office a project (12.000 euros), entitled „Implementation of UN Convention against corruption in the Republic of Montenegro“ Proposed activities will be accomplished within the project with UNDP, based on established cooperation with UNODC, UNDP and OSCE.</p> <p>3) In the mid-March 2007, Directorate together with UNDP undertook the project »Capacity building of the NGO sector for participation in anticorruption initiatives in Montenegro«. The project (March 2007 – March 2009), which amounts to \$275.000, includes some of the following planned activities:</p> <ul style="list-style-type: none"> • Research of the corruption range and its different characteristics, wit the aim of ensuring more efficient anticorruption activities, • Conduction of uninterrupted anticorruption campaign (short-term recommendation number 1 of the Draft European Partnership Action Plan), • Harmonization of legislation with the UN Convention against corruption. <p>Responsible state authorities and NGO organizations, which deal, in their domain, prevention and repression of corruption, participate in the project implementation.</p> <p>4) At the beginning of January 2007, Directorate in cooperation with State Audit institution and Commission for investigation of conflict of interests, prepared Draft project »Prevention and repression of corruption – Implementation of Action plan for implementation of the</p>
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Project »Capacity building of the NGO sector for participation in anticorruption initiatives in Montenegro«, which was initiated by the Directorate in cooperation with the UN Development Program in Montenegro (UNDP) in mid-March 2007, is being carried out according to planned program of activities.</p> <p>5) In the course of May of 2007, Directorate for the assistance to the line ministries expressed its willingness to become a local partner of the Centre for European constitutional law from Athens, which intends to carry out a regional project regarding implementation of the United Nations Convention against corruption in Albania, B&H, Montenegro, Macedonia and Serbia. The Centre nominated the project for the donor Hellenic Aid and is now waiting for their response. Should financial means be provided, the carrying out of the project would start in October of 2007 and it would last until October of 2008.</p> <p>Police Directorate: Prepares the information on priorities for the financial plan for 2008, which is in the Sector for investment, with particular accent on investments in the Department for MTN, Forensic Center in Danilovgrad and IT connection of border crossings with the centre.</p> <p>Collection of data for the development of the project „Strategy of development and functioning of Police“ for the period from 3 to 10 years, which will define the functioning and organization of Police Directorate in the future, is under way.</p> <ul style="list-style-type: none"> - The Investment Bureau of the Ministry of Interior of the Republic of Montenegro produced a project fiche for DNA laboratory (CKT for May). - One Project of the Department for special control was nominated with the Swedish international development agency (SIDA). 4 millions of euros are required for the period of 4 years, - One Project for the assistance to Police Directorate was nominated with OSCE. 123.000 euros are required. <p>Funds have not yet been provided (OPP for May).</p> <ul style="list-style-type: none"> - Activities concerning development of the project „Strategy of development and functioning of police“ for the period between 3 to 10 years, which will define the functioning and organization of Police Directorate in the future, are under way - Development of project documentation for introduction of DNA analysis. - Development of the project documentation for the introduction of DNA analysis; for acquiring of screening electronic microscope, i.e. equipment for analysis of firearm traces - One Project of the Department for special control was nominated with the Swedish international development agency (SIDA). 4 millions of euros are required for the period of 4 years, - One Project for the assistance to Police Directorate was nominated with OSCE. 123.000 euros are required. Funds have not yet been provided. - NCB Interpol Podgorica in cooperation with the General secretariat of Interpol in Lyon initiated the process of launching the MIND project, installing Interpol system on border crossings (examination of Interpol data basis on stolen vehicles and travel documents on border crossings). General Secretariat allocated the total of 85.000 euros for Montenegro, which were provided by donors. These funds, in cooperation with NCB Interpol in Podgorica, which is also the beneficiary, will be used for acquiring equipment (MIND system, server, computers, detectors of travel documents, application software, cameras and monitors for reading of regional marks), and their installment in border crossings. The project, which is in its initial phase, will be realized by the end of 2007. - NCB Interpol in cooperation with CIS of the Ministry of Interior of Montenegro initiated the development of the project for acquisition of necessary equipment and infrastructure for electronic data acceptance, management and Interpol case filing and introduction of the Interpol I-24/7 system in all working units of NCB officials. The project will be realized by the end of 2007. - Development of project is being undertaken together with the EU Agency for Reconstruction, within IPA program 2007, which planned to invest 400 000 euros in the Police Directorate – Department for the fight against organized crime. - Ministry of Interior and Public Administration: In the reporting period, Ministry of Interior and Public Administration nominated
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			<p>additional projects with international organizations and institutions.</p> <p>Ministry of Justice: Implementation of the complete judiciary reform requires, before the constitutional reform, the adoption of the new strategic document for the area of judiciary, which will represent the basis of finding of the best constitutional and legal solutions, as a guaranty of a higher level of independence and efficiency of judiciary. In fact, Ministry of Justice prepared the new strategic document for the area of judiciary, the Judiciary reform Strategy for 2007 – 2012, which envisages further ways and objectives, which are to be obtained by the reform of the judiciary system. Experts from the Ministry of Justice of Austria expressed previously their opinion concerning the text of the Strategy. Adoption of the Judiciary reform Strategy is expected in June of 2007. The adoption will be followed by the elaboration of the Action plan for its implementation. Action plan will specify a number of particular steps for the implementation of the Strategy, which will then imply a number of projects for its implementation. Ministry of Justice, together with the Commission of European communities and with the AUTOMATION SPA Project from Italy, carries out the project «Establishment of judicial network in the Western Balkans». The abovementioned Project lasts until the end of 2008 and Ministry of Justice of Italy participates in its implementation.</p> <p>Tax Directorate: Within IPA 2007, Tax Directorate nominated the project, entitled „Capacity building for the more efficient and functional work of Tax Directorate, in line with European standards“, the purpose of which is to provide assistance to Tax Directorate for the implementation of laws and regulations and for meeting of goals related to work procedures, human resources and information technology in line with the Work Plan of Tax Directorate.</p> <p>ASSESSMENT: obligation is being continuously realized.</p> <p>RECOMMENDATION: SEI should prepare information brochure on the possibility of benefiting from the EU expert and financial assistance (TAIEX), not later than the third quarter of 2007. SEI should submit brochures to responsible authorities and institutions</p>
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RECOMMENDATIONS FOR THE CHAPTER OF POLITICAL AND INTERNATIONAL OBLIGATION TO ACT:

Analyzing this chapter of the Action plan, the National Commission, with the aim of establishing cooperation between political parties, Parliament, public authorities, NGOs and other non-governmental bodies on horizontal and vertical level were defined, in order to tackle jointly severe forms of crime and corruption, recommends the following.

1. Constitutional Assembly should prepare an appropriate text in the form of resolution, which would include fundamental principles and commitments of Montenegro in order to deal with the most severe criminal acts;
2. Ministry of Justice should prepare the Action Plan for implementation of the Strategy of judiciary reform 2007 – 2012, which was adopted by the Government of the Republic of Montenegro, before the end of the third quarter of 2007 and which will include a number of steps for the implementation of the Strategy.
3. Ministry of Justice should prepare adequate regulations, which will create necessary conditions for the implementation of the institute of expanded confiscation.
4. Ministry of Finance should form its opinion on the purpose of adoption the Law on Amendments to the Law on wages and other incomes of state officials, taking into account the already adopted Law on wages and other income of judges and prosecutors.
5. Directorate for anticorruption initiative, should host in its web site, a sub-site of the National Commission and make available all activities of the National Commission, providing at the same time all information in English language. It should also create a link to the site of the National Commission on the website of the Government of the Republic of Montenegro.
6. Responsible authorities should intensify preparation of the proposal for the laws included in the Action Plan and inform regularly the National Commission of the progress
7. Responsible authorities should respect the deadlines included in their monthly reports, concerning implementation of obligations from the Action Plan, including the obligation of stating the responsible persons and updating deadlines for accomplishment of measures from the Action Plan, due to regular reporting and evaluation (after the adoption of the Report, the National Commission will provide an updated Action Plan to all who are responsible for reporting, with responsible persons and deadlines for the implementation of measures);
8. Ministry of Interior and Public Administration should in cooperation with Directorate for anticorruption initiative, undertake activities concerning preparation of regulations, which will ensure special protection to persons who report corruption („whistleblowers“).
9. Ministry of Transport, Maritime Affairs and Telecommunications should include representatives of Police Directorate, and of Ministry of Justice, in the Working Group for preparation of the Proposal for the Law on telecommunications.
10. Ministry of Justice should, parallel to the preparation of text of the Proposal for the Law on criminal proceedings, start developing an assessment of expenditures, concerning

implementation of solutions, which will be included in the new legal text, with particular accent on the increase of the number of prosecutors and additional funds, will must be envisaged in the budget for 2008.

11. Ministry for Economic Development should question adequacy of adoption of the Law on Amendments to the Law on commerce privatization, since the Government formed the Commission for complaints, proposals and suggestions of citizens and other interested parties for the privatization process on 10th, May 2007
12. Ministry of Finance should integrate instruments for fight against corruption on the local level into the text of the Proposal for the Law on Amendment to the Law on financing local self-government (importance and implementation of the Local action plan for the fight against corruption, learning from international experiences in this field).
13. Responsible authorities should prepare: the text of the Proposal for the Law on ratification of the Civil-legal convention of the Council of Europe on corruption (Ministry of Finance in cooperation with the Directorate for anticorruption initiative) and the text of the Proposal for the Law on ratification of the Additional Protocol to the Criminal and Legal Convention of the Council of Europe on corruption (Ministry of Justice in cooperation with the Directorate for anticorruption initiative).
14. Responsible authorities, stated under the measure 12 should perform analysis of requirements and the plan of signing of bilateral agreements on international cooperation, with the aim of exchange of information and organizing joint operations against organized crime, not later than the end of the third quarter of 2007.
15. Directorate for anticorruption initiative should coordinate obtaining of information from all participating line ministries, in order to report in due time on the accomplishment of GRECO recommendations. All responsible authorities, GRECO recommendations referred to, should include, in their report for the National Commission, information on activities, which were undertaken with the aim of accomplishment of these recommendations. GRECO Report is available at the website: <http://www.antikorup.vlada.cg.yu/index.php?akcija=rubrika&rubrika=&row=10&>.
16. In order to ensure technical and financial assistance in the field of fight against corruption and organized crime, all responsible authorities should, while planning the budget for 2008, take into account priorities included in the Action Plan. In cooperation with the Secretariat for European integration, they should ensure more efficient definition of projects, better project development and their presentation to international organizations.
17. Secretariat for European integration should prepare information brochure on the possibility of benefiting from the EU expert and financial assistance (TAIEX), not later that the third quarter of 2007. SEI should submit brochures to responsible authorities and institutions and publish them on the website of the SEI.
18. Ministry of Finance should provide data on the effect of the fiscal reform on the anticorruption policy in the next report.

II GENERAL OBJECTIVES

A. EFFICIENT CRIMINAL PROSECUTION WITH THE OBJECTIVE OF PREVENTING CORRUPTION AND ORGANIZED CRIME

GENERAL ASSESSMENT:

This part of the Action Plan is dedicated to improving knowledge and to specialization of the Police, prosecutors and judges in order to meet the requirements from the European Partnerships (**measure 1, 4**). Set of measures has been envisaged for building human resources in competent authorities. Special emphasis is given to the training of judges, state prosecutors and the Police.

Law on Education in Judiciary („Official Gazette of RMNE”, No. 27/06) foresees the **Centre for the Training of Judges** as the central body for the training of judges and prosecutors. The Centre is organized as a special organizational unit of the Supreme Court. Major part of the activities, regarding the education of judges and prosecutors, should be performed through the Centre. In the previous reporting period, the Centre did not meet the expectations regarding the education in judiciary. This is partly caused by the transformation of the Centre and confusion in the new organizational framework. In the period to come, the Centre has to determinately meet various and numerous requests in judiciary, regarding education and regularly inform the National Commission on this.

Regarding professional training and improvement of police officers, **the Ministry of Interior Affairs and Public Administration** undertook the concrete activities by organizing trainings and seminars in country (Police Academy in Danilovgrad) and attending the seminars abroad. The most prominent among these are the ICITAP⁸ seminars that addressed the issues of organized crime, measures of secret surveillance and police investigation. The OCTN project dealt with issues such as: the extreme violence, terrorism and trafficking in human beings. With the financial assistance of SE and EC "CARDS Police" program, under the „ Building Police capacities“ program in fighting against organized crime in SE Europe, TAIEX organized training regarding the combat against trafficking and abuse of narcotics in the West Balkans. Delegation of Police Directorate attended the seminar in Athens entitled „Implementation of the Action Plan for fight against trafficking in human beings project ILAEIRA“.

Superior State Prosecutor recognized the need for organizing the appropriate seminars addressing the application of the measures of secret surveillance. In addition, it has been noted that, in the organization of the Ministry of Finance of the USA, the Special Prosecutor for Prevention the Organized Crime and the Basic Prosecutor from Podgorica visited United States of America, from 05-11. May 2007 in the view of education in the processing of financial criminal acts and criminal act of money laundering. In the Police Academy, the training for State Prosecutors and Police Directorate's authorized servants has been organized, under the project „Preventing of Money Laundering and Financial Investigation“ During the reporting period, 10 training courses has been organized for 221 Police Directorate officers, in the areas of: scene investigation, identification of stolen vehicles and documenting, Border Police and General Police, stirring the patrol vehicle and conduct in transport; trafficking of goods, narcotics and motor vehicles; police work in the community, trafficking in works of arts and cultural heritage across the state border; counterfeiting travel documents and illegal migration, undercover investigator, conduct of informative interviews; additional training in basic police education; introduction to computer literacy organized by the Human Recourses Management Authority.

Implementation of the **Measure 2**, six-month evaluation of the current situation, defining standards, subject evaluation, elaboration of joint analysis on actions for proving in preclinical and investigation procedure, drafting recommendations for future work imply extremely good coordination and joint work of all institutions in judiciary and interior affairs with the gradual institutionalization models. However, the Decree on State Administration Organization and Operations (Article 49-54) includes the coordination methods between various state authorities and, as appropriate, permanent and provisional working groups for monitoring the realization of strategic programs in the JLS area. In another words, in the reporting period, the coordination of the involved institutions was at its peak during the preparation of JLS Questionnaire (cca 100 questions), within the Preparation for the TAIEX mission in the field of JLS in March 2007. At the same time, the answers to the questionnaire represent the ASSESSMENT of the situation in this field, and it was submitted to EC on 26.01.2007.

Secretariat for European Integration, in cooperation with all ministries, prepares twice a year the **progress reports for the EC on stabilization and association process in all sectors**. The regular report was submitted at the end of 2006, and the first one in this year was provided for in early June of 2007.

Under the TAIEX program, and through the Secretariat for European Integration, numerous seminars in the field of Justice, Freedom and Security have been organized⁹. Very important is the Mission of independent experts hired by TAIEX to assess the situation in Montenegro in the areas such as: respect of human rights, court system, Prosecution Office, administrative capacities of the Ministry of Justice, prison service, borders, functioning of the police forces and fight against organized crime, asylum and migrations, fight against corruption and economic and financial crime. This Mission's assessment will be of a great use and will be considered a guideline in further steps that are to be taken in the judiciary and interior affairs reforms.

Prevention of abuse in applying the measures of secret surveillance was set as a special objective in the Action Plan (**measure 5**). Regarding the Parliamentary control, we wish to emphasize that in the previous period, within the Committee for Security and Defense of the Constitutional Assembly of the Republic of Montenegro, two consultative hearings have been organized in accordance with the provisions of the Law on Police: the first, hearing of Director of the National Security Agency, and the second, hearing of the Head of Police

⁸ International Criminal Investigative Training Assistance Program (ICITAP).

⁹ TAIEX assistance have been realized in Montenegro in the field of Justice, Freedom and Security: Seminar on Prevention of Money Laundering 16/06/2005-17/06/2005, Podgorica; Seminar on Fight against Organised Crime, 15/05/2006-16/05/2006, Podgorica; Seminar on Prevention of money Laundering:confiscation of property, 17/07/2006-18/07/2006, Podgorica; Expert Mission for Assessment of the state of prosecution organisation in Montenegro(organised crime,fraud and corruption)- 18/09/2006-20/09/2006,Podgorica; Seminar on Protection of Personal Data, 02/10/2006-03/10/2006, Podgorica; Seminar on freezing and confiscating the proceeds of crime , 29/05/2007-30/05/2007.

Directorate. Supreme state Prosecutor emphasized that in the previous period there were no cases of abuse in application of measures of the secret surveillance and the Police Directorate noted that during the same period, there were no complaints about the application of these measures. In the Supreme Court they believe that there is an intention that the new Criminal Code should provide greater secrecy in secret surveillance measures through having only one person acquainted with these measures, a person who approves of the measures, that is, the judge. It is also emphasized that there was no abuse of these measures during the reporting period.

Concerning the staffing condition analysis and the need for employment of the missing staff (**measure 6**), the Report was provided only by the Police Directorate. At the end of the reporting period, number of employees in the police Directorate totaled 5220, out of which 4188 employed temporarily and 1032 employees concluded permanent working relation. 524 employees have the university degree, 443 with high professional qualifications, 2550 with secondary school professional qualification IV and 1703 with secondary school professional qualification III SSS. Due to reorganization and the need for conforming to the European standards, the social program for overcoming the problem of redundant employees in the Police Directorate is being implemented. Other authorities, which were asked to provide the staffing condition analysis (measure 6.1), have not done so (Court Council, Prosecution Council). None of the authorities has provided the profile of the missing staff.

The issue of confiscated property management was brought about as a special issue (**measure 7**). Simultaneous practice accepted that the special authority should be formed for management of the property confiscated through criminal procedure. The work of this authority is defined by special legal text. As the simultaneous practice does not provide for the single solution for legislator, the Ministry of Finance in cooperation with the Ministry of Justice, should initiate the drafting of this law.

Regarding semi-annual analyses on statistic indicators in relation to the number of cases in the field of corruption and organized crime being processed before courts or the ones with effective rulings, with special attention to the structure of perpetrators of such acts and sphere of society, they are committed (**measure 8**), **Police Directorate** reported that, during the period between 01. 09. 2006 and 31. 03. 2007, it submitted criminal complaints to state prosecutors and thus processed **126 criminal acts**, which, according to its legal characteristics, may contain **an element of corruption**. Out of this number, **19 criminal acts** have been submitted to the **Supreme State Prosecutor- Department for the Fight against Organized Crime**. These 19 criminal acts are reasonably suspected to have been carried out in an organized manner. (**measure 8, statistical data/structure provided in table**)

With the view of monitoring, analysis, and preparation of statistic indicators, it is necessary that further activities of competent state prosecutors are monitored by the special tripartite Commission consisting of judges, prosecutors and representatives of the Police Directorate.

A. EFFICIENT CRIMINAL PROSECUTION WITH THE OBJECTIVE OF PREVENTING CORRUPTION AND ORGANIZED CRIME

MEASURE	COMPETENT INSTITUTION	TIME FRAME (starting from the moment of adoption of the Action Plan)	ASSESSMENT / RECOMMENDATION FOR EACH MEASURE INDIVIDUALLY
1. Estimate of the needs for the training of prosecutors, police and judges, and the realization of the training	Supreme state prosecutor, Police administration, Supreme court	Immediately following the adoption of the Action plan, continuous	<p>Centre for training of judges is in the phase of transformation so the scope of the planned activities, according to the Annual Education Program for 2007, has been only partly realized. Centre Working Program includes training of judges and state prosecutors.</p> <p>Ministry of Interior: Realized. Concrete activities have been undertaken for professional training and improvement of police officers, such as organizing trainings and seminars in country (Police Academy in Danilovgrad) and participating in seminars abroad. The most prominent among these are the ICITAP seminars that addressed the issues of organized crime, measures of secret surveillance and police investigation. The OCTN project dealt with issues such as: the extreme violence, terrorism and trafficking in human beings. With the financial assistance of SE and EC "CARDS Police" program, under the „ Building Police capacities“ program in fighting against organized crime in SE Europe, TAIEX organized training regarding the combat against trafficking and abuse of narcotics in the West Balkans. Delegation of Police Directorate attended the seminar in Athens entitled „Implementation of the Action Plan for fight against trafficking in human beings project ILAEIRA“.</p>

			<p>Supreme State Prosecutor: Projects for organization and financing seminars for education of prosecutors, police and other, nominated by the Supreme State Prosecutor to foreign donors have not been accepted so far. Therefore, the seminar, financed by the Government of Montenegro, must be urgently organized within the Association of state Prosecutors. Required funds- 10.000 euros. It is also necessary to provide funds for Croatian prosecutors from the Department for Organized Crime and Corruption, to educate Montenegrin state prosecutors from the Department for Organized Crime and Corruption as well as the authorized officers from the Department for organized crime and corruption in the Police Directorate, on the application of measures of secret surveillance (their implementation and selection). Required funds- 5.000 euros.</p> <p>Permanent and initial training of judges exists, so under the training program and in organization of the Ministry of Finance of USA- Technical Assistance Office- The Special Prosecutor for Prevention of Organized crime and Basic State prosecutor from Podgorica visited USA, from 05. -11. 05. 2007, in the view of education in financial criminal acts and criminal acts of money laundering. Also, the training for prosecutors and authorized officers of the Police Directorate, under the project „prevention of money laundering“, in the police Academy.</p> <p>Police Directorate: During the reporting period 09.2006. – 31.03.2007.,5 trainings were organized for 85 officers of the Police Directorate: scene investigation - for 10 officers of the Crime Investigation Police Department, identification of the stolen vehicles and documenting- for 27 officers of the Crime Investigation Police Department, Border Police and general police department, stirring the patrol vehicle and conduct in transport- 10 officers of the Traffic Police, trafficking of goods, narcotics and motor vehicles- for 23 officers of Border Police and Crime Investigation Police Department , police work in the community- for 15 officers of the Patrol police.</p> <p>In the reporting period April –May, 5 trainings were organized for 136 officers of the Police Directorate: trafficking of narcotics, motor vehicles and cultural heritage over the state border, counterfeiting the travel documents and illegal migrations, for 41 officers of the Border Police and Crime Investigation Police Department, police work in the community for 13 officers of the patrol police, organized crime- certificates for 15 officers of Crime Investigation Police Department, - undercover investigator, conducting the informative interviews for 19 officers of the General Police Department, additional training in basic police education for 21 officers of the Patrol police, computer literacy trainings organized by the Human Recourses Management Authority- 11 officers of Operational and Communication Centre.</p> <p>Supreme Court: Law on Education in Judiciary is in force starting from the 01.01. 2007. This law stipulates the initial and continuous training. Initial training is designated for lawyers who passed the bar exam and who pretend to be elected judges. The continuous training is designed for judges and provides the education regarding the rights and obligations of judges</p> <p>ASSESSMENT: Obligation partly realized.</p> <p>RECOMMENDATION: Supreme Court and Centre for Training of judges is to initiate the activities in this field. Centre is to prepare and submit the training program, harmonized with the AP, not later than the end of the year because the procedure for election of director is still ongoing. Police Academy is to continue with the realization of trainings, and in this spirit, it should submit the training program for 2007 only after it is elaborated</p>
<p>2. Six-month evaluation of the existing conditions, defining standards, evaluation of cases, drafting of joint analysis on presentation of evidence in pre-trial and investigative procedure, drafting of recommendations for further work</p>	<p>Government of the Republic of Montenegro, Ministry of justice, Ministry of foreign affairs, Ministry of foreign economic relations and European integrations, Ministry of interior,</p>	<p>Continuous Immediately following the adoption of the Action plan</p>	<p>Government of RMNE: Decree on State Administration Organization and Operations (Article 49-54) defines the coordination types in various state authorities, and as appropriate, permanent and provisional working groups for monitoring the realization of strategic programs in the field of JLS.</p> <p>Ministry of Justice: Ministry of Justice is not in charge of implementation of this measure.</p> <p>Ministry of Interior: This measure should be realized by the Police Directorate in cooperation with the supreme State Prosecutor.</p> <p>SEI: 1. TAIEX assistance have been realized in Montenegro in the field of Justice, Freedom and Security: Seminar on Prevention of Money Laundering 16/06/2005-17/06/2005, Podgorica; Seminar on Fight against Organized Crime, 15/05/2006-16/05/2006, Podgorica; Seminar on Prevention of money Laundering: confiscation of property, 17/07/2006-18/07/2006, Podgorica; Expert Mission for Assessment of the state of prosecution organization in Montenegro(organized crime, fraud and corruption)- 18/09/2006-20/09/2006,Podgorica; Seminar on Protection of Personal Data, 02/10/2006-03/10/2006, Podgorica; Seminar on freezing and confiscating the proceeds of crime , 29/05/2007-30/05/2007.</p> <p>2. TAIEX Mission of independent experts for the assessment of the situation in TAIEX areas in Montenegro: respect of human rights, court system, Prosecution Office, administrative capacities of the Ministry of Justice, prison service, borders, functioning of</p>

	competent bodies and institutions		<p>the police forces and fight against organized crime, asylum and migrations, fight against corruption and economic and financial crime, 05/03/2007- 09/03/2007 was realized in various cities in Montenegro. Prior to it, the Answers to Questionnaire were prepared, through SEI (sent on 26.1.2007.)</p> <p>3. Regular reporting to the DG Enlargement on progress made in the stabilization and association process (twice a year-September and June); This report includes the joint condition assessment in all sectors as well as in this field. In 2006, TAIEX assistance was requested (JLS), the field prevention of money laundering. Joint seminars were organized for the West Balkans' countries in the field of justice, freedom and security, 2006/07: Representatives of all West Balkans' countries met in Brussels to acquire knowledge regarding biometry in travel documents (2006). One of the seminars on boarder management was held in Belgrade and the second one in Subotica (2006). Representatives of all West Balkans' countries also attended the seminar in Skoplje on politics against drugs in West Balkans and the seminar held in Dubrovnik on judiciary independence. Workshop on the role of Ombudsman was organized in Skoplje. 18/12/2006, seminar on private sector of security in West Balkans was held in Belgrade.</p> <p>Seminar presenting the European legal system was organized in Pristina for lawyers employed in public services.</p> <p>ASSESSMENT: Obligation partly realized.</p> <p>RECOMMENDATION: Supreme court, Supreme State Prosecutor and the Police Directorate to elaborate the six-month assessment of the current condition in relation to acts of proving in pre-criminal and investigation procedure. It should still be insisted on submission of semi-annual reports with the view of analysis of the above-mentioned Assessments.</p>
3. Adoption of the Law on the responsibility of legal entities for criminal acts	Parliament of the Republic of Montenegro	2006	<p>Law was adopted and entered into force(Official Gazette of RMNE“ No 2/07)</p> <p>ASSESSMENT: Obligation realized.</p>
4. Training of the police, judges and prosecutors	Centre for the training of judges, Police academy	Continuous	<p>Centre for training of judges is in the phase of transformation so the scope of the planned activities, according to the Annual Education Program for 2007, has been only partly realized. In cooperation with the Embassy of USA, three seminars on physical persons' liability for criminal acts have been held.</p> <p>Police academy: In the previous period, training program was realized in accordance with the needs of the police Directorate. Police Academy Annual Working Program provides for the training in the second half of 2007.</p> <p>ASSESSMENT: Obligation is partly realized. The obligation is realized continuously.</p> <p>RECOMMENDATION: Supreme Court and the Centre for training of Judges are to initiate the activities in this field. Centre is to provide the training program, harmonized with the AP, not later than the third quarter of 2007. Police academy is to continue with the training implementation and to provide the training program for 2007, as soon as it is completed.</p>
5.1. Judicial control ¹⁰	Courts, Parliament of the Republic of Montenegro, Police administration, Supreme state prosecutor	Continuous	<p>Supreme state Prosecutor: During the reporting period there were no cases of abuse in application of secret surveillance measures (SSP)</p> <p>Parliament of Montenegro: In Parliamentary Committee for Security and Defense two consultative hearings have been organized in accordance with the provisions of the Law on Police: the first, hearing of Director of the National Security Agency, and the second, hearing of the Head of Police Directorate</p> <p>Police Directorate: During the reporting period, controls of application of the secret surveillance measures have not been undertaken. Also, in the same period there were no complaints about the application of the secret surveillance measures</p> <p>Supreme Court: There is an intention that the new Criminal Code should provide greater secrecy in secret surveillance measures through having only one person acquainted with these measures, a person who approves of the measures, that is, the judge. No abuse of these measures during the reporting period.</p> <p>ASSESSMENT: The obligation is being realized continuously.</p> <p>RECOMMENDATION: Continue with the continuous reporting on possible abuse in the application of SSM</p>
5.2. Parliamentary control (in accordance with the provisions of the Law on police)			
5.3. Internal control of the police			
6. 1. Staffing condition analysis	Judicial council, Prosecution	2007.	<p>Police Directorate: At the end of the reporting period, number of employees in the police Directorate totaled 5220, out of which 4188 employed temporarily and 1032 employees concluded permanent working relation. 524 employees have the university degree, 443 with high professional qualifications, 2550 with secondary school professional qualification IV and 1703 with secondary</p>

¹⁰ In Action Plan, measures 5.1, 5.2 i 5.3 refer to Prevention of abuse in application of SSM.

	council, Police administration		<p>school professional qualification III SSS.</p> <p>Due to reorganization and the need for conforming to the European standards, the social program for overcoming the problem of redundant employees in the Police Directorate is being implemented. At the same time, the Human Recourses Management Authority there is conducting a procedure for hiring public servants and 35 trainees with the university degree.</p> <p>In addition, we wish to note that due to ongoing amendments drafting to the Law on Police, Law on Salaries of Public Servants and Employees and therefore the postponement in application of the Rulebook of Internal Organization and Systematization of the police Directorate, at this moment there are no possibilities for providing data on the number of personnel needed. Only after the servants are systematized, in accordance with the new Rulebook, precise number of the staff needed will be determined.</p> <p>ASSESSMENT: The obligation is partly realized. It is being realized continuously</p> <p>RECOMMENDATION: Court Council and Prosecution Council to provide the information on realization of this measure by the end of the year (considering that the Court Council has not been elected, this being conditioned by the adoption of new Constitution).</p>
6.2. Employment of the missing staff		Continuous	<p>High State Prosecutor: Higher State Prosecutor is supported by the election of two new deputies, Basic State Prosecutor in Bar is assisted by the election of the deputy and the Basic state Prosecutor in Podgorica by two deputies.</p> <p>Police Directorate: The Human Recourses Management Authority is conducting a procedure for hiring public servants and 35 trainees with the university degree.</p> <p>ASSESSMENT: The obligation is continuously realized.</p> <p>RECOMMENDATION: Police Directorate, Court Council, Prosecution Council are to, in cooperation with the Ministry of Finance, deliver the information on realization of this measure by the III quarter of 2007.</p>
7. Establish a special independent body for the management of the confiscated property	Government of the Republic of Montenegro, Ministry of Finance	2006-2007.	<p>ASSESSMENT: The obligation has not been realized.</p> <p>RECOMMENDATION: Ministry of Finance, in cooperation with the Ministry of Justice, is to initiate drafting of the Law on Protection of Permanently and Temporarily Confiscated Property so consequently an authority for confiscated property management could be formed.</p>
8. Performing of half-year analysis on statistical indicators in relation to the number of cases from the field of corruption and organized crime being processed before the courts or the ones with effective rulings, with special attention to the structure of perpetrators of such acts and sphere of society they are committed	Supreme court, Supreme state prosecutor, Police administration	Continuous	<p>Supreme State Prosecutor: In analyzing the submitted reports, the need occurred for harmonizing the statistic data of criminal prosecution subjects (Police, Prosecution Office and the Court). Special attention should be played to the harmonization of the data of State Prosecutor and court for the criminal acts with the elements of corruption and organized crime. Namely, the need occurred for the creation of effective rulings database (in relation to the number of persons legally convicted and the structure of criminal acts). This requires for shift in methodology for forming data of all criminal acts.</p>
<p>By submitting the annual report, Supreme State Prosecutor informs the public about the situation in crime in Montenegro based on the set methodology: Law on Statistics, Law on State Prosecutor and the Rulebook for Internal Activities of the State Prosecutor. Due to the different methodology in presenting data of all criminal acts, including corruptive ones, neither the data on the number of effective rulings cannot be provided, nor can the analytic approach be used to this problem. According to the mentioned methodology, the Annual Report of the Supreme State Prosecutor for 2006 provides the statistical reports for criminal acts with the element of corruption in 2006, (quantity data for criminal acts against payment operations and economy- are provided – Chapter XXIII criminal act of misconduct in office – Chapter XXXIV).</p>			

TABLE OF REPORTED CRIMINAL ACTS AGAINST PAYMENT OPERATIONS AND ECONOMY - Report of the Supreme State Prosecutor <u>for 2006</u> /Chapter XXIII of the Criminal Code/	Unsettled charges from the previous period	Reported in 2006.	Total in process	Settled charges	Unsettled at the end 2006.	Unsolved investigations from the previous period	Investigations requested in 2006	Total in process	Solved investigations	Unsolved at the end of 2006.	Unsolved charges from the previous period	Charged in 2006	Total charge in process	Solved charges	Unsolved charges at the end of 2006
	CHARGES					INVESTIGATIONS					COURTS				
	7	84	91	85	6	40	71	111	71	40	70	69	139	51	88
Article.258- money counterfeiting	7	84	91	85	6	40	71	111	71	40	70	69	139	51	88
Article.263- issuing of uncovered check or unsecured funds	49	50	99	47	52	12	11	23	15	8	31	24	55	11	44
Art.264- evasion of taxis and contributions	12	24	36	18	18	43	9	52	21	31	48	16	64	19	45
Art.265- trafficking		85	85	83	2	9	54	63	47	16	10	54	64	21	43
Art.268- money laundering	1	5	6	5	1		2	2	2		37	2	39	1	38
Art.271- unauthorized usage of other's company	1	4	5	5											
Art.272- unconscious work in economy	7	29	36	3	33	9	2	11	1	10	1	1	2	1	1
Art.273- causing bankruptcy		2	2		2	3		3	3		2	2	4	1	3
Art.274- causing false bankruptcy	1	1	2	2		3	1	4	1	3	2		2		2
Art.276- abuse of power in economy	6	42	48	45	3	77	31	108	45	63	59	42	101	41	60
Art.282- preventing control performance	5	1	6	5	1							1	1		1
Art.283- illegal production	1	5	6	1	5		2	2		2	1	1	2		2
Art.284- illegal trade	105	304	409	336	73	16	16	32	14	18	549	257	806	29 3	513
Art.285- misleading a buyer		2	2	2											
Art.286- forging the marks for goods, weight and measures	2	4	6	3	3	12		12	3	9	10	3	13	3	10
TOTAL	197	642	839	640	199	224	199	423	223	200	820	472	1292	44 2	850

„ We believe that the criminal acts of accepting and giving bribe are the most typical acts of corruption which are performed in practice with the accompanying forms and are extremely difficult to detect and what is detected is, usually, not very dangerous. The fact that the percentage of reported persons for this criminal act is low does not mean that they are truly rare but that we have not improved the detection mechanisms.

Legal possibilities of state prosecutors, to fight the prevailing corruption, which imply not only the rigid prosecution but the work at detecting corruption and application of S.S.M (secret surveillance measures from the Article 239 of the Criminal Code)are limited by the existing legal solutions defined in the Article 238 of the Criminal Code.

Namely, a prosecutor cannot suggest the application of S.S.M in all criminal acts of corruption because the amount of the set fine is limiting. Due to this limitation, Supreme State Prosecutor of the Republic of Montenegro proposed to the Ministry of Justice that the Article 238 of the Criminal Code should be amended to provide for the application of S.S,M in all criminal acts of corruption and it would be helpful to precisely define these criminal acts.

TABLE OF REPORTED CRIMINAL ACTS OF MISCONDUCT IN OFFICE - Report of the Supreme State Prosecutor for 2006 CHAPTER XXXIV of the Criminal Code/	Unsettled charges from the previous period	Reported in 2006.	Total in process	Settled charges	Unsettled at the end 2006.	Unsolved investigations from the previous period	Investigations requested in 2006	Total in process	Solved investigations	Unsolved at the end of 2006.	Unsolved charges from the previous period	Charged in 2006	Total charge in process	Solved charges	Unsolved charges at the end of 2006
	CHARGES					INVESTIGATIONS					COURTS				
Art.416- abuse of power	222	568	790	579	211	405	195	600	158	442	191	121	312	87	225
Art417- unconscious work in economy	56	47	103	50	53	51	17	68	17	51	31	11	42	18	24
Art.418- illegal collection and payment		2	2	2											
Art419- fraud in service	2	3	5	5		3	3	6		6					
Art.420- defalcation	17	54	71	57	14	99	42	141	75	66	117	66	183	66	117
Art-421- unauthorized usage	2	1	3	3			2	2	2		4	3	7	1	6
Artl-423- accepting bribe		6	6	6			5	5	5		5	2	7	7	
Art.424- giving bribe	6	8	14	11	3	69	5	74	3	71	33	7	40	3	37
TOTAL	305	689	994	713	281	627	269	896	260	636	381	210	591	182	409

This is because these criminal acts are performed without the presence of a witness and without material proofs and are therefore difficult to prove. Consequently, the investigation authorities (the Police) and the criminal prosecution authorities (Prosecutors) are mere observers of the criminal act commitment. This can explain the gap between the general belief about the wide spreading and the scope of this category of criminal acts and the number of detected and processed cases and of course legally convicted persons during the reporting period." (Quote from the Report of the Supreme State Prosecutor for 2006, June 2007)

Special Prosecutor for Prevention of Organized Crime initiated the criminal proceeding against 113 in 2006 (by placing a claim for investigation and the proposal for direct accusation).

For organized crime, one effective ruling has been reached for unauthorized keeping of arms and explosive substances from the Article 403, paragraph 2 of the Criminal Code.

Perceived problems in prosecution in the field of organized crime: Parliament of RMNE plays an important part in fighting organized crime and the corruption and in the procedure of providing a consent for criminal prosecution of persons enjoying the MP immunity, which is in breach of Recommendation of the

Supreme Court: According to the Law on Courts, activities of statistics and analytics are performed by the Administrative Office under the Supreme Court of Montenegro, which was formed at the end of 2005. According to the Court Rulebook, Administrative Office performs these activities through set statistical templates, which have not been prepared yet so we are still not able to provide the requested data. However, all annual reports of competent courts provide

	<p>the statistical data on acts of organized crime. Reports include statistic indicators relation to the number of these types of cases that are processed before courts or the ones with effective rulings; with special attention to the structure of perpetrators of such acts and sphere of society they are committed. Internal reports kept in each organ and that are based on various internal acts defining the keeping of statistical amyases do not provide a clear picture</p>
	<p>Police Department: In the period between 01.09.2006 and 31.03.2007, Police Directorate submitted criminal charges to the competent public prosecutors and thus proceeded <u>126 criminal acts</u> which may contain an element of corruption by their legal characteristics: The structure of the reported criminal act is as follows:</p> <ul style="list-style-type: none"> - Abuse of power from Art. 416 of the Criminal Code of RMNE.....90 - Unconscious work in service from Art. 417 of the Criminal Code of RMNE..... 12 - Abuse of power in economy from Art. 276 of the Criminal Code of RMNE.....14 - Offering bribe from Art. 424 of the Criminal Code of RMNE.....4 - Accepting bribe from Art. 423 of the Criminal Code of RMNE..... 2 - Causing false bankruptcy from Art. 274 of the Criminal Code of RMNE..... 2 - Unconscious work in economy from Art. 272 of the Criminal Code of RMNE..... 1 - Fraudulent balance sheet from Art. 278 of the Criminal Code of RMNE..... 1 <p>Out of this number, 19 criminal acts, executed in organized manner, have been submitted to the Supreme State Prosecutor- Department for fight against organized crime. Structure of these criminal acts is as follows :</p> <ul style="list-style-type: none"> - Misconduct in office from Art. 416 of Criminal Code of RMNE14 - Accepting bribe from the Art. 423 of Criminal Code of RMNE.....2 - Offering bribe from the Art. 424 of Criminal Code of RMNE.....2 - Unconscious work in service from Art. 417 of Criminal Code of RMNE..... 1 <p>Further processing (number of charges, number of verdicts and effective rulings) is the competence of other state authorities and will be the subject of work of joint team formed by the representatives of the Police Directorate, Supreme Court and Supreme State Prosecutor concerning RECOMMENDATION 2.</p>
	<p>ASSESSMENT: Commitment partly realized. RECOMMENDATION 1: Prepare statistic data (number of ongoing criminal procedures, number of convictions, number of verdicts, number of effective rulings) for a unique comparative period (for example the first for 2006 and further continuously). Supreme State Prosecutor are to deliver these data until III quarter of 2007 RECOMMENDATION 2: Police Directorate, Supreme Court and Supreme State Prosecutor are to form the joint team for analyzing the above-mentioned data and harmonizing the methodology of statistic data processing.</p>
<p align="center">RECOMMENDATIONS IN THE AREA OF THE EFFICIENT CRIMINAL PROSECUTION WITH THE OBJECTIVE OF PREVENTING CORRUPTION AND ORGANIZED CRIME</p> <p>It is obvious that the efficient criminal prosecution with the view of preventing corruption and organized crime requires additional efforts in implementation of this part of the Action Plan. Improving the knowledge and the training of the Police, prosecutors and judges regarding the fight against organized crime is the condition for serious and determined answer to challenges imposed before a country by the fight against organized crime. In this spirit, National Commission recommends the following:</p> <ol style="list-style-type: none"> 1. Centre for the training of judges should initiate the education in judicial authorities, in accordance with the presented needs with the special attention to the fight against the most severe forms of crime. 2. Supreme Court, Supreme State Prosecutor and the Police Directorate are to form the tripartite commission for monitoring acting under criminal complaints for organized crime and criminal acts of corruption and preparing appropriate reports, amyases and recommendations 3. Supreme Court, Supreme State Prosecutor and the Police Directorate are to evaluate the current state of enforcement of acts of proving in pre-criminal and investigation procedure. 	

4. Supreme Court, Supreme State Prosecutor, in cooperation with the Ministry of Finance are to prepare the analysis of staffing condition and assess the missing staff
5. Ministry of finance in cooperation with the Ministry of justice is to prepare the legal text defining the management of confiscated property.

B. PREVENTION AND EDUCATION

General assessment

Prevention and education, as general objectives of the Action Plan for Implementation of the Program of Fight against Corruption and Organized Crime, are defined with the view of acting against corruption, that is creating the system which would provide preconditions for efficient prevention of corruption through improving working conditions, promoting the principles of ethics, avoiding conflict of interests, more intensive contact with citizens and free access to information.

Building the integrity of the police, as an important objective in this part of the Action Plan, is defined by measures 12 to 19 of which measures 12, 14 and 15 have been completely realized.

Analyses of measures defined in this Chapter of the Action plan (**measures 10, 11, 12**) as well as the dynamics in their realization may lead to conclusion that the progress has been made in application of **the Code of Ethics** especially at the level of Police directorate where the Committee for Ethics have been formed in charge of the application of the Code of the Police ethics. Committee meets every 30 days or when necessary and thus its work efficiency are proven. Up to the preparation of this report, disciplinary prosecutor was delivered seven cases for further acting.

Application of the Code of ethics of State prosecutors (since November 2006) is evident when analyzing the activities accomplished in this judiciary area. Supreme Court established the **Office for the Reception of Citizens Complaints**, for citizens to report the case of corruption in judiciary. However, these activities must be completed by adoption and enforcement of the Code of ethics of judges, which is dependant on establishing the Court Council.

With the view of control of the Police Directorate's work, the Department for internal control has been reorganized (**measure 15**). The department monitors the legality of performance of police affairs, legality of police powers enforcement and undertakes internal investigations. The commitments that have not been fully realized are: setting the procedure for reporting the corruption to the police, annual investigations on conditions and forms, specimens and methods of corruption emergence in the police and training and improvement of human resources capacities within the Department for internal control as well as the supply of necessary equipment for the department's work (**measures 10, 11, 12**).

Act on internal organization and systematization of the Ministry of Interior establishes the Sector for security and protection affairs and the surveillance including the Department for Supervision, second instance administrative procedure, petitions and complaints. Activities for filling the following vacancies are ongoing: Head of the department and two independent advisors for second instance procedure (**measure 19**)

Positive effects in prevention of the corruption will be realized by entry into force of the Law on Salaries and Other Incomes of Judges and Prosecutors (**measure 9**), while there is still a high level of deficit in space and technical equipment.

The part relating to state authorities reflects the progress in promoting and application of **Code of Ethics of public servants and employees (measure 20-23)**, reporting of state officials on their incomes and property (93,6% Republic officials, 84,8% of municipalities' officials submitted the reports/ Official report of the Commission for Investigation of Conflict of Interests) and monitoring the making and receiving presents and updating the Commission's data base(available at www.konfliktinteresa.cg.yu).

Regarding the set of measures for **more intensive communication with citizens regarding realization and protection of their rights as well as their active participation in prevention of corruption (measures 25, 26, 27)**, significant progress has been made. According to the report of the competent authorities- MANS, police Directorate, Customs

Directorate, Tax Directorate and Agency for Anti- Corruption Initiative, various modes of communication have been provided with citizens including: informative and educational material, web presentations, SOS calls as well as defining procedures for submission of petitions and claims for citizens. Therefore, SOS calls to MANS recorded 233 reports of corruption in police and Customs Directorate received 51 calls (4 of which concerning complaints about the work of customs officers)

Citizens are also provided with the possibility to report doubt of corruption. Statistics of shows that during the period from September 2006- June 2007 and with regard to reporting doubt of criminal acts of corruption, the following have been prepared: 7 information on reported doubt in the criminal act of abuse of power, 7 information on reported doubt in criminal act of offering/receiving bribe, 4 information on reported doubt in the criminal act of unconscious work in service, 3 information on reported doubt in the criminal act of corruption in court procedure, information on reported doubt in corruption in the process of public procurement, information on reported doubt in the criminal act of counterfeiting documents and illegal issuance of construction licenses and the information on reported doubt in the criminal act of trafficking. 13 information were delivered to the Police Directorate, 6 to the Supreme state prosecutor, 4 to the Ombudsman, 4 to the Office for the Reception of Citizens Complaints in Supreme Court, 1 to the Commission for the Control of Public Procurement and one to the Ministry of Education and Science. In addition, during the reporting period citizens were provided with 22 legal advices that is eighth the return information regarding reports of doubts in criminal acts of corruption.

By implementing the Law on free access to information (**measure 28-33**), higher level of transparency in the work of state authorities have been provided: team of educators for the training of public servants and employees in enforcement of this Law; human recourse Management Authority and ministry of Culture, Sports and media organized trainings for public servants and employees; Institute for Media and Ministry of Culture, Sports and media organized seminars for the representatives media and local self-governments. Guide through the Law on free access to information has been published and presented; MANS provided INFO telephone for citizens to receive information from the state authorities (2962 requests recorded, 829 complaints and 354 claims), organized round tables on free access to information and issued publications: „Right to know“ and „Behind the closed doors“

In accordance with the above mentioned, citizens are provided with the fee access to information, in accordance with the Law and guidelines for the access to information from state authorities.

MEASURE	COMPETENT INSTITUTION	TIME FRAME (starting from the moment of adoption of the Action Plan)	ASSESSMENT / RECOMMENDATION FOR EACH MEASURE INDIVIDUALLY
9.1. Technical equipping, securing functional working area	Ministry of justice, Judicial council, Prosecution council	Continuous	Ministry of Justice: Ministry of Justice is not in charge for the implementation of this measure ASSESSMENT: Obligation has not been realized RECOMMENDATION: Ministry of Justice, Court Council, Prosecution Council are to, in cooperation with the Ministry of Finance, deliver the information on realization of this measure until III quarter of 2007
9.2. Increase of judges and prosecutors' wages		2007-2008.	Ministry of Justice: Law on Salaries and Other Incomes of Judges and State Prosecutors was adopted by the Constitutional Assembly of the RMNE on 06. 06. 2007. This Law envisages that judges, President and judges of the Constitutional Court, state prosecutors and their deputies have the right to increased salaries for 30%. Supreme Court: Government of Montenegro adopted draft Law and submitted it to the Parliament for adoption. ASSESSMENT: Obligation realized
10. Drafting and implementation of the Code of ethics of judges and the Code of ethics of prosecutors	Judicial council, Prosecution council	Following the adoption of the Action plan, Continuous	Supreme State Prosecutor: Code of ethics for state prosecutors and their deputies was adopted on 10.11. 2006 and it is being implemented. Other employees in Prosecution Office abide by the Code of Ethics of public servants and employees. ASSESSMENT: Obligation partly realized RECOMMENDATION: Supreme Court/ Court council is to deliver the information on enforcement of this measure, until the end of 2007.

11. Establishing the Office for reporting the cases of corruption in judiciary	Supreme court	2006.	Supreme Court: In Supreme Court, the Office for reception of citizen complaints has been established. Here, citizens can also report cases of corruption in judiciary. However, during the reporting period there were no such cases reported. OCJENA: Obligation realized.
12. Application of the Police Code of Ethics - Efficient work of the committee on Ethics	Police administration	Continuous	Police Directorate: During the reporting period, Ethics Committee processed seven cases regarding respect of the Code of police Ethics in performance of official duties and it decided to submit all seven to Disciplinary Prosecutor. Police Directorate: During the reporting period in May, Ethics Committee did not receive a sufficient number of cases to hold the meeting of this Committee. ASSESSMENT: Obligation realized.
13. Introduction of the procedures for reporting corruption cases in the police and their promotion (at the local and central level)	Police administration, NGO	2007.	Police Directorate: At the level of police directorate and district units, the procedure for method and place of reporting the corruption has not been clearly defined. ASSESSMENT: Obligation not realized RECOMMENDATION: Police directorate is to define the procedure for reporting the corruption to the police (until III quarter of 2007), and in cooperation with NGO promote the above-mentioned (invite to tender the NGOs to submit their reports on their activities in this field, at the local and central level).
14. Objectifying the criteria for the selection of police staff	Police administration	2007.	Police Directorate: Police officer, usually, establishes the working relation based on public announcement conducted by the Human Recourses Management authority. Working positions that are filled without announcing are regulated by the act of internal organization and systematization of the Police. Apart from meeting general conditions for establishment of working relations and having at least the secondary school professional qualification, a police officer- trainee may not be a person older than 28 years. ASSESSMENT: Obligation realized.
15 Reorganize the Department for internal control of the work of the police	Police administration	2007.	Police Directorate: According to the new Rulebook on organization and systematization of the Police directorate, 23 working positions are systematized in the department. The head of the department is the chief police commissioner. The department performs three lines of work- control of the legality of the police work (4 officers), control of the legality in enforcement of powers (10 officers- 3 of which in Head Office and 7 in district units), counterintelligence protection and internal investigations (6 officers). Lines of work are managed by first class senior police commissioners. Apart from already mentioned, the Rulebook provides the Department with the position for analyst (1) and operative officer (1). 13 officers (9 in Head Office and 4 in district units are currently working within the Department. ASSESSMENT: Obligation realized.
16. Annual researches on the existing conditions, forms, causes and methods of the appearance of corruption in the police	Police administration, Department for internal control	2007, Continuous	Police Directorate As reported, in the period 01. 09. 2006. – 31. 03. 2007., no investigation was undertaken on current conditions, forms, courses and methods of corruption emergence in the police. The measure is performed continuously regarding analysis of undertaken disciplinary and criminal procedure. Concerning quantities data of corruption, during this period one criminal complaint was submitted against one officer of the police Directorate for the criminal act of receiving bribe from the Art. 423 of the Criminal Code of Montenegro overlapping with the criminal act of illegal state boarder crossing from Art. 405 of the Criminal Code of Montenegro ASSESSMENT: Obligation not realized RECOMMENDATION: Police directorate is to, in cooperation with the Ministry of Interior; define the dynamics of this measure's realization.
17 Training and improvement of staffing capacities of the Department for internal control	Police administration, Police academy	Continuous	Police Academy: Training has not been realized. Police academy Work Program envisages it for the second part of 2007. Police Directorate: During the reporting period, no training for the Department's officers has been organized. ASSESSMENT: Obligation has not been realized. RECOMMENDATION: Police Academy is to deliver the training program (on its preparation) and to perform trainings according to the defined program.

18. Acquisition of the necessary equipment for the work of the Department	Police administration	2007-2008.	<p>Police Directorate: As noted in previous reports (semi-annual and monthly), realization of this measure is dependant on adequate solution for working space for the needs of the Department. In fact, the current working space does not provide conditions for supply of the equipment needed.</p> <p>ASSESSMENT: Obligation has not been realized.</p> <p>RECOMMENDATION: Police Directorate is to intensify the activities on realization of this measure.</p>
19. Establish the organization unit for monitoring the work of the Police administration	Ministry of interior	2007.	<p>Ministry of Interior: Act of internal organization and systematization of Ministry of Interior establishes the Sector for Security Matters, which include the Department for supervision, second instance administrative procedure, petitions and complaints. Filling the following working positions is ongoing: Head of the department and two independent advisors for administrative procedure. This unit will be completely staffed by the end of the month.</p> <p>ASSESSMENT: Obligation partly realized.</p> <p>RECOMMENDATION: Ministry of Interior is to comply with the defined dynamics.</p>
20. Promotion of the Code of ethics of public servants and state employees	Ministry of justice and all competent bodies, local self-government and NGOs	Continuous	<p>Ministry of Justice: In 2006, 10. 000 printed copies of the Code of Ethics were distributed to all state authorities. New structure and organization of Government foresees this to be the obligation of the Ministry of Interior.</p> <p>Customs Directorate: During the reporting period, there were no disciplinary procedures undertaken for the breach of standards and rules of the Code of Ethics of public Servants and Employees. Continuous promotion of the Code of Ethics of public Servants and Employees.</p> <p>Tax Directorate: In November 2006, Tax Directorate adopted its Code of Ethics envisaging strict compliance with the Tax and other laws of during the performance of delegated work, prevention of conflict of interest, corruption, abuse of powers and other negative phenomena as well as decent conduct of all employees. It is prepared as a brochure and translated to English. It has been distributed to all employees, put on the notice board and published on the Tax Directorate web site.</p> <p>Tax Directorate pays attention to the ethical, legal and honorable conduct of its employees and makes the Code of Ethics of public servants and employees in Tax Directorate, as well as the Code of ethics of public servants and employees, available to its staff and public on its website: www.poreska.uprava.vlada.cg.yu.</p> <p>ASSESSMENT: Obligation realized</p> <p>RECOMMENDATION: It should also be insisted on reports of local self-government and NGOs.</p>
21. Fulfilling the obligation for public office holders to submit reports on their incomes and property conditions	Commission for establishing the conflict of interest	Continuous	<p>Commission for Investigation of Conflict of Interests:</p> <p>Situation on 24. 05. 2007: out of 733 Republic officials, 692 or 94,4% submitted the report; out of 1079 local officials, 909 or 84, 2% submitted the report- there are changes (report provides the quantity explanation)</p> <p>Situation on 11.06. 2007: out of 746 Republic officials, 698 or 93, 6% delivered the report and out of 1079 local officials, 915 or 84, 8 % delivered the report.</p> <p>ASSESSMENT: Obligation realized. It is being realized continuously.</p> <p>RECOMMENDATION: Intensify activities on adoption of new Law on Conflict of Interests.</p>
22. Monitoring the giving and receiving gifts by the officials and employees through strengthening of internal control system	Commission for establishing the conflict of interest, competent internal control bodies	Continuous	<p>Commission for Investigation of Conflict of Interests: Seven registered presents, each of them worth more than 50 euros (link-presents register)</p> <p>Commission comment: Inability to hire the expert for determining the value of a present</p> <p>ASSESSMENT: Obligation realized.</p> <p>RECOMMENDATION: It is necessary to monitor the realization of this measure continuously. Intensify the activities on the adoption of new Law on Conflict of Interests.</p>
23. Updating and monitoring of the public register aimed at ensuring the transparency of financial and property	Commission for establishing the conflict of interest	Continuous	<p>Commission for Investigation of Conflict of Interests: Commission has its database with all public officials recorded since 2005. It shows the property, adopted decisions on breach of the law and the like. It is available at the web site of the Commission (www.konfliktinteresa.cg.yu). It is necessary to arrange with the Secretariat for Development the maintain ace of the database of the Commission's Service).</p> <p>ASSESSMENT: Obligation realized</p>

conditions of public office holders			
24) Reduction of discretionary powers of the holders of executive authorities: 1) Identification of discretionary powers, analysis and revision of the existing legislation 2) Defining proposals and amendments of the law in the spirit of prevention of possible abuse of discretionary powers	Government of the Republic of Montenegro, Parliament of the Republic of Montenegro, competent ministries, in cooperation with non-governmental sector	2007-2008.	Parliament of the Republic of Montenegro: Regardless of recommendation, the Parliament has no specific information. Ministry of Justice: Ministry of Justice is not able to provide the appropriate comment, due to the fact that this measure is too unspecific and broad. Namely, the state authorities system is complex and includes the whole set of institutions from the local to the central level. Competences of the contemporary state include economy, human rights protection, and fundamental freedoms, providing the adequate conditions for provision of health and social protection. Therefore, there are two issues regarding this measure: 1. what is implied under “discretionary powers” and 2. Which spheres of social life, in which state authorities intervene based on discretionary powers, provide possibilities for possible abuse? ASSESSMENT: Obligation has not been realized. RECOMMENDATION: National Commission is to revise the method of enforcement of this measure, considering that these powers are defined by law.
25. Publishing the rules and procedures (brochures, guides for the realization and protection of citizens' rights), on Internet	All competent administration bodies, local self-government bodies, NGOs	Following the adoption of the Action plan, Continuous	MANS: In cooperation with the Police Academy, the Manual for participants in traffic has been prepared and published (2400 copies). Brochures and other promotion material concerning public debate on Draft Spatial Plan until 2020. Customs Directorate: Customs Directorate submitted to CAFAO the final opinion on the Guide through the best practice-preliminary procedure for customs control. CAFAO will undertake the activities for publication of the Guide. Hosting of our links, with the view of promoting customs service work, customs procedures and regulations. Continuous preparation and submission of data on customs procedures for updating the web site. Police Directorate: During the reporting period, 45 public statements were delivered and forwarded on 70 email addresses. 15 responses were given to the requests (one containing four to seven questions) of Montenegrin, Serbian and Bosnian journalists, concerning more or less the current work and results of Montenegrin Police at that point. Statements and other information are available at www.upravapolicije.vlada.cg.yu . Tax Directorate: At the web site of Tax Directorate, in November 2006, the statement was published entitled „the Corruption“. This statement explain the meaning and adversity of corruption and invites citizens and tax payers to actively participate in fight against this social problem and to report all perceived conducts containing elements of corruption. The web also contains the statement inviting all citizens and tax payers to report any irregularity in applying tax regulations and possible abuse of power to number 9797 free of charge. With the view of complete education of citizens, Tax Directorate published on its web site all laws, sub legal acts and forms for application of these regulations and the work of this authority. Tax Directorate: Realization and protection of the citizens' rights are achieved by complete awareness. This issued is addressed continuously by the Tax Directorate. On its web site, Tax Directorate publishes statements, guidelines amend invitation for reporting all perceived irregularities and illegal conduct of tax officers and tax payers in the case of a breach of the tax regulations Police Directorate: Until 10.06, drafting rules and procedures (brochures, guidelines for protection and realization of citizens' rights) has not been initiated, but the idea is taken into account. However, one of the tools for realization of –Guide for access to information from the Police Directorate and the form are published on the web site of the Police Directorate and the notice board. In addition, under the campaign „Police in the service of citizens“, Police Directorate published telephone numbers for petitions and complaints. Regarding this measure, I believe that the Ministry of interior could make a contribution by publishing the information on issuing personal and other documents and answers to the most frequent citizens' questions (for example: what is a procedure for an underage person to obtain passport). Ministry of Interior: Obligation has not been realized. ASSESSMENT: Obligation partly realized. RECOMMENDATION: All competent authorities are to initiate the drafting of rules and procedures (brochures, guidelines for protection and realization of citizens rights)and to publish them on the internet not later than III quarter of 2007

<p>26. Defining, publishing and promoting procedures and examples of good practice for the submittal of reports and citizens' complaints</p>	<p>All competent state bodies, bodies of local self-government, NGOs</p>	<p>Following the adoption of the Action plan, Continuous</p>	<p>MANS: SOS MANS telephone recorded 233 reports of corruption. The report provides the quantities data. In April, there were 15 calls, in May 17 calls.</p> <p>Ministry of Interior: Partly realized. Regarding measure 19.</p> <p>Customs Directorate: Project „Open line“ is in the pipeline and it records citizens complaints made by telephone or in written form (44 calls recorded, 4 were complaints on the work of customs officers)</p> <p>Realized through „Open line“ project (April) - in reporting period, 7 calls were recorded and there were no complaints on the work of customs officers. Through „Open line“ project (may)-, 2 calls were recorded and there were no complaints on the work of customs officers.</p> <p>Police Directorate: During the reporting period, procedures and rules for submission of claims and complaints of citizens have not been defined. Provisions of the Art. 96 of the Law on Police define the right for submission of petition, time frame, time frame in which the police is obliged to respond to the submitter, right of the legal attorney of the submitter to participate in the process of defining facts regarding petition and his right to, if the response of the police is not satisfying, to turn to the Minister.</p> <p>Anti- Corruption Initiative Directorate: In February 2006, the Directorate initiated the realization of the project for improving public relations and promotional and preventive activities. These activities were realized with the assistance of PACO Impact, Council of Europe, and OSCE Mission to Montenegro. The project was finished in December 2006 and it included:</p> <ul style="list-style-type: none"> • creating special telephone line for criminal act report • appointing officers for communication with citizens • intensive public campaign • preparation of promotional material (posters, leaflets) • public announcements in daily papers • setting billboards (3x one month) <p>The project contributed to establishing cooperation between state authorities competent for prevention and fighting corruption, as well as, to the more active participation of citizens in the activities of anti-corruption. During the reporting period, Directorate was contacted) immediately or over the phone) for advice or information on corruption and for reporting a corruption. Regarding these criminal acts, the citizens mostly reported criminal acts of abuse of powers, unconscious work in service, offering bribe mostly in judiciary, state administration, local self-governments and public procurement.</p> <p>Following the creation of telephone line, in February 2006, Directorate continued with the reception of complaints on doubt in corruption.</p> <p>Tax Directorate: Tax Directorate published on its web site the Information for tax payers- Summer tourist season 2007, which includes the invitation to all citizens report possible perceptions of conduct with the elements of corruption in taxpayers and the breach of tax regulations. The information is submitted to the Ministry of Finance, Ministry of Tourism and all district units which will make it available to tax payers.</p> <p>Publishing the invitation to citizens, on its web site, to report possible perceptions of conduct with the elements of corruption in tax servants and employees and flashing banner by calling 9707 free of charge, this activity is realized continuously.</p> <p>Police Directorate: Not defining the procedures for submitting petitions and complaints of citizens is caused, above all, by the fact that the legal basis for adoption of sub legal act regulating the procedure of submitting and acting on complaints. Therefore, it is necessary, in the process of petition checking, to undertake the measures and actions according to the general provisions of pre-criminal procedure. In that regard, it is necessary to draft amends to the Law on Police, which would create the normative preconditions for the adoption of sub legal act defining the procedure for submission and acting upon complaints. With the view of realizing this measure, the Department for internal control and enforcement of powers proposed the amendments to the Art. 96 of the Law on Police.</p> <p>ASSESSMENT: Obligation partly realized. The obligation is realized continuously</p> <p>RECOMMENDATION: All bodies of local self-government are to initiate the realization of this obligation. More active role is also expected on the part of NGOs</p>
<p>27. In the annual reports</p>	<p>All competent</p>	<p>Continuous</p>	<p>Customs Directorate: Realized, incorporated in the previous report. Customs Directorate prepares also monthly reports that include financial indicators, offences, disciplinary procedures etc.</p>

<p>on the work of competent bodies and institutions, special part to be dedicated to the undertaken activities in the plan of the fight against corruption</p>	<p>state bodies, bodies of local self-government,</p>		<p>Police Directorate: Activities are realized continuously. Police Directorate: In the given period, Police Directorate submitted, to the competent state prosecutors, criminal complaints and processed 192 criminal acts with the following structure: - Abuse of office from Art. 416 KZ RCG.....181 - Offering bribe from Art. 424 KZ RCG.....6 - Receiving bribe from Art. 423 KZ RCG.....5. Tax Directorate: The Report of Work of the Tax Directorate, in the part of ASSESMENT and Conclusions, includes the activities undertaken in accordance with the measures and activities defined in the AP (MATRIX) for Implementation of the program for fight Against Organized Crime Ministry of Interior: Report of Work of the ministry of interior, which includes the work report of the human Recourses Management Authority and the Police Directorate, contains the measures related to the prevention of corruption. Agency for Anti- Corruption Initiative Obligation realized. Agency for Anti- Corruption Initiative submitted for 2005 and 2006. ASSESSMENT: Obligation partly realized. Obligation is being realized continuously RECOMMENDATION: All competent state and local self-government authorities are to continue with the submission of the Reports on performed activities for fight against corruption.</p>
<p>28. Establishing the team of trainers for the training of public servants and state employees on the implementation of the Law on free access to information</p>	<p>Public servants agency, Ministry of culture and media</p>	<p>2006.</p>	<p>Ministry of Culture, Sports and Media: Representative of the Ministry participates in training of public servants and employees. Eight persons, who gained the certificate for training public servants who are authorized to solve the requests for free access to information, have been elected Human Recourse Management Authority: Team of educators has been formed to train public servants and employees in enforcing the Law on free access to information. The Authority submitted the quantities data from the recommendation. ASSESSMENT: Obligation realized.</p>
<p>29. Training of public servants and state employees</p>	<p>Public servants agency, Ministry of culture and media</p>	<p>2006-2007.</p>	<p>Ministry of Culture, Sports and Media: On 3. 05. 2007 in Kolasin, Ministry of Culture, Sports and Media, in cooperation with the Council for Offences of RMNE, organized seminar for the presidents of first instance courts with the view of better enforcement of the Law, especially regarding tortuous liability (Chapter V of the Law). Representative of the Ministry of Culture, Sports and Media attended two seminars (in Pljevlja on 11. 05. and Kolasin 16. 05), dedicated to the practical enforcement of the law for persons in charge, within the authorities of local administration, who act upon requests for the free access to information. Seminars were organized by Human Recourses Management Authority and OSCE. In November 2006, Ministry of Culture, Sports and Media, in cooperation with Human Recourses Management Authority and OSCE, organized the seminar entitled "Practical enforcement of the Law on free access to information". Seminar was designed to suit the needs of persons working in state authorities who are authorized to act upon requests for the free access to information. Ministry of Culture, Sports and Media participated in the drafting of the training program regarding acting on requests for the free access to information, at the local level. The program is expected to start being realized from May and it should last until the end of 2007. Human recourses management authority: The three-day seminar, for persons who act upon requests for the free access to information in state administration. Human recourses management authority submitted the quantities data from the recommendation *33 authorized persons who act upon requests for free access to information. Preparations for seminar for authorized persons acting on Law on Free Access to Information are in process. (At local level). It is envisaged that all local authorities are included by the end of the year. Realized seminars for authorized servants acting on Law on Free Access to Information in Kotor, Budva, Kolasin, Mojkovac, Pljevlja, Niksic, Cetinje, Plav and Herceg Novi. Organization of the seminars in other municipalities is in process Customs Directorate: Realized within the reporting period. ASSESSMENT: Obligation realized.</p>
<p>30 Education of citizens</p>	<p>NGO</p>	<p>Continuous</p>	<p>MANS: INFO telephone is provided to citizens to seek information from the state authorities. 2962 claims, 829 complaints and 354 complaints have been submitted. Two round tables on free access to information were organized. Two publications were issued:</p>

and NGOs on the implementation of the Law on free access to information			<p>“Right to know” and the one concerning free access to information in privatization- “Behind the closed door”. Promotional material was distributed (report provides detailed quantities data)</p> <p>Media Institute: During the reporting period, Institute for Media organized (20. October 2006, in Bijelo Polje) the seminar entitled „Enforcement of the Law on Free Information- how to learn on one’s own and the mistakes of others”. The seminar was organized in cooperation with USAID/ORT MAP, Ministry of Culture and Media and Association of young journalists of Montenegro. The aim of the seminar was to contribute to the faster and better enforcement of the Law on free access to information and to foster cooperation between journalists and public servants on this issue. The seminar was attended by 20 participants, 11 of which are representatives of local self- government from 8 municipalities from the north of Montenegro and the rest are journalists and correspondents of national media in Montenegro.</p> <p>The base for dispute was the studies of good and bad examples of the law enforcement prepared by the Ministry and the Association of Young Journalists.</p> <p>Guide for the Law on free access to information was presented and distributed to the participants. It was prepared by AMB. This seminar was the second from the series of three under the same name. The first one was held in Podgorica on 30. 06. 2006. Third one- „Enforcement of the Law on Free Information- how to learn on one’s own and the mistakes of others”. Was organized in Becici on 24. 11. 2006. Financial support was provided by USAID/ORT MAP and the seminar was realized in cooperation with the Ministry of culture, sports and Media and Association of young journalists Seminar was attended by 20 representatives of the local self government from: Budva, Herceg Novi and Cetinje and journalists from TV Teuta (Ulcinj), radio Budva (Budva), radio Tivat (Tivat), Skala Radio (Kotor), Radio kotor (Kotor), Radio Herceg Novi (H. Novi), Radio Cetinje (Cetinje) Radio and Television of Montenegro (correspondents from Boka Bay). The aim of the project contribute to faster and better enforcement of the Law on free access to information and to foster cooperation between journalists and public servants on this matter.</p> <p>ASSESSMENT: Obligation realized. It is realized continuously.</p> <p>RECOMMENDATION: Other NGOs should participate in realization of this obligation in accordance with the public announcement from May 2007.</p>
31. Compilation of the guide for the access to information in the possession of public bodies	All state bodies and local self-government bodies	2006. 2007	<p>Customs Directorate: Guide prepared. Available on site.</p> <p>Anti- Corruption Initiative Directorate: In January 2006, Directorate adopted, in accordance with the law on free access to information, the guide for the access to information and published it on its web site.</p> <p>Ministry of Interior: During the reporting period, the Ministry adopted five decisions for the free access to information.</p> <p>Commercial Court: Commercial Court in Podgorica adopted the Guide for the free access to information owned by the Commercial Court on 16. 11. 2006: No. 909/ 06, was published on the notice board on the same day and submitted to the Supreme Court of Montenegro for publishing at: www.crps.cg.yu .</p> <p>Ministry of Culture, Sports and Media: Ministry of Culture, Sports and Media submitted circular letter to all chief administrators of municipalities in the Republic, requesting that not later than 10.06. Deliver the information on authorities, which adopted the Guide for the free access to information and the mode of its publishing. Response received by the chief administrator in Niksic. The urgent letter will be sent for submission of the mentioned data so the preparation of the Report on realization of obligations for the state authorities, in accordance with the Art. 4 paragraph 1 point 3 Law on free access to information, could be initiated.</p> <p>Tax Directorate: Tax Directorate prepared, according to the law, Guide for free access to information owned by the Tax Directorate in January 2006 and published it on its web site.</p> <p>ASSESSMENT: Obligation partly realized.</p> <p>RECOMMENDATION: Ministry of Culture, Sports and Media is to deliver the report on realization of this measure at local level by the end of III quarter of 2007.</p>
32. Compiling the Manual for public servants and Manual for citizens	Ministry of culture and media, NGOs	(2006.) 2007	<p>Ministry of Culture, Sports and Media: Material for preparation of the manual for public servants and employees, which is to facilitate the work of persons in charge of acting on requests for the free access to information? The manual is planned to be completed by the end of may 2007. Its printing will be financed by the Fund for Open Society. The work on drafting the manual for practical enforcement of the Law on Free Access to Information is continued.</p> <p>ASSESSMENT: Obligation partly realized</p> <p>NOTE: The manual is planned to be completed by the end of may 2007.</p>

33.Enable free access to information, in accordance with the Law	All state bodies	Continuous	<p>RECOMMENDATION: Ministry of Culture, Sports and Media is to realize the measure in provided timeframe.</p> <p>Customs Directorate: With the view of efficient enforcement of the Law on free access to information, in accordance with the Guide for the free access to information owned by the Customs Directorate, during the reporting period 4 request for the free access to information owned by the Customs Authority. All submitted requests were duly processed and solutions reached. Requested information was forwarded to submitters of claims in the legal timeframe.</p> <p>SEI: Requests for free access to information were addressed to SEI by MANS (Network for Affirmation of Non-Governmental Sector) namely: 1) for all comments on the Draft Spatial Plan of Montenegro; 2) for submission of all UN conventions regarding corruption and fight against organized crime.</p> <p>Ministry of Interior: During the reporting period, the Ministry adopted five decisions for free access to information.</p> <p>Anti- Corruption Initiative Directorate: Until March of 2007, 34 decisions on free access to information, in specified time framework. In April 2007, the directorate adopted 11 decisions on free access to information. In May 2007, the directorate adopted 11 decisions on free access to information.</p> <p>Commercial Court in Podgorica: During the reporting period, 10 requests for free access to information owned by the court were processed. Duly response followed 7 requests and for other 3 the procedure was initiated before the Administrative Court of Montenegro because the Administration failed to respond. The answer to these complaints was duly submitted.</p> <p>Tax Directorate: Between September 2006 and April 2007, Tax Directorate received 34 requests for the free access to information and solutions were adopted within the legal framework. The reports on acting under requests, Tax Directorate publishes on its site. 28. 02. 2007, Association of young journalists awarded the Tax Directorate with the award „Open door“ for being one of five most approachable organs in application of this law.</p> <p>In May, Tax Directorate received four requests for the free access to information; solutions were adopted within the legal framework. The reports on acting on requests, Tax Directorate publishes on its site.</p> <p>Police Directorate: In April 21 requests for delivering information were received and five complaints on passing the deadline to respond. Response was delivered to 7 requests and to five complaints. Collecting data for other 14 requests is under way. Response was delivered to request submitted by MANS on 06. 03. 2007. In accordance with the obligations from the Action Plan for the Program of Fight Against Corruption from September 2006 and 31. 03. 2007, the data are delivered. In accordance with the provided recommendation (measure 7.6) to deliver the information on realization of this measure, we note: All requests for free access to information that refer to the Action Plan are submitted by MANS, as well as all delivered complaints. In this period MANS submitted 25 requests, same questions. Acting in compliance with the submitted requests, MANS was provided with the answers based on the response from the competent authority. In certain cases, copies of documents were requested to be sent via mail or fax.</p> <ul style="list-style-type: none"> - In May 21, requests for delivery of information were received. As well as 13 complaints on passing the timeframe for information delivery and 4 repeated appeals. - Responses to 10 requests for information delivery, submitted in May, were submitted. - Responses to three repeated complaints were delivered. - Collecting data for submitting information regarding received requests is in process. - Administrative Court- interrupted the procedure upon the appeal of the MANS prosecutor. <p>Ministry of Justice: Ministry of Justice provides the access to information in its possession in the manner envisaged by the Law on Free Access to Information. The Guide for free access to information in possession of the Ministry of Justice has been prepared.</p> <p>ASSESSMENT: The obligation is realized continuously.</p> <p>RECOMMENDATION: All state authorities are to continue with the submission of information on realization of this measure.</p>
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RECOMMENDATIONS IN THE FIELD OF PREVENTION AND EDUCATION:

National Commission analyzed the Report on implementation of measures from this part of the AP and concluded that, with the view of ensuring quality and improvement of prevention and education, it is necessary to make further efforts for their realization. Therefore, it suggests that:

1. Technical equipping and functional working space insurance are priorities and have to be preformed through budgeting for 2008, as well as through nominating projects to donors and international organizations;
2. The Police Directorate should define the procedure for reporting the corruption and to promote it, in cooperation with NGOs, in order to realize more complete cooperation with citizens on this matter ;
3. The staffing capacities of the Department for internal control should be improved and that trainings for its officers should be provided;
4. The issue of working space and necessary equipment for work of the Department for internal control should be adequately addressed;
5. All competent authorities on central and local level and NGOs should continue the cooperation on drafting and publishing the rules and procedures (brochures, guides) for realization and protection of citizens rights by using the donors' and the assistance of international organizations.
6. Purpose and sustainability of measure 24 should be revised- reducing competences of executive power holders, due to vagueness of the very term of competence as well as the inability to prevent their abuse
7. All authorities on local and central level should continue the activities on planning and realizing the politics of anti-corruption and inform the national Commission on this. The activities for anti-corruption should be incorporated in annual reports of all institutions that prepare them.

C. PUBLIC, CIVIL SOCIETY (INCLUDING PRIVATE SECTOR) AND THE MEDIA

GENERAL ASSESSMENT

This Part of General objective of the AP provides measures referring to joint promotional and prevention activities of the Government and NGO sector, as well as the media with the view of educating the civil society about the negative consequences of corruption and organized crime. Performers of these activities are all state authorities, NGO sector and the media. In addition, the set of measures for participation of the private sector and business associations in the activities for providing fair and competitive business and investment.

General ASSESMENT on realization of these measures, during the reporting period, shows that the level of their realization is determined by the fact that they are continuously performed and that the performers have greatly realized the defined obligations.

Customs Directorate, Anti-Corruption Initiative Directorate, Tax Directorate as well as NGO ALPHA Centre, were the most prominent authorities in creating and realization of campaigns organized in order to increase the participation of citizens in the fight against corruption and organized crime (**measure 34,35**). These authorities organized several media campaigns and activities for the prevention of corruption and organized crime. Informational and promotional material, prepared for this purpose, was distributed. **Montenegro Media institute (measure 40)** organized the set of trainings and workshops for journalists, dedicated to reporting on anti-corruption, commercial crime and investigative journalism. Furthermore, with the view of prevention of monopolization of media, the legal regulation providing the transparent insight in ownership structure and precluding the illegal media concentration is underway. Draft law on unauthorized media concentration has been prepared and is expected to be adopted, according to the Government work plan, in IV quarter of 2007 (measure 41).

The part referring to promotional and preventive activities of Government and NGO for fighting corruption (**measure 36, 37, 38**) contains three crucial measures, which were emphasized in the European Partnership and Council of Europe. At this stage, only the Customs Authority has the Integrity Plan. It adopted the Action Plan on Integrity Development in customs Service in order to promote the integrity and reducing the risk of corruption within the service. Agency for Anti-Corruption Initiative planned for implementation of the research on forms, courses and mechanisms of the corruption emergence, which would be financially supported by UNDP and assisted by experts of UNODC (UN Office against narcotics and crime). For now, the agency is the only institution that plans and undertakes activities in this field.

Special progress has been achieved in education in the institutions for high education (measure 39) through the series of lectures and presentations organized by the Agency for A-Corruption initiative and the Ministry of Education and Science. Based on the survey performed by the Agency, during the month, it was concluded that the students expressed the need for continuous trainings on methods and procedures of fighting the corruption (complete results of the survey undertaken in 4 institutions will be published in July on the Agency site: www.antikorup.vlada.cg.yu). Continuation of these activities is planned for the next academic year and the idea of these programs being implemented in high- schools has been

expressed.

Regarding **private sector** and its participation in realization of activities for improvement the business environment, competition and investments (measure 42), it was concluded that these activities have been realized by the presentation of the Stabilization and Association Agreement, CEFTA Agreement, WTO accession, current laws in the field of market transactions (protection of competition and consumer protection) and that, through the Ministry for Economic Development and economic associations, further activities in realization of these measures should be fostered.

MEASURE	COMPETENT INSTITUTION	TIME FRAME (starting from the moment of adoption of the Action Plan)	ASSESSMENT / RECOMMENDATION FOR EACH MEASURE INDIVIDUALLY
34. Design and realize intensive public campaign with the aim of more efficient participation of citizens in the fight against corruption and organized crime	All public administration bodies, NGO sector, Media	Continuous	<p>Customs Directorate: Intensive campaign "Open line" was conducted during February and March 2007 (detailed quantities date provided in the Report). During the reporting period, 17.04. 2007, quarter press conference was held. The conference was attended by 10 media. The cooperation was established with the Office for cooperation with NGOs and two contact persons were appointed within the Customs Directorate. Within the regular public informing on the work results, press conference was held on 04. 05. 2007 with the special reference to the "Training for the use of small vessels on Skadar Lake" realized by the Coastal Guard of USA. The press conference was attended by 10 media. The public was also acquainted with the organizing the Customs exam for officers with the secondary professional qualifications, signing the Protocol on Cooperation with the faculty of law in Podgorica, performed exercise on small vessels with the instructors from USA. In addition, the work results of "Operational unit for fighting against illegal trade in cigarettes". Apart from the Office for cooperation with NGO, the cooperation was established with the Centre for NGOs development by appointing two contact persons.</p> <p>Police Directorate: The measure is realized in cooperation with the Agency for Anti- Corruption, which is in charge of these activities. International Organization for Migration and the Department for prevention of Organized Crime and Corruption initiated the campaign entitled „Stop the Trafficking in Human Beings" which is to last until April 2009 and includes preparation of leaflets, posters, brochures etc. These are distributed periodically to schools and organizations of all relevant cultural and sport manifestation in Montenegro.</p> <p>Anti- Corruption Initiative Directorate: During 2006, the agency carried out the campaign in the view of citizens' participation in the fight against corruption. The campaign included:</p> <ol style="list-style-type: none"> 1. announcement in daily „Vijesti" 2. preparation of leaflets and posters and their distribution to municipalities in Montenegro 3. During 2007, the Agency delivered posters and brochures to the Ministry of Education and Science (for schools in Podgorica and the University in Montenegro), Institute for Execution of Criminal sanctions and supreme State Prosecutor (for prosecutor offices in the Republic). <p>Following the creation of telephone line, in February 2006, the agency continued to receive the reports on doubts in corruption (see previous report: September 2006- March 2007). This activity has been realized from the Agency's budget, which prevented campaign that is more intensive, preparation of promotional material and public announcements in daily papers. Drafting the activity plan is underway and videos and radio shows are being prepared. Realization is planned to be initiated in III quarter of 2007.</p> <p>Ministry of Interior: Not realized.</p> <p>NGO„ALFA Centre“Nikšić: Public discussion „Terrorism today" was held on 01. 03. 2007 in Niksic. 260 people attended the discussion. 6 key speakers participated and the discussion lasted for 2 hours. 23 questions were posed and equal number of answers received. Radio „Montena", prepared two emissions on this event. Radio Niksic delivered one emission, TV „Niksic" also delivered the emission (20 min)</p> <p>Tax Directorate: Activities from the explanation – no. 20, 25, 26, 31, and 33 are continuously realized as a campaign, including appearances in TV shows promoting the importance of compliance to the legal regulations. Invitation to report cases of corruption is</p>

			<p>delivered to citizens also through the Tax Directorate web site. The citizens are also informed about the function of telephone line 9707.</p> <p>ASSESSMENT: Obligation partly realized. The obligation is being realized continuously.</p> <p>RECOMMENDATION: All state authorities, in cooperation with NGOs, are to continue planning and realization on awareness raising campaigns dedicated to corruption and organized crime.</p>
35. Designing flyers and information material on the problem of corruption and manners of fight against it			<p>Customs Directorate: During the reporting period, leaflets and informational material were prepared for the purposes of the „Open Line” campaign.</p> <p>Police Directorate: Measure is realized in cooperation with the Agency for Anti- Corruption. This measure refers to all state administration authorities, NGO sector and the media.</p> <p>Tax Directorate: Tax Directorate published on its web site the notice on the function of telephone line 9707 and the statement entitled „Corruption”. This statement explains the meaning and adversity of corruption and invites citizens and taxpayers to participate actively in fight against this social problem and to report all perceived conducts containing elements of corruption. This way, the activity is realized continuously.</p> <p>Ministry of Interior: Not realized.</p> <p>Anti- Corruption Initiative Directorate: Informational material (posters, brochures and the like) was distributed in May 2007, during the lectures held in institutions of high education. To the University „Mediterranean” the Faculty for State and European Studies. During this reporting period, 50 students attended the lectures and they were delivered the educational material. They also participated in anonymous survey, on the problem of corruption, the results, which will be, used in future anti- corruption activities. In early June (5th and 6th), the lectures were held in the University of Montenegro in Podgorica and Niksic. The informational material was distributed during the lectures. The lectures were attended by 50 students.</p> <p>As NGOs are defined by the AP to be in charge of certain activities, the Agency invited all NGOs to deliver the reports on activities regarding anti-corruption initiative realized in the period that followed the adoption of AP.</p> <p>ASSESSMENT: Obligation partly realized. The obligation is being realized continuously.</p> <p>RECOMMENDATION: All state authorities, in cooperation with NGOs, are to continue planning and realization on awareness raising campaigns dedicated to corruption and organized crime.</p>
36. Preparation of general and individual institution integrity plans	Government of the Republic of Montenegro, executive authority institutions	2007. Continuous	<p>Customs Directorate: Realized. In cooperation with STAT team, the project is being realized since 2003. In the framework of these activities, AP for Integrity Development in Customs Service has been prepared, with the view to promote the integrity and reduce the risk of corruption.</p> <p>ASSESSMENT: Obligation partly realized</p> <p>RECOMMENDATION: All state authorities, in cooperation with NGOs, are to continue planning and realization on awareness raising campaigns dedicated to corruption and organized crime.</p>
37. Researches on forms, causes and mechanisms of the appearance and manners of corruption	Directorate for anti-corruption initiative, NGOs, Media	Continuous	<p>Anti- Corruption Initiative Directorate: This obligation results from the GRECO Report on ASSESSMENT of RMNE and from the Government Work Program for 2007. Research will be realized in the second part of 2007 and will be carried out under the project „Building NGO capacities for participation in anti-corruption initiative in Montenegro. Project is financed by the UN Democracy Fund (UNDEF) and implemented by UNDP office in Podgorica and the Agency. UN Office against narcotics and crime (UNODC) will provide the expert help. The analyses of results of research on scope of corruption, its phenomena and characteristics will be presented to the public.</p> <p>Selection of UNODC experts is underway as well as defining methodology of research and segments to be treated. The project is expected to be initiated in III quarter of 2007.</p> <p>ASSESSMENT: Obligation partly realized</p> <p>RECOMMENDATION: Agency for Anti- Corruption Initiative is to comply with the determined dynamics and to inform the national Commission on the research founding not later than IV quarter of 2007.</p>
38. Change and amendment of the Ordinance on the	Government of the Republic of	2007.	<p>Anti- Corruption Initiative Directorate: Obligation not realized. The Agency have not initiated the amendments to the Decree on State Administration and Operations- article 25</p>

<p>organization and manner of work of public administration (article 25, competence of Anti-corruption initiative directorate), which shall make possible the research and drafting of studies on the condition and areas of corruption in the Republic of Montenegro, together with the recommendations for the improvement of activities in the plan of the fight against corruption</p>	<p>Montenegro, Ministry of finance (Anti-corruption initiative directorate)</p>		<p>ASSESSMENT Obligation not realized. PREPORUKA: Agency for Anti- Corruption Initiative is to prepare the amendments to the Decree on State Administration and Operations and forward it to the competent ministry for further procedure in the shortest possible time.</p>
<p>39. Periodical lectures in high schools and faculties on corruption and organized crime</p>	<p>Ministry of education and science and other line ministries NGOs</p>	<p>Continuous</p>	<p>Ministry of Education and Science, in October 2006 acquainted secondary schools and universities in the Republic with the obligations from the action plan regarding delivery of periodical lectures on corruption and organized crime during the academic year, in cooperation with Agency for Anti- Corruption Initiative. Promotional material was distributed to secondary schools (47). Regional conference, in cooperation with FOSI EOM entitled "Transparency, ethics and measures of anti- corruption in education" was held in October 2006.</p> <p>Anti- Corruption Initiative Directorate: In April 2007, the Agency, in cooperation, with the Ministry of Education and Science initiated the realization of the project focused on education on corruption that needs to be realized in all institutions of high education in the Republic. Special cooperation has been establish with the private University „Mediterranean" the Memorandum on Cooperation is planned to be concluded with this institution. The Agency also initiated organization of periodical lectures on corruption in the institutions of higher education.</p> <p>Anti- Corruption Initiative Directorate and Ministry of Education and Science: Based on the mutual interest for prevention and fighting the corruption, the Agreement on Cooperation between the Agency for Anti-Corruption Initiative and the University „Mediterranean" from Podgorica.</p> <p>The agreement defines, among other, the areas and the method of the future cooperation in prevention and fighting against corruption through joint research projects, organization of lectures, workshops, seminars and other scientific and professional activities of mutual interest, as well as through preparation of various publications and other promotional material.</p> <p>In the framework of mutual activities that the Directorate is realizing in cooperation with the ministry of Education and Science, at the University „Mediterranean" the lecture on the subject „Corruption in education" was delivered.</p> <p>During the lecture, students were acquainted with terms, historical development and forms of corruption, as well as with mechanisms for prevention and fight against corruptive conduct especially in higher education. Students were also acquainted with the basic activities of the Agency for Anti-Corruption Initiative and the Government of Montenegro regarding priorities in fighting corruption and with the special attention to the Action Plan for Implementation of the Program of fight against Corruption and Organized Crime. Furthermore, students had the opportunity to obtain information on rights and obligations in higher education, as well as on the contemporary tendencies and reform process in higher education. Most frequent examples of unethical conduct in academic environments and basic principles for intellectual property protection were presented to students.</p> <p>Cooperation of the Agency for Anti-Corruption Initiative and the Ministry of Education and science is continued by organizing second lecture on the subject of „Corruption in education" on the Faculty for State and European Studies. Students were acquainted with terms, historical development and forms of corruption as well as with mechanisms for prevention and fight against corruptive conduct. Students of the Faculty for State and European Studies were interested to hear more about competences of the Agency for Anti-Corruption Initiative, most frequent forms of corruption reported to this organ, further procedure and mechanisms available</p>

			<p>to citizens for prevention of corruptive conduct.</p> <p>Ministry of Education and science: 5.06. 2007. At the University of Montenegro, the lecture entitled „corruption in education” was delivered. Students were acquainted with the corruption phenomenon and measures to fight against it, as well as with method of the University’s activities, students rights on this matter.</p> <p>The cooperation continued on 06. 06 when the fourth lecture on corruption in higher education was held in Niksic. Students of the faculty of Philosophy were acquainted with the corruption, measures for its prevention and students’ role in this area.</p> <p>ASSESSMENT: Obligation realized. The obligation is being realized continuously.</p> <p>RECOMMENDATION: Ministry of Education and Science, and UAI are to continue the realization of this measure. The program of education should include secondary schools also. In the following reporting period, the Office for prevention of drugs addiction in Podgorica is to submit the report on realized activities in education about and prevention of drug addiction.</p>
40. Education of media on corruption and organized crime, and investigative journalism	Institute for Media and NGOs from the area of media	Continuous	<p>Media Institute: During the reporting period, Media Institute of Montenegro organized two trainings for journalists dedicated to reporting on business and economy, commercial crime and investigative journalism.</p> <p>Media Institute, supported by USAID/ORT organized five day training entitled »Reporting on economy and business for radio and television« (06.-10. November 2006)</p> <p>Training was attended by seven economy reporters from Radio and TV Atlas, TV Pink M, Radio of Montenegro, TV Boin and Radio and Television Pljevlja.</p> <p>Aim of the workshop was to improve the reporting on economy and business in informative and special programs of radio and TV stations in Montenegro, including corruption and commercial crime. All participants received the copy of the brochure „Ten practical advice for reporting in the area of economy and business” by Paul Hemt. Media institute organized training entitled „Investigative journalism and its application in the area of business and economy“. It was held in Podgorica between 23. -27. May. 2007. The donor was the Embassy of USA in Podgorica. The training was attended by 11 journalists and editors reporting on economy and business from the following media: Radio and Television of Montenegro, Radio and Television of Pljevlja, Pljevaljske novine, Radio Ozon, Radio Television Elmag, agency Mina Business, TV MBC and Vijesti. The aim of by the workshop was to develop and improve investigative journalism and converge to contemporary professional standards and practices.</p> <p>Tree day workshop program included the subjects of defining the commercial offences, character of criminal procedure and analyzing the cases of Marta Stuart, »sugar affair« in Serbia and other, reporting techniques, issues of social responsibilities and the Code of Ethics in reporting on commercial crime and abuse of powers etc.</p> <p>Integral part of the training was performed on the fourth day when the instructor visited RTV Elmag and radio Budva and held the meeting with the management of the media. On the fifth day, the instructor visited Television of Montenegro and daily paper Vijesti and met the journalists working on commercial crime.</p> <p>ASSESSMENT: Obligation realized. The obligation is being realized continuously.</p> <p>RECOMMENDATION: Media Institute is to, in cooperation with NGO; continue the realization of this measure.</p>
41. Adoption of the Law on illegal media concentration	Ministry of culture and media	2007.	<p>Ministry of Culture, Sports and Media: Draft Law on Unauthorized Media Concentration has been prepared. Government Work Program provides for the Draft Law on Unauthorized Media Concentration to be revised in IV quarter 2007. Drafting the Law on Unauthorized Media Concentration in the field of printed media is underway.</p> <p>ASSESSMENT: Obligation partly realized.</p> <p>RECOMMENDATION: Ministry of Culture, Sports and Media is to comply to dynamics in realization of this measure</p>
42. In cooperation with private sector, initiate and carry out activities in the plan of improvement of fair and competitive operations and investment	Government of the Republic of Montenegro, competent ministries, Chamber of commerce and	Following the adoption of the Action plan	<p>Police Directorate: Police directorate delivered the conclusions from the International conference “Micro financing in Montenegro” as well as from round tables organized on their part and which refer to removing problems and obstacles for the business development in Montenegro and providing grants for SME in Montenegro.</p> <p>Ministry for Economic Development: During the reporting period, former MIEREI now the MER, in cooperation with the chamber of commerce prepared the series of seminars related to fair and competitive operations. SAA, obligations following the accession to WTO, seminars on CEFTA Agreement, Law on Consumer Protection, Law on Competition Protection and laws in the area of technical regulations and standards were presented</p> <p>ASSESSMENT: Obligation partly realized</p>

	private sector		RECOMMENDATION: Ministry for Economic Development and the Chamber of Commerce, in cooperation with the Union of Employers, Montenegro E Directorate, and MIPA are to determine the plan of activities for improving fair and competitive operating not later than III quarter of 2007.
43. In cooperation with the Central register of the Commercial Court and other competent institutions, initiate the project of compiling and publishing «black» list of companies, convicted for criminal acts with the elements of corruption	Commercial court, Chamber of Commerce of the Republic of Montenegro, in cooperation with competent bodies and private sector	2008.	<p>Chamber of Commerce: In cooperation with CRPS and other competent institutions, the project for preparation and publishing the „black“ list of companies charged of criminal acts with the elements of corruption. Between September 2006 and March 2007, there were no activities regarding the realization of measures falling under competence of Commercial Court.</p> <p>Commercial court: Between March and June 2007, Central Company Register in Commercial Court in Podgorica prepared the working version of the Register of penalties of companies convicted of criminal acts with the elements of corruption. Until 30. 06. 2007, consultations with the line Ministry, Chamber of Commerce and other competent organs will be undertaken – in the view of defining the method of communication between the Central Register and these organs regarding collection of data from the penalty register and possible adoption of the legal act defining these issues in accordance with the Art. 42. Law on Liability of Legal Persons for Criminal Acts (Official gazette of RMNE, No 2/07)</p> <p>ASSESSMENT: Obligation not realized</p> <p>RECOMMENDATION: Commercial Court is to initiate the project of preparation of penalty register (“black list”) of companies and responsible persons for criminal acts with the element of corruption. Deliver the information on the level of realization until IV quarter 2007</p>

RECOMMENDATIONS IN THE AREA OF : PUBLIC, CIVIL SOCIETY (INCLUDING PRIVATE SECTOR) AND THE MEDIA

Bearing in mind the results achieved in implementation of the AP in this area, the national Commission recommends that :

1. All state authorities should, in cooperation with NGO continue the planning and realization of awareness raising campaigns related to corruption and organized crime;
2. Agency for Anti- Corruption prepares and submits to the competent ministry amendments to the Decree on State Authorities Organization and operations in the view of defining its competences, that is ensuring research on condition and areas of corruption in the Republic, followed by recommendations for improvement of activities for fight against corruption;
3. Ministry for Economic Relations and the Chamber of Commerce, in cooperation with the Union of Employers, Montenegro E Directorate and MIPA, should determine the plan of activities for improving fair and competitive operating.
4. Commercial Court should initiate the realization of the project for preparation of Register of Companies' penalty and persons convicted of criminal acts with the elements of corruption and make it available to the public.

D. LOCAL SELF-GOVERNMENT

GENERAL ASSESSMENT

Apart from determining the tracks of policy for fighting against corruption and organized crime, the Action Plan demonstrates the need for these actions to be realized on the local level. In this regard, the measure for adoption of local plans for anti-corruption is defined. These plans are adjusted to the specific working conditions at the level of local self- government.

Model of monthly activities report of local communities during the preparation of Action Plans for Anti-Corruption and in the area of anti-corruption campaigns, was realized through the Municipality Community. This model proved to be inadequate, considering that the Municipality Community does not have the capacity to deliver the regular reporting of local communities to the national commission. Therefore, it is necessary to improve the model of reporting at the local community's level.

It is necessary to provide the reports of the local self- government in cooperation with the Ministry of Interior (Sector for Local Self- Government) and Municipality Community. It is also possible to include the Union of Employers, which is interested in developing the model of social dialog at the local level and thus foster the activities in the area of the policy for anti-corruption and draft the action plans at local level.

MEASURE	COMPETENT INSTITUTION	TIME FRAME (starting from the moment of adoption of the Action Plan)	ASSESSMENT / RECOMMENDATION FOR EACH MEASURE INDIVIDUALLY
44. Drafting of local anti-corruption action plans related to the competency of local self-government, which are not comprised within the Program and Action plan for its implementation	Local self-government bodies, Ministry of Interior, NGOs, Union of Municipalities	2006-2007.	<p>Municipality Community has not submitted the detailed information on this measure. Municipality Community, on 18. 05. 2007, submitted an urgent letter to all municipalities in Montenegro directing them to deliver the reports on realization of measures defined by the Action Plan.</p> <p>ASSESSMENT: Obligation not realized. RECOMMENDATION: Ministry of Interior is to, through the Sector for local self-government, prepare a model of local Action Plan for Anti- Corruption, which would be harmonized with the objectives of the AP for implementation of the program for fight against corruption and organized crime.</p>
<p>RECOMMENDATIONS IN THE AREA OF LOCAL SELF- GOVERNMENT:</p> <ol style="list-style-type: none"> 1. Ministry of Interior is to, through the Sector for local self government, prepare a model of local Action Plan for Anti- Corruption which would be harmonized with the objectives of the AP for implementation of the program for fight against corruption and organized crime; 2. Model is to be delivered to all local self- communities and initiate their preparation; 3. This activity needs to be fostered also through the activities of future economic and social councils functioning under local self- communities. The establishment of these councils is underway. 			
III SPECIFIC MEASURES AGAINST CORRUPTION AND ORGANIZED CRIME			
A. EFFICIENT CRIMINAL PROSECUTION AND TRIAL			
A.1. PROSECUTOR'S OFFICE			
<p>GENERAL ASSESSMENTS</p> <p>This part of the Action Plan is committed to the capacity building and strengthening of the prosecution bodies, more precisely - state prosecution organization. Action Plan measures envisage the increasing of the number of prosecutors (measure 1) and providing adequate salary and working conditions. In order to implement these measures, the Government of the Republic Montenegro and Ministry in whose competence are judiciary issues, prepared in very short period of time Law on salaries and other incomes of the bearers of the judicial functions, and Constituent Assembly of the Republic Montenegro adopted this Law on 6 June 2007. The Law provided the increase of the salaries for 30 % (measure 2) for the judges in courts, president and judges of the Constitutional Court of the Republic of Montenegro, state prosecutors and their deputies.</p> <p>Continuous training of the state prosecutors is emphasized (measure 3 and 7) so as the introducing of the international standards in the field of fight against corruption and organized crime. At the end of the reporting period, SSP delivered detailed review of the carried out trainings of the state prosecutors and prosecutors from the Organized Crime Department in accordance with the Action Plan (32 trainings in total). This review included seminars, specializations, study visits and consultations in the country and abroad (21 activities). In addition to this, in the framework of the regional project CARDS, which lasted from 2004-2007, among all other activities, the entire line of seminars, workshops, and expert, assemblies have been organized on the plan of education and training of state prosecutors, in order to enhance their expertise in fight against the major crimes. This field has been supported in almost</p>			

all CARDS annual programs, and this tradition should be continued through IPA fund. It can freely be said that for the judicial functions bearers' needs, trainings that deal with the issue of the fight against crime are being constantly organized by the Montenegrin state institutions and by the organizations that support reforms in Montenegro: OSCE, Council of Europe, UNDP, etc. What is evident as well is that, on the bilateral plan, there is interest of certain number of the EU member states to support and give assistance in processes of training and education on the matters of organized crime and corruption. Nevertheless, what is missing is the access, which is more adjusted to our legislative framework, to our needs and with the experts from Montenegro, where the irreplaceable role has the Judge Training Centre. As the insight, precise and clear enough, into the training programs in field of corruption and organized crime, realized until now (through seminars, workshops, study trips, conferences, lectures), does not exist, it is necessary is to have Supreme State Prosecutor to prepare detailed information on aforementioned activities in the previous reporting period (**measure 6**).

In order to continue with carrying out of the activities that will contribute to capacity strengthening of prosecutor's office, the purchase of the equipment is planned (**measure 4 and 5**) for the Department for fight against organized crime, and the acquisition of the expert literature, as well. Although the opinion of the Supreme State Prosecutor's Office is that "existing equipment satisfies current needs", it is necessary to reconsider this position, specially in the light of the adoption of the new Criminal Code Procedure, according to which the conducting of the entire investigation is in state prosecutor's hands. In relation to this, Ministry of Justice and Supreme State Prosecutor should already now start taking concrete steps on securing the conditions for the successful implementation of the new Criminal Code Procedure. Concerning the fact that the application of the CCP will be certainly postponed for a reasonable period in order to conduct all necessary implementing activities, than it is necessary to anticipate special means in the budget of the Republic of Montenegro for 2008 and 2009. These budgetary means would enable full implementation of the Criminal Code Procedure. Ministry of Justice and the Supreme State Prosecutor continuously acquire expert literature to enable following and adoption of international standards and good practice in this field.

The activities on the establishment of the information system and database of the state prosecutor's organization are in progress (**measure 6**), which finance the Government of the USA, and technical and expert assistance will be provided by the Secretariat for Development. As the continuation of these activities, it is necessary to make the technical needs assessment of the Department for fight against organized crime, and the needs assessment all parts of the State Prosecutor's Organization as well, regarding the adoption of the Criminal Code Procedure.

Supreme Court in cooperation with the Secretariat for Development completed the report and collected the data on current state and the needs of the court information system, and next step is preparing of the implementation plan, precisely, defining of the time terms for the introduction of the information system into the courts (**measure 6.1**). However, according to the prescribed and actual methodology (Law on Statistics, Law on State Prosecutor and Rulebook on internal work of the State Prosecutor), and according to the data from the annual report on crime state in RMNE, Special Prosecutor for organized crime brought criminal charges and against 113 persons in 2006 (by submitting of the request for investigation conducting and proposal for direct indictment).

In order to establish unified judicial information system, which would connect all the users of this system into one entity, first-judiciary and prosecutor's office, it is necessary to intensify the activities on enabling methodological establishing of court sentences in effect database.

Regarding the realization of the measures that refers to the increase of the number of prosecutors, material and personnel capacities of the Department for fight against organized crime, and appointment of the Special Prosecutor Deputy (**measures 1,8,9,10**), National Commission was informed by the Supreme State Prosecutor that:

1) Increase of prosecutors number is conditioned with the adoption of the new Criminal Code Procedure, which will change existing staff structure in relation to strengthening of the state prosecutor's role in the investigation;

(8) There were no any activities in field of strengthening of material and staff capacities in the Department for fight against organized crime;

(9) Within this Department, until now, one Deputy Special Prosecutor for fight against organized crime was appointed, and appointing of one more deputy is planned for the close future.

In that sense, not even adequate technical staff could not have been provided for the Department for the fight against organized crime.

When the cooperation between Supreme State Prosecutor with the prosecutor's offices in the region and wider is the issue, on bilateral and multilateral level, it can be concluded that, in reporting period, the cooperation was established with the following institutions:

- State Prosecutor of the Russian Federation, General Prosecutor of Ukraine, State Prosecution of the Republic of Serbia, of the Republic of Croatia, B&H, Albania.

- Via Interpol, cooperation was established with the bodies of the prosecution of certain EU member states.
- Negotiations on signing of Memorandum on cooperation and understanding with the State Prosecutor's Office of Macedonia are in final stage (**measure 12**).

In order to organize the tasks allocation and task realization within prosecutor's administration, administrative-technical issues, and in order to organize the work of the State Prosecutor, Ministry of Justice adopted (**measure 12**) the Rulebook on internal work of the State Prosecutor ("Official Gazette of the RMNE", number 12/07). By application of this Rulebook, regular and prompt realization of the tasks is enabled, so as the realization of the other tasks important for organization and internal work of the state prosecutor.

MEASURE	COMPETENT INSTITUTION	TIME FRAME (starting from the moment of adoption of the AP)	ASSESSMENT / RECOMMENDATION FOR EACH MEASURE INDIVIDUALLY
1. Increasing the number of prosecutors	Supreme State Prosecutor, Council of Prosecutors	2006 - 2007.	<p>SSP: The High State Prosecutor's office in Podgorica has been strengthened by appointment of two new deputies of the High State Prosecutor, office of Basic State Prosecutor in Bar by appointment of one Deputy and the office of Basic State Prosecutor in Podgorica has been strengthened by appointment of two Deputies of Basic State Prosecutor (information from measure 6.1, efficient criminal prosecution and trial area).</p> <p>After adoption of the new Criminal Procedure Code, the existing employment/staff structure will be changed in sense of strengthening the state prosecutor's role in investigations.</p> <p>Having in mind the number of cases until now, relating to the crimes with the elements of corruption, there is no need for increasing the number of staff, but it is necessary to increase the number of staff in the Department for fight against organized crime, which will be realized in future period.</p> <p>ASSESSMENT: Obligation partly realized.</p> <p>RECOMMENDATION: Supreme State Prosecutor and Council of Prosecutors to reconsider the necessity for increasing the number of prosecutors in accordance with planned adoption of new CPC (Criminal Procedure Code).</p>
2. Securing adequate salaries and working conditions for prosecutors	Ministry of Justice and Supreme State Prosecutor	Continuous	<p>SSP: The Government adopted the Law on salaries of judges and state prosecutors, with the percentage of the salary increase. The opinion expressed that the percentage of increasing is not satisfactory.</p> <p>ASSESSMENT: Obligation realized.</p>
3. Implementing further training program for prosecutors 1) Informing the prosecutors about international criminal law and obligations of the state in the fight against corruption and organized crime 2) Implement the program of education of prosecutors with regard to the criminal offences with elements of corruption and organized crime (Criminal Code and Criminal	Supreme State Prosecutor, Judicial Training Centre	2006 - 2007.	<p>SSP: Additionally delivered detailed review of realized/held number of trainings for state prosecutors and for prosecutors from the Department for fight against organized crime in accordance with the Action Plan (32 trainings in total). This includes seminars, specialized trainings, study visits, and consulting trips in the country and abroad (21 activities). SSP delivered detailed report on the topics and the participants of the aforementioned variety of trainings.</p> <p>1) Referring to point 1, 18 trainings held. 2) Referring to point 2, 6 trainings held. 3) Referring to point 3, one training held. 4) Referring to point 4, 11 trainings held. 5) Referring to point 5, 14 trainings held. 6) Referring to point 6, 3 trainings held.</p> <p>Judicial Training Centre is in the phase of transformation, so the scope of planned activities, according to the Annual Training Program for 2007, is just partly realized.</p> <p>Judicial Training Centre, during the reporting period and in cooperation with the USA Embassy, has organized three one-day seminars in Podgorica, Herceg Novi, and Bijelo Polje, on topic "Responsibility of legal persons for crimes". Participants of these seminars were criminal judges, state prosecutors, and judges from Economic Courts. On these seminars, an expert presented the</p>

<p>Procedure Code)</p> <p>3) Implement the program of education for criminal offences (RMNE Chapter XXIII of the Criminal Code and Chapter XXVIII of the Criminal Code 2.3.4. Strategy of efficient criminal prosecution (entities, actions, measures, deadlines, pre-criminal and investigative procedure)</p> <p>4) Training on new forms of appearance of crime</p> <p>5) Training on use of SSM</p>			<p>experiences from the American practice.</p> <p>ASSESSMENT: Obligation partly realized. Obligation is being realized continuously.</p> <p>RECOMMENDATION: To continue with realizing all kinds of trainings and regularly inform the National Commission about it.</p>
<p>4. Purchase of equipment for the Department for the fight against organized crime</p>	<p>Supreme State Prosecutor, Ministry of Justice</p>	<p>After the adoption of the Action Plan, Continuous</p>	<p>Ministry of Justice: It is not in competency of MoJ</p> <p>SSP: The Department did not express any needs for the new equipment and the existing equipment is quite enough for the current needs (existing equipment purchased partly by the donor's resources).</p> <p>ASSESSMENT: Obligation partly realized.</p> <p>RECOMMENDATION: SSP to reconsider the need for the purchasing of the new equipment, in accordance with the new CCP through which the conducting of the entire investigation will be transferred to the prosecutors.</p>
<p>5. Acquisition of expert literature</p>	<p>Supreme State Prosecutor, Ministry of Justice</p>	<p>After the adoption of the Action Plan, Continuous</p>	<p>Ministry of Justice: Ministry of Justice, as the bearer of the Judiciary System Reform process, and according to its general role in the authority system, acquires continuously domestic and foreign expert literature, which relates to the current legal issues. Ministry continuously provides the expert literature and comparative regulations for the entire line of working bodies for the preparation of certain regulations and acts in the field of judiciary. There is also a library as an integrated part of the Ministry, which is on disposal to all employees in the Ministry.</p> <p>SSP: The expert literature have been acquired, especially all texts of conventions and international agreements.</p> <p>ASSESSMENT: Obligation realized. Obligation is being realized continuously.</p>
<p>6. Establishing the information system and data base and training of prosecutors</p> <p>3) Collection, preparation and analysis of statistical data regarding the offenders and structure of criminal offenses</p>	<p>Supreme State Prosecutor, Ministry of Justice</p>	<p>After the adoption of the Action Plan (III Q 2007)</p>	<p>Ministry of Justice did not deliver information on realization of this measure.</p> <p>SSP: SSP regularly submits annual report to the Parliament and informs the public on the state of criminality in RMNE in accordance with the regulated methodology. There is statistical report for 2006 for all crime cases in the SSP's Annual Report for 2006. Activities for establishing of the information system and database are in progress, funded by the American Government and technically supported by RMNE Secretariat for development.</p> <p>ASSESSMENT: Obligation is not realized.</p> <p>RECOMMENDATION: SSP to establish information system in prosecutor's office, as soon as possible, the end of III Q the latest.</p>
<p>7. Specialized training of prosecutors in the Department for the fights against organized crime for criminal prosecution in</p>	<p>Supreme State Prosecutor, Ministry of Justice</p>	<p>2007.</p>	<p>MoJ: In the framework of CARDS regional project, (2004-2007) the entire line of workshops, seminars, and expert assemblies have been held on plan of implementation of this measure. It can be freely said that there is continuous activity on realization of this measure, having in mind great number of the seminars constantly organized by organizations as OSCE, Council of Europe, UNDP, TAIEX, on topic- fight against criminal. We emphasize that the Law on judicial training gave central place to the Centre for Judicial Training in processes of training of judges and prosecutors. Centre for Judicial Training is organized as separate organizational unit</p>

criminal offenses with elements of corruption and organized crime			of the Supreme Court. SSP: Additionally delivered detailed review of realized/held number of trainings for state prosecutors and for prosecutors from the Department for fight against organized crime in accordance with the Action Plan (32 trainings in total). This includes seminars, specialized trainings, study visits, and consulting trips in the country and abroad (21 activities). ASSESSMENT: Obligation partly realized. RECOMMENDATION: SSP to determine the plan for specialization of prosecutors for conducting of crime cases with the elements of corruption and organized crime, in accordance with the GRECO recommendations. To deliver the information on follow-up to the NC until the end of III Q, 2007.
8. Increase material and human resource capacity in the Department for the fight against organized crime	Supreme State Prosecutor	2007.	SSP: The Supreme State Prosecutor of the RMNE, applying to the Article 81 of the Law on State Prosecutor, increased the monthly incomes of the state prosecutors in the Department for fight against organized crime, in such a manner that SSP stimulated them with the special addition in amount of 50% on their basic monthly salary. In that way, this measure is realized because the material capacities have been increased. ASSESSMENT: Obligation realized.
9. Appointment of deputies of the Special Prosecutor for the fight against organized crime	Supreme State Prosecutor	2007.	SSP: Deputy Special Prosecutor appointed. Concerning the fact that in 2006 Department for fight against organized crime received 20 charges, it is assessed that this Department has sufficient number of prosecutors. Nevertheless, in order to strengthen human resource capacity of this prosecutor's office even more, one more deputy special prosecutor will be appointed till the end of September 2007. ASSESSMENT: Obligation realized.
10. Technical staff of the Department for the fight against organized crime	Supreme State Prosecutor, Human Resource Management Agency	2007.	SSP: Technical staff has been trained professionally, selected on basis of special criteria, and because of peculiarity and nature of their work and all difficulties that go together with it-technical staff of this Department have been materially rewarded. ASSESSMENT: Obligation realized.
11. Signing of multilateral and bilateral agreements on cooperation	Supreme State Prosecutor	2007.	SSP: Bilateral agreements have been signed in September 2006 with the State Prosecutor of Russian Federation and with the General Prosecutor of the Ukraine-signed in Kiev. The signing of the Memorandum on cooperation and understanding with the State Prosecutor's Office of Macedonia is arranged on 21-22 March when the text of the Memorandum is also conformed and this Memorandum will be signed on 29 May 2007 in Ohrid, Macedonia. ASSESSMENT: Obligation realized. RECOMMENDATION: Implement this measure continuously in future.
12. Preparation and adoption of the Rulebook on internal activities of the State Prosecutor	Ministry of Justice, Government of the Republic of Montenegro	2006.	Ministry of Justice adopted the Rulebook on internal activities of the State Prosecutor ("Official Gazette of the RMNE", no 12/07). Registration forms and applications have been printed for the application of the Rulebook. ASSESSMENT: Obligation realized.

RECOMMENDATIONS FOR THE PROSECUTOR'S OFFICE:

Having in mind the current capacities of the prosecutor's office and the need for the increase of the number of prosecutors regarding the adoption of the new Criminal Code Procedure, National Commission recommends following:

1. Supreme State Prosecutor to define the plan of the specialization of prosecutors in field of criminal proceeding of the crimes with the elements of the corruption and organized crime, and in accordance with GRECO recommendations, specially those that have to be implemented in cooperation with the Judge Training Centre.

2. Ministry of Justice and Supreme State Prosecutor to take concrete steps on securing the conditions necessary for the implementation of the new Criminal Code Procedure in such manner that, while they prepare the text of the law, parallel they will start the costs assessments of its future implementation. In that sense, it is necessary to anticipate certain means in the budget of the Republic Montenegro for 2008 and 2009, which would secure full implementation of this Law.
3. Supreme Court, Supreme State Prosecutor, Ministry of Justice, and Secretariat for Development, in cooperation with the other competent institutions, to intensify the activities on establishment of judicial information system, and to inform the National Commission on realized activities until the end of IV quarter of 2007.

A.2. POLICE

GENERAL ASSESSMENTS

According to the Decree on organization and manner of work of Public Administration, Police Directorate has very complex scope of activities, whose main part represents the basis for the qualitative implementation of this Action Plan. However, Police Directorate (Art 28a of the Decree) carries out the tasks that relates to the:

- citizens' security protection and protection of the freedoms and rights determined by the Constitution;
- protection of property;
- prevention of committing and solving of crimes and offences;
- finding and arresting of crime perpetrators and escorting them to the competent institutions;
- maintaining of public law and order;
- securing of public assemblies and other gatherings of the citizens;
- protection of certain persons and buildings;
- traffic safety control and surveillance;
- state border control and surveillance and border crossing control;
- control of flow and staying of the foreigners;
- securing the conditions for undisturbed work of courts;
- maintaining of the public order;
- protection of the persons and property;
- crime investigation and analysis;
- criminal and other kinds of the registration;
- international police cooperation;
- making of the analysis, elaborates, studies and following of the certain security issues,
- Moreover, all other kinds of the tasks that are defined to be in the competence of the Police Directorate.

Surveillance and control of the Police Directorate work is in competence of the Ministry of Interior and Public Administration.

Having in mind all the needs of the reporting on implementation of Action Plan, all measures in this chapter (13 – 66) **are grouped, on the basis of general assessments and recommendations, into following 11 units:**

1. General measure for police capacity building (measures 13-18);
2. 10 special units that follow and analyze police capacity building in specific sectors:
 - Organized crime (measures 19-23);
 - Economic crime (24-27);
 - Secret Surveillance Measures application (28-37);
 - Trafficking in human beings (38-39);
 - Smuggling of narcotics (40-45);

<ul style="list-style-type: none"> ➤ Witness Protection (46-51); ➤ Forensic and other crime techniques (52); ➤ Terrorism (53-57); ➤ Cross-Border crime (58-61), and ➤ International Police Cooperation (62-66) 			
MEASURE	COMPETENT INSTITUTION	TIME FRAME (starting from the moment of adoption of the AP)	ASSESSMENT / RECOMMENDATION FOR EACH MEASURE INDIVIDUALLY IN THE FIELD: GENERAL MEASURES FOR THE POLICE CAPACITY BUILDING
13. Adoption of the Rulebook on internal organization and systematization of jobs (job description) in the Police Directorate	Police Directorate	2007.	Police Directorate: On 28.12.2006- Rulebook on internal organization and systematization. On 11.01.2007, this Rulebook came into force. ASSESSMENT: Obligation realized.
14. Adoption of the Rulebook on use of police authority		2006-2007.	Mol&PA: Ongoing: Final activities on preparation of Proposal of Rulebook on use of police authority. Police Directorate: Rulebook on use of police authority is in procedure for adoption in the Government of RMNE. ASSESSMENT: Obligation partly realized. RECOMMENDATION: Police Directorate to intensify the work on preparation of Rulebook on the manner of realization of certain police tasks and on the use of the authority during realization of these tasks.
15. Training the police in the sense of legally prescribed measures in the protection of all persons who report criminal offences of corruption and organized crime 1) Improvement and promotion of procedures for the protection of identity of the persons reporting corruption		Continuous	Police Directorate: In the reporting period, the trainings of the police in the sense of legally prescribed measures in the protection of all persons who report criminal offences of corruption and organized crime were not organized. Police Directorate: Police Directorate will launch the initiative for adoption of special regulations, which will regulate the protection of citizens who report criminal offences of corruption and organized crime. ASSESSMENT: Obligation is not realized. RECOMMENDATION: Police Directorate and Mol&PA to determine the plan activities for adoption of special regulations that will regulate protection of citizens who report criminal offences of corruption and organized crime. To inform the NC about the progress until the end of III Q 2007.
16. Improvement of mechanisms and institutes of protection of all officers who are involved in the fight against corruption and organized crime		2006, Continuous	Police Directorate: Mechanisms of protection are not legally defined. ASSESSMENT: Obligation is not realized. RECOMMENDATION: Mol&PA and Police Directorate to determine plan of activities for improving of mechanisms of protection of all officers who are involved in the fight against corruption and organized crime. To inform NC about development on this matter until the end of III Q 2007.
17. Creation of network of informants and definition of rules for the recruiting of the informants		Continuous	Police Directorate established the Working Group on 30.01.2007 which works on preparation of instructions on informant handling. Police Directorate: Working group prepared the Rulebook on informant handling. ASSESSMENT: Obligation partly realized. RECOMMENDATION: Police Directorate to inform NC on realization of this measure until the end of III Q 2007.

18. Establishment of the organizational unit that will deal with investigation in criminal offences of corruption	Police Directorate	2007.	<p>Police Directorate: In the Rulebook on systematization of job positions, Police Directorate established the Group for fight against corruption as a part of the Department for fight against organized crime and corruption on 11.01.2007. There are two officers employed in this Group who follow and investigate the corruption in private and state sector. Group for fight against corruption has full number of staff.</p> <p>ASSESSMENT: Obligation realized.</p> <p>RECOMMENDATION: Police Directorate, after completed analysis of the situation in the State, to consider increasing the number of officers who would be in charge for following and investigating corruption cases.</p>
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GENERAL ASSESSMENTS AND RECOMMENDATIONS FOR: GENERAL MEASURES FOR THE POLICE CAPACITY BUILDING

General assessment: Concerning these measures, Police Directorate achieved particularly good progress in the field of preparation and adoption of legislation that regulates police organization and systematization as one of the basic preconditions for the police work.

Progress is also evident in the field of the legal regulation of the measures regarding the protection of the persons who report corruption and organized crime, and protection of the police officers who work on the solving of these kinds of cases.

Recommendations:

1. Police Directorate to intensify the activities on preparation and adoption of the legislative that regulates protection mechanisms of the persons who report corruption and organized crime, and protection of the police officers who deal with these cases. Execution deadline is the end of the III quarter of 2007.
2. After the corruption state analysis in Montenegro is completed (for 2007), Police Directorate to consider possible increase of the number of the officers who deal with these crime cases.
3. According to the recognized financial needs of the Police Directorate for the implementation of the measures from the Action Plan (all the measures relating to the PD), it is necessary to consider the possibility of securing, and providing extra budgetary means for the measures whose implementation is planned for 2007. It is also necessary to plan bigger Police Directorate budget for 2008 in accordance with the defined measures whose implementation is planned for 2008.
4. In addition to this, it is necessary to consider possible providing of the external financing sources, through expert and technical support from international organizations interested in implementation of the Action Plan.

MEASURE	COMPETENT INSTITUTION	TIME FRAME (starting from the moment of adoption of the AP)	ASSESSMENT / RECOMMENDATION FOR EACH MEASURE INDIVIDUALLY FOR DEPARTMENT FOR FIGHT AGAINST ORGANIZED CRIME AND CORRUPTION
<p>19. Reorganization of the existing Department for the fight against organized crime, in the sense of defining the organizational level, as well as the scope of action</p> <p>1) Establishment of organizational units in the following fields:</p> <ul style="list-style-type: none"> • Financial organized crime • classical-general organized crime <p>2) within financial organized crime to</p>	Police Directorate	2007.	<p>Police Directorate: On the 11. 01. 2007, the Rulebook on systematization of job positions within Police Directorate was adopted. This Rulebook established the groups for fight against financial crime, general crime, and corruption. Within the Group for fight against financial crime, a position for fight against money laundering is established on which already works one person and this group deals only with the crime cases with elements of organized crime</p> <p>In the Department for fight against economic crime, three groups, which were established within this department, deal with the money laundering issues.</p> <p>ASSESSMENT: Obligation realized.</p> <p>RECOMMENDATION: Police Directorate to analyze periodically any needs for establishment of new organizational units and increase of the number of officers.</p>

establish the organizational unit for the issues of money laundering			
20. Securing functional working space for the existing Department for the prevention and fight against organized crime	Police Directorate	2007.	<p>Police Directorate: Functional working space is not provided.</p> <p>ASSESSMENT: Obligation is not realized. RECOMMENDATION: Police Directorate, as soon as possible, to provide and secure adequate and functional working space for existing Department for the prevention and fight against organized crime.</p>
21. Provision of continuous training of officers in the field of corruption and organized crime	Police Directorate	Continuous	<p>Police Directorate: On the 20. 04. 2007, in Strasbourg, France, CARPO-CARDS meeting was held where main topic was continuing of the training for the financial investigations. Working meeting organized by the OSCE was held in relation to training in the field of the fight against corruption and implementation of the UN Convention against corruption. ICMPD organized the first regional meeting in Sofia from 22-26 April 2007 with the topic "Transnational referral mechanisms used for protection of the victims of the trafficking in human beings". On that meeting, countries of South-Eastern Europe took part so as the countries-destinations for the victims of THB in order to implement aforementioned mechanisms on national level.</p> <ol style="list-style-type: none"> 3) On 11.05. and on 18.05.2007, on Police Academy four classes on topic »Organized smuggling of goods, narcotics, vehicles, art pieces and cultural-historical treasure over the State borders, forging of travel documents, counterfeiting of money, and illegal migrations« were held for the officers from the Crime Police Sector and Border Police Sector. 4) In the period from 23.05. - 26.05.2007, in Belgrade, organized by the OSCE, the seminar «Money Laundering, Financial Investigations, and confiscation of illegally acquired property« was held. 5) In the period from 29.05. - 01.06.2007, in Athens, organized by the Greek police, the second seminar in the framework of project »ILAEIRA«-fight against trafficking in human beings in South- Eastern Europe was held. 6) In the period from 07.05.-11.05.2007, in Sarajevo, organized by the OCTN program of the Council of Europe, the seminar »Investigations in fight against organized crime« was held, and the officers of this Department took part in it. 7) In the period from 23.05. - 25.05.2007, in Belgrade, organized by the OSCE, the seminar »Money Laundering cases related to organized crime« was held. 8) In the period 03-04.05.2007, in Bucharest, organized by »Marshal Centre«, the conference »Corruption in South-Eastern Europe« was held. One officer from the Department who was in Montenegrin delegation, headed by the Director of the Anti-Corruption Initiatives Directorate, took part in it 9) On the seminar organized by the ICITAP for the officers from the Crime Police in Police Academy in period 14-18. 05. 2007, two officers and Head from this Department held lecture »connection between corruption and organized crime in Montenegro and money laundering«, and lecture »general organized crime in Montenegro« as well. 10) On 29.05. and 30.05.2007, in hotel »Podgorica«, organized byTAIEX, the seminar on freezing and confiscation of illegally acquired revenues was held, and a police officer from Department participated on it. <p>ASSESSMENT: Obligation partly realized. Obligation is being realized continuously. RECOMMENDATION: To continue with training of the officers in field of corruption and organized crime, in accordance with the priorities that Crime Police Sector sets.</p>
22. Establishment of operative database in the field of organized crime	Police Directorate	Continuous	<p>Police Directorate: Police Directorate intensively work on project of establishment of operative database. Aforementioned operative database will be established in the framework of envisaged activities of the Special Verification Unit- ongoing project (measure no 34 in the framework of Special Verification Unit activities). Having in mind the complexity of creation and establishment of this kind of database, which will take certain time, we consider that Police Directorate should intensify activities on realization of this measure.</p> <p>ASSESSMENT: Obligation partly realized. RECOMMENDATION: Police Directorate to intensify activities on implementation of this measure and to provide follow-up for NC until the IV quarter of 2007.</p>

23. Purchase of technical and communication equipment	Police Directorate	2006. (2007-08)	<p>Police Directorate: Technical equipping of this organizational unit is directly connected with the defining of new working space, in order to connect with the rest of segments of Police Directorate through unified information system, application of SSM and by usage of other technical capacities that are necessary for efficient work of this Department.</p> <p>ASSESSMENT: Obligation is not realized.</p> <p>RECOMMENDATION: Police Directorate, after adequate and functional working space is found, to intensify the activities on implementation of this measure.</p>
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GENERAL ASSESMENT / RECOMMENDATIONS FOR DEPARTMENT FOR FIGHT AGAINST ORGANIZED CRIME AND CORRUPTION

General assessment: Police Directorate achieved progress in part of reorganization of the Department for fight against organized crime and corruption regarding the increase the number of officers through systematization of job positions, and through defining of organizational units within Department, which will deal with the issues of financial organized crime (and money laundering), general crime, and corruption.

Significant progress is evident on the plan of carrying out continuous trainings for the officers in this organizational unit.

However, the problem of the lack of employees (officers) for the job positions designated by the new systematization is identified.

The problem of providing adequate and functional premises for the officers of this organizational unit is also evident, so as the acquisition of equipment which is conditioned by the previous providing of the working premises.

Recommendations:

1. Until the end of IV Q of 2007, to recruit the staff for the vacant job positions, in accordance with the new systematization.
2. Until the end of IV Q of 2007, to make the analysis of the needs for the establishing of the organizational units within this Department and necessity for the increase of the number of officers, and after this is realized, periodically make analysis of needs approximation.
3. Until the end of IV Q of 2007, Police Directorate to carry out all necessary activities in order to provide functional working premises and technical equipment according to the needs of the Department.
4. To start carrying out of the trainings in field of investigating the crime cases of corruption.
5. We consider that establishing of the operative database in field of organized crime should be analyzed in aspect of implementation of measures for Special Verification Unit, in whose competence is establishing of operative database on central level.

MEASURE	COMPETENT INSTITUTION	TIME FRAME (starting from the moment of adoption of the AP)	ASSESSMENT / RECOMMENDATION FOR EACH MEASURE INDIVIDUALLY FOR DEPARTMENT FOR FIGHT AGAINST ECONOMIC CRIME
24. Reorganization of the existing Department for the fight against economic crime in the sense of defining organizational level, as well as the scope of action 1) Establishment of the organizational unit within the Department for the fight against economic crime, which will deal with the issues of money laundering and	Police Directorate	2007.	<p>Police Directorate: On the 11. 01. 2007, the Rulebook on systematization of job positions within Police Directorate was adopted, according to which, the Department for fight against economic crime was reorganized. Special unit for dealing with issues of money laundering and financial investigations was not established within this Department, because these issues and cases will be treated in all three groups. That is: Group for fight against economic crime in production, internal trade, tourism, hotel and restaurant management; Group for fight against economic crime in foreign trade and salaries turnover with other countries; Group for fight against economic crime in banking and other financial institutions, salaries turnover in the country, and all other non-economic and independent activities.</p> <p>ASSESSMENT: Obligation realized.</p>

financial investigation (identification and confiscation of illegally acquired property)			
25. Securing functional working space for the existing Department for the fight against economic crime	Police Directorate	2007.	Police Directorate: Functional working space is not provided for existing Department. ASSESSMENT: Obligation is not realized. RECOMMENDATION: Police Directorate, as soon as possible, to provide adequate and functional working space for existing Department for fight against economic crime.
26. Training of officers of this Department in order to implement the following: <ul style="list-style-type: none"> Investigation of criminal offences of corruption Financial investigations (identification and confiscation of illegally acquired property) 	Police Directorate	2006-2007, continuous	Police Directorate: 1. There were no trainings held in this month relating to these issues and cases. The procedure of discussing the models of organizing the trainings on the topic- investigations of crime cases of corruption- is still ongoing. 2. There were no trainings held in this month relating to these issues and cases. (April, May) 1. In the period from 25 - 29. 09. 2006, in Police Academy in Danilovgrad, the seminar "INVESTIGATION TECHNIQUES IN PROCESSING OF FINANCIAL CRIME" was held, organized by Ministry of Finance of the USA (Office for technical assistance and law enforcement). Participants of the seminar were officers from the Department for fight against economic crime (16 participants); 2. In the period 24-25.01.2007, in Podgorica, in the framework of CARDS POLICE project, the seminar-training "FINANCIAL INVESTIGATIONS AND CONFISCATION OF ILLEGALLY ACQUIRED PROPERTY" was held. The participants on this seminar, among others, were also the officers from Department for fight against economic crime (13 participants). In the period 21.-22.11 2006, in Skopje, the seminar "ORGANIZED CRIME AND CORRUPTION" was held, where one officer from the Department for fight against economic crime participated.(I report) ASSESSMENT: Obligation partly realized. Obligation is being realized continuously. RECOMMENDATION: Police Directorate to intensify the activities on preparation of all kinds of trainings and education for the officers from Department for fight against economic crime (especially in the field of corruption), including the training and providing of new trainers/instructors for conducting of trainings relating to field of financial investigations.
27. Purchase of technical and communication equipment	Police Directorate	2007.	Police Directorate: Technical equipping of this organizational unit is directly connected with the defining of new working space, in order to connect with the rest of segments of Police Directorate through unified information system. Further technical equipping of this working line will be partly directed to organizational units in the field. In the reporting period, certain number of the units in the south of the Republic (coastal region) was technically equipped. ASSESSMENT: Obligation partly realized. RECOMMENDATION: Police Directorate to continue with the activities on implementation of this measure.

GENERAL ASSESMENT / RECOMMENDATIONS FOR DEPARTMENT FOR FIGHT AGAINST ECONOMIC CRIME

General assessments: Police Directorate achieved progress in part of reorganization of the Department for fight against economic crime regarding the increase the number of officers through systematization of job positions, and through defining of organizational units within Department.

Significant progress is evident on the plan of carrying out continuous trainings for the officers in this organizational unit, except in the field of crimes of corruption.

The problem of providing adequate and functional premises for the officers of this organizational unit is also evident.

Recommendations:

1. Until the end of IV Q of 2007, to recruit the staff for the vacant job positions, in accordance with the new systematization.

2. Until the end of IV Q of 2007, to make the analysis of the needs for the establishing of the organizational units within this Department and necessity for the increase of the number of officers, and after this is realized, periodically make analysis of needs approximation. While making these analysis, to pay special attention on the need for establishing organizational unit for financial investigations, which would deal with the investigating of the potential property benefits for all crime cases that generate property benefit, and which do not have

elements of the organized crime.

3. Until the end of IV Q of 2007, Police Directorate to carry out all necessary activities in order to provide functional working premises and technical equipment according to the needs of the Department.

4. To start carrying out of the trainings in field of investigating the crime cases of corruption.

5. We consider that establishing of the operative database in field of organized crime should be analyzed in aspect of implementation of measures for Special Verification Unit, in whose competence is establishing of operative database on central level.

MEASURE	COMPETENT INSTITUTION	TIME FRAME (starting from the moment of adoption of the AP)	ASSESSMENT / RECOMMENDATION FOR EACH MEASURE INDIVIDUALLY FOR SPECIAL VERIFICATION UNIT
28. Definition of the organizational level and reorganization of the existing Special Verification Unit (in order to create the conditions for the use of SSM)	Police Directorate	2007.	<p>Police Directorate: Realized.</p> <p>28. 12. 2006. Rulebook on systematization and organization adopted, existing structure was changed. Organizational level defined.</p> <p>11. 01. 2007. Rulebook came into force.</p> <p>ASSESSMENT: Obligation realized.</p> <p>RECOMMENDATION: To conduct analysis periodically on the needs of the new organizational units and increase of the number of staff.</p>
29. Improving operations through the establishment of the units for: <ul style="list-style-type: none"> • SSM application • Operative analysis 	Police Directorate	2007.	<p>Police Directorate: Establishing of the unit realized. Engagement of the staff for the vacant job positions and technical equipping ongoing.</p> <p>According to the Rulebook on organization and systematization, within the Special Verification Unit, four organizational units/groups are formed:</p> <ul style="list-style-type: none"> - for application of SSM: <ul style="list-style-type: none"> Group for monitoring and exploitation; Group for observation and documenting; Group for operative technique; - for operative analysis: <ul style="list-style-type: none"> Group for criminal-intelligence analysis. <p>ASSESSMENT: Obligation realized.</p>
30. Providing new and reconstructing the existing space	Police Directorate	2006-2007.	<p>Police Directorate: Special Verification Unit initiated solving of the issue of the necessary working space for newly established four groups.</p> <p>For the Group for monitoring and exploitation and for the Group for criminal-intelligence analysis the solution will be found in the existing office capacities of the Police Directorate building. The plan has been made in which the needed number of offices is specified. Realization is expected to be completed until the end of this year. After the offices are provided, the additional means for equipping of the mentioned offices will be necessary to provide.</p> <p>The Department proposed two solutions for the Group for observation and documenting and for the Group for operative technique. Having in mind the specifics of the tasks that these two groups deal with and the specifics of the offices they need (workshops, laboratories, open and closed garages), one solution would be providing of the offices in the separated premises of the Police Directorate, and the second solution would be renting the premises for longer period of time.</p> <p>Police Directorate does not have determined resources in the budget for this purpose.</p> <p>ASSESSMENT: Obligation is not realized.</p> <p>RECOMMENDATION: Police Directorate, as soon as possible, to provide adequate and functional working space.</p>

31. Recruitment and training of necessary staff	Police Directorate	2007. Continuous	<p>Police Directorate: Recruiting model developed. The number of employed staff achieved: 54%. Recruiting model developed. The number of employed staff achieved: 48, 5%. The number of the officers trained: 16. The number of the trainings held: 1</p> <p>This organizational unit did not entirely realize and fulfill the needs for the new personnel for the new job positions defined by the new systematization. The limiting factors in the recruitment process are the lack of the staff of the specific professions specialized for intelligence work, so as the lack of adequate work motivation. It specially makes the very recruitment more difficult and hiring of the necessary number of specialized personnel, and it also creates the danger of possible leaving of the existing, already qualified and trained staff (very low social status of the employees, low salaries, pure solving of the housing problem, etc.). The second limiting factor for recruitment of the new staff is the lack of the working space which does not satisfy the needs even of the existing number of the employees.</p> <p>ASSESSMENT: Obligation partly realized.</p> <p>RECOMMENDATION: To continue with the recruitment and training of the necessary personnel.</p>
32. Implementation of: 1) Basic training 2) Specialized training for newly recruited and old staff	Police Directorate	8) 2006/07 9) Continuous	<p>Police Directorate:</p> <p>1) Basic training: In the field of surveillance methods (observation and documenting) - two weeks training held for 16 officers in the RMNE.</p> <p>2) No specialized trainings held.</p> <p>In the framework of Program for education, specialized training and specialized advanced trainings of the employees in the Police Directorate, Ministry of Interior and alternative subjects of security, it is envisaged to have the employees and officers of the Department participating on 18 trainings/seminars in period until the 1 April 2008.</p> <p>In the framework of project: "Police Capacity Building referring to intelligence work in Montenegro", which will be realized in cooperation with the police of Sweden and the Swedish International Cooperation and Development Agency (SIDA), very important trainings are planned to be held.</p> <p>The independent realization of such programs is not possible having in mind the lack of own financial means, so the Department is forced to realize those training programs in which certain foreign donors are interested.</p> <p>ASSESSMENT 1: Obligation partly realized. Obligation is being realized continuously.</p> <p>ASSESSMENT 2: Obligation is not realized.</p> <p>RECOMMENDATION: To continue with the realization of future trainings.</p>
33. Purchase of technical equipment for the application of SSM	Police Directorate	2007. Continuous	<p>Police Directorate: In the reporting period, Police Directorate purchased one part of the equipment for this unit's needs. The acquisition of additional equipment in order to enable this Department to apply and use all secret surveillance measures envisaged by Criminal Code Procedure is ongoing.</p> <p>Precondition for enhancing of the capacities for telecommunication surveillance is moving to the new working premises and determined means in the budget.</p> <p>Means from the budget are necessary also for following: Renovating of the motor pool of the Group for observation and documenting; acquisition of protected communication system; acquisition of the equipment for audio, video and GPS surveillance (including digital maps and software); installation of equipment in two donated vehicles for operative technique.</p> <p>ASSESSMENT: Obligation partly realized.</p> <p>RECOMMENDATION: Police Directorate to intensify the acquisition of technical equipment.</p>
34. Establishment of unified database of operative intelligence data	Police Directorate	2006-2007.	<p>Police Directorate: Establishing of direct links with the regional units in progress. The proposal for establishing of Working group for developing of information system has been created. However, the Working group that will conduct research on information systems with the financial help from Swedish police is established in Police Directorate with the main goal to find out the best solution for future needs and improvement of the information (IT) system of the Police Directorate. It is planned for the future period to provide means necessary for sustainable development via annual payment of licenses, upgrading of software packages and paying for information from open sources (prescribe for internet sites).</p> <p>ASSESSMENT: Obligation partly realized.</p> <p>RECOMMENDATION: Police Directorate to intensify the activities on implementation of this measure.</p>

35. Definition of models of intelligence process (standardization)	Police Directorate	2006-2007.	<p>Police Directorate: new standard in process of registration of information in solving major crime cases has been introduced. In the framework of defining models of intelligence process, a new project was launched and its implementation has began through connecting and establishing of direct links with the regional units of the police. The significant progress in implementation of Models of intelligence process in Police Directorate work is expected to achieve through realization of activities defined by the project "Police Capacity Building regarding intelligence work in Montenegro".</p> <p>ASSESSMENT: Obligation partly realized.</p> <p>RECOMMENDATION: Police Directorate to intensify the activities on the process of defining the models of intelligence work.</p>
36. Securing links and connections with computer networks and databases in institutions and companies (e.g. Telecommunication service providers, Customs Directorate, Tax Directorate, Real Estate Agency, Central Depository Agency, housing-communal services)	Police Directorate	2006-2007.	<p>Police Directorate: Police Directorate during reporting period did not realize the measure. Concerning the segment of linking to the providers of telecommunication services, it is still waited for amendments on (or the adoption of the new) Law on telecommunications, which would enable the realization of this measure. In relation to the linking of the Police Directorate and other subjects (Customs, Tax Agency) the activities on preparation of Agreement on cooperation are in progress, and in this agreement the issue on these measures will be defined.</p> <p>ASSESSMENT: Obligation is not realized.</p> <p>RECOMMENDATION: Police Directorate to intensify the activities on implementation of this measure.</p>
37. Establishment of operational budget within the budget of the police, or signing of the agreement with the Central Bank in order to secure the funds for the implementation of SSM (fictitious purchase, fictitious bribe, money for demonstration)	Police Directorate, Central Bank of Montenegro	2006. Continuous	<p>CBMN: The Agreement was not signed.</p> <p>Police Directorate: Police Directorate and the Central Bank of Montenegro did not sign the Agreement relating to the establishment of operative fund that would enable implementation and application of the secret surveillance measures (fictitious ransom, fictitious bribing,-giving and taking).</p> <p>No data.</p> <p>ASSESSMENT: Obligation is not realized.</p> <p>RECOMMENDATION: Police Directorate, latest to the end of IV quarter of 2007, to sign the agreement with the CBMN in order to implement this measure.</p>

GENERAL ASSESMENT / RECOMMENDATIONS FOR SPECIAL VERIFICATION UNIT

General assessments: Police Directorate achieved progress in part of reorganization of the Department for fight against organized crime and corruption regarding the increase the number of officers through systematization of job positions, and through defining of organizational units within Department.

Significant progress is evident on the plan of carrying out continuous basic and specialized trainings for the officers in this organizational unit.

However, the problem of the lack of employees (officers) for the job positions designated by the new systematization is identified, due to the lack of staff of the adequate professional profile, and due to the lack of motivation among the officers in other organizational units, for the transfer to this organizational unit.

Despite to the fact that the part of the equipment is acquired for this organizational unit, still the problem of the acquisition of the rest of the necessary equipment for full implementation of the secret surveillance measures is a problem, which is mainly conditioned with the lack of the budgetary means.

Concerning the process of establishing unified centralized operative database, and defining of the intelligence process models, this organizational unit started initiated all-inclusive activities on implementation of these measures, and first results are already evident. Aforementioned activities are being carried out in cooperation with the foreign police services and in line with the European standards.

Police Directorate still did not establish direct links for connecting to the computer databases of other State and economic subjects, in order to provide faster and more efficient data exchange. Limitations on this issue are mainly conditioned by the adoption of new (or amendments of existing) legal acts in field of telecommunication (regarding the access to the databases of the telecommunication providers), or by the signing of the agreements with the other State institutions (Customs Directorate, Tax Agency, Real-estate Directorate, etc). in

addition to this, the agreement between Police Directorate and Central Bank of Montenegro, which would enable establishing of operative fund for implementation of secret surveillance measures (fictitious ransom, fictitious bribing,-giving and taking), was not signed. This agreement would provide for the Police Directorate to use the money of the CBMNE temporarily, with all necessary security measures, for implementation of secret surveillance measures.

Recommendations:

1. Until the end of IV Q of 2007, Police Directorate to carry out all necessary activities in order to provide functional working premises and technical equipment according to the needs of the Department. This measure should be set as the high priority in implementation process, comparing to the rest of the measures and on the level of Police Directorate.

2. Until the end of IV Q of 2007, to make the analysis of the needs for the establishing of the organizational units within this Department and necessity for the increase of the number of officers, and after this is realized, periodically make analysis of needs approximation.

3. Until the end of IV Q of 2007, to recruit the staff for the vacant job positions, in accordance with the new systematization.

4. To continue carrying out of the basic and specialized trainings of the officers in this Unit.

5. To continue with the implementation of the measure of establishing unified operative database, and defining of the intelligence process models, according to the determined dynamic, in order to secure undisturbed work of police, and to adopt and implement, as soon as possible, working model «Intelligence Led Policing».

6. Police Directorate to take part in the preparation of the amendments of the existing Law on Telecommunication, and to initiate signing of the agreement, which will enable police to have access to the databases of the telecommunication providers and state institutions, in accordance with the authorizations granted to the police by the foreseen Criminal Code Procedure.

MEASURE	COMPETENT INSTITUTION	TIME FRAME (starting from the moment of adoption of the AP)	ASSESSMENT / RECOMMENDATION FOR EACH MEASURE INDIVIDUALLY FOR SPECIAL TEAM FOR FIGHT AGAINST TRAFFICKING IN HUMAN BEINGS
38. Reorganization of the special team for the fight against trafficking in human beings in the sense of defining legal framework for action, organizational level, as well as scope of action 1) Establishment of Teams for fight against trafficking in human beings in all territorial organizational units 2) Provision and reconstruction of working space 3) Establishment of database within the Special team in order to collect all data at one place and to centralize it 4) Purchase of technical equipment 5) Implementation of	Police Directorate Office of national coordinator for fight against trafficking in human beings	1) 2007 2) 2007. 3) 2007. 4) 2007. 5) 2007. i 2008.	<p>Police Directorate: According to the new Rulebook on systematization dating from 11 January 2007, Special team for fight against trafficking in human beings organizationally is transferred into Department for fight against organized crime and corruption in the group for fight against general crime, and the position of High police commissar of I class for fight against crimes of illegal migration, organized smuggling and trafficking in human beings was established, and an officer has already been appointed on that position. Specialized training for the officers on the level of regional units of the Police Directorate is organized in cooperation with National coordinator and international organizations.</p> <p>Bilateral cooperation has been established with the agencies in the region through national offices for fight against trafficking in human beings, through NGOs, international organizations such as: IOM, UNICEF, etc., international police organization Interpol and SECI Centre.</p> <p>ASSESSMENT 1: Obligation realized. ASSESMENT 2: Obligation is not realized. ASSESMENT 3: Obligation partly realized. ASSESMENT 4: Obligation is not realized. ASSESMENT 5: Obligation realized. Obligation is being realized continuously. ASSESMENT 6: Obligation realized. Obligation is being realized continuously. ASSESMENT 7: Obligation partly realized. Obligation is being realized continuously.</p> <p>RECOMMENDATION: Police Directorate to provide adequate and functional working premises and technical equipment.</p> <p>NOTE: - The rest of the measures, appointed to the Special team for fight against trafficking in human beings, have been analysed and treated through implementation of measures of the Department for fight against organized crime and corruption, where this working</p>

<p>specialized training</p> <p>6) Training and education of police officers in order to identify victims of trafficking in human beings, official prosecution, protection of victims and prevention)</p> <p>7) Establishment of bilateral cooperation between these departments in the region</p>		<p>6) 2007.</p> <p>7) Continuous</p>	<p>line actually belongs according to Rulebook on systematization and organization.</p> <p>- In the next reporting period, to include the Office of National Coordinator for fight against trafficking in human beings into process of reporting on implementation of AP in this field.</p>
<p>39. Signing the memorandum on cooperation between responsible ministries and NGO's in the field of fight against trafficking in human beings</p>	<p>Police Directorate in cooperation with the bodies in charge</p>	<p>Continuous</p>	<p>Police Directorate, in cooperation with the National coordinator for fight against trafficking in human beings, signed the Memorandum on cooperation between governmental sector (Mol&PA) and non-governmental sector (Safe Women's House, Montenegrin Female Lobby).</p> <p>We just remind that in previous period, the Government adopted the AP for fight against trafficking in human beings, appointed National coordinator, and Project board which is in charge for implementation of all measures from the Action Plan, and part of which is, together with the Government of RMNE, and non-governmental sector. These activities have been supported by a number of international organizations.</p> <p>ASSESSMENT: Obligation realized.</p> <p>NOTE: AP for fight against trafficking in human beings is being realized according to the plan. On the process of implementation and results achieved the Government has been informed regularly so as the international community.</p>

GENERAL ASSESMENT / RECOMMENDATIONS FOR SPECIAL TEAM FOR FIGHT AGAINST TRAFFICKING IN HUMAN BEINGS

General Assessments: Significant progress was achieved in the field of implementation measures from Action Plan for fight against trafficking in human beings, especially children and women, which are included in the measures of this Action Plan, as well. Regarding aforementioned, in the future period, Office of National Coordinator for fight against trafficking in human beings must be included into reporting to the National Commission.

Significant progress is evident on the plan of carrying out continuous trainings for the officers in this organizational unit.

The problem of providing adequate and functional premises for the officers of this organizational unit is also evident, so as the acquisition of equipment which is conditioned by the previous providing of the working premises.

Recommendations:

1. Until the end of IV Q of 2007, to make the analysis of the needs for the increase of the number of officers, and after that, periodically make analysis of needs approximation.
2. Until the end of IV Q of 2007, Police Directorate to carry out all necessary activities in order to provide functional working premises and technical equipment according to the needs of the Department for fight against organized crime and corruption, whose part is the working line for fight against trafficking in human beings.

MEASURE	COMPETENT INSTITUTION	TIME FRAME (starting from the moment of adoption of the AP)	ASSESMENT / RECOMMENDATION FOR EACH MEASURE INDIVIDUALLY FOR DEPARTMENT FOR FIGHT AGAINST DRUGS AND SMUGGLING
<p>40. Reorganization of the Center for the fight against drugs in the sense of defining organizational level</p>	<p>Police Directorate</p>	<p>2007.</p>	<p>Police Directorate: 28. 12. 2006. - adopted Rulebook on organization and systematization. The existing structure has been changed, organizational level defined. On 11. 01. 2007. The Rulebook came into force.</p> <p>The analysis and propose has been prepared in May-vision of organization and functioning of the Department for fight against drugs, which should be used in that sense.</p>

and scope of action			ASSESSMENT: Obligation realized. RECOMMENDATION: To conduct analysis periodically on the needs of the new organizational units and increase of the number of staff.
41. Adoption of the National strategy for the fight against drugs and prevention of drug use, with annual action plans	Police Directorate	2007.	Mol&PA: Activities on establishment of Inter-department working group for preparation of the strategy for fight against drugs and supplementing Action Plan are ongoing. Police Directorate: National strategy for fight against drugs and prevention of drug addiction is not adopted in annual action plans. The activities on establishment of inter-department working group for preparation of strategy for fight against drugs are ongoing by the Mol&PA. After the strategy and action plan are prepared, they will be delivered to the Government for adoption. ASSESSMENT: Obligation is not realized. RECOMMENDATION: To intensify the activities on preparation and adoption of National Strategy.
42. Implementation of specialized trainings for the officers in the Center for fight against drugs	Police Directorate	2007. i 2008.	Police Directorate: Police Directorate had certain number of trainings of the officers from this Department during this reporting period: the training on prevention of crimes of drug and precursors smuggling, training for the undercover investigation tasks, advanced training on prevention on drug use and spreading of HIV infection. During the May 2007, five officers engaged on the tasks of the fight against drugs attended aforementioned training for the undercover investigation tasks. Two officers participated on the international seminar organized by European Commission, which was held in Dubrovnik on 8-9 May 2007, on the topic "Synthetic drugs and precursors in the South-Eastern Europe region". ASSESSMENT: Obligation realized. Obligation is being realized continuously. RECOMMENDATION: To continue with organizing of the trainings for the officers in this field, in line with the priorities that determine the Crime Police Department.
43. Implementation of trainings and education of police officers about the procedure in the fight against drugs	Police Directorate	Continuous	Police Directorate: In the framework of the training organized for the officers from the General Affairs Department, the basic training for 20 officers was held. In the framework of the training "Smuggling of goods, narcotics, vehicles, art pieces, and cultural-historical treasure over the state border", 20 officers of the Crime Police have been trained on the basic knowledge of the narcotics, the ways of discovering and proving of the crimes relating to narcotics. In the framework of the second training "Smuggling of goods, narcotics, vehicles, art pieces and cultural-historical treasure over the state border", 20 officers of the Crime Police have been trained on the basic knowledge of the narcotics, the ways of discovering and proving of the crimes relating to narcotics. In the framework of the training "Modern techniques used in the fight against organized crime", organized by ICITAP, the topics referring to the fight against organized crime in drugs had been presented (20 participants, officers of the crime police department). Police Directorate, in cooperation with Ministry of Justice and police of the Republic Hungary, in period 23.05.-01.06. 2007, organized training for the work procedures in the undercover investigation tasks. 16 officers of the Police Directorate who deal with the tasks in the field of fight against criminality attended and successfully completed this training. ASSESSMENT: Obligation realized. Obligation is being realized continuously. RECOMMENDATION: To continue with the continuous training of the officers in this field, in accordance with the priorities that the Crime Police Department sets.
44. Purchase of equipment	Police Directorate	2007.	Police Directorate: In the reporting period acquisition of the equipment for the needs of this Department was not realized. ASSESSMENT: Obligation is not realized. RECOMMENDATION: Police Directorate to intensify the activities on the implementation of this measure.
45. Provision and reconstruction of working space	Police Directorate	(2006.) 2007	Police Directorate: The functional working premises were not provided for this Department. ASSESSMENT: Obligation is not realized. RECOMMENDATION: Police Directorate to intensify the activities on the implementation of this measure.

GENERAL ASSESMENT / RECOMMENDATIONS FOR DEPARTMENT FOR FIGHT AGAINST DRUGS AND SMUGGLING

General assessments: Police Directorate achieved progress in part of reorganization of the Department for fight against drugs and smuggling regarding the increase the number of officers through systematization of job positions, and through defining of organizational units within Department.

Significant progress is evident on the plan of carrying out continuous trainings for the officers in this organizational unit, except in the field of crimes of corruption. Any progress was not achieved on the plan of adoption of the National strategy and Action Plan for fight against drugs and prevention of drug addiction. The problem of providing adequate and functional premises for the officers of this organizational unit is also evident.

Recommendations:

1. Until the end of IV Q of 2007, to recruit the staff for the vacant job positions, in accordance with the new systematization.
2. Until the end of IV Q of 2007, to make the analysis of the needs for the establishing of the organizational units within this Department and necessity for the increase of the number of officers, and after this is realized, periodically make analysis of needs approximation.
3. Until the end of IV Q of 2007, to adopt National strategy and Action Plan for fight against drugs and prevention of drug addiction.
4. Until the end of IV Q of 2007, Police Directorate to carry out all necessary activities in order to provide functional working premises and technical equipment according to the needs of the Department.

MEASURE	COMPETENT INSTITUTION	TIME FRAME (starting from the moment of adoption of the AP)	ASSESSMENT / RECOMMENDATION FOR EACH MEASURE INDIVIDUALLY FOR WITNESS PROTECTION UNIT
46. Reorganization of the Witness Protection Unit	Police Directorate	2007.	Police Directorate: After the Rulebook on organization and systematization was adopted, the existing structure was changed and new organizational level of the Department was defined. The Rulebook came into force on 11.01.2007. ASSESSMENT: Obligation realized.
47. Implementation of trainings for officers of the Witness Protection Unit	Police Directorate	2007-2008.	Police Directorate: during the reporting period, 5 advanced trainings have been held for the officers of this Unit. ASSESSMENT: Obligation partly realized. RECOMMENEDATION: Police Directorate to define the training plan for the officers working in this field, in accordance with the priorities that the Crime Police Department sets.
48. Purchase of specialized equipment	Police Directorate	2007-2008.	Police Directorate: In the reporting period, this organizational unit acquired certain amount of the equipment which satisfies the needs of this Unit for the time beings. ASSESSMENT: Obligation realized. RECOMMENDATION: Police Directorate to conduct needs assessment of the Witness Protection Unit.
49. Implementation of training for the use of specialized equipment	Police Directorate	2007-2008.	Police Directorate: During the reporting period, this Unit did not organize and conduct the trainings on usage of the specialized equipment. The trainings are planned for the end of 2007. ASSESSMENT: Obligation is not realized. RECOMMENDATION: To prepare the plan of trainings and to hold them in accordance with the determined needs.
50. Signing bilateral agreements with adequate departments in other countries in order to exchange protected witnesses	Police Directorate	2006 Continuous	Police Directorate: On 20.07. 2007, Witness Protection Unit signed the Agreement on cooperation and understanding with the Witness Protection Units of the Republic Serbia and of the Republic Bosnia and Herzegovina. ASSESSMENT: Obligation partly realized. Obligation is being realized continuously. RECOMMENDATION: To continue with the implementation of this measure.
51. Provision of adequate space for the operations of the Unit for witness protection	Police Directorate	2007.	Police Directorate: Witness Protection Unit works in the adequate and functional working premises that are rented. ASSESSMENT: Obligation realized.

GENERAL ASSESMENT / RECOMMENDATIONS FOR WITNESS PROTECTION UNIT

General assessments: Police Directorate achieved progress in part of reorganization Witness Protection Unit regarding the increase the number of officers and staff, technical equipment, and providing of the adequate and functional working premises
Any progress was not achieved on the plan of signing the bilateral agreements with the neighboring countries and wider.

Recommendations:

1. To continue with the specialized trainings, in accordance with the positive experience of other countries.
2. To intensify the activities on plan of signing the bilateral agreements, first of all, with the neighboring countries and wider.

MEASURE	COMPETENT INSTITUTION	TIME FRAME (starting from the moment of adoption of the AP)	ASSESSMENT / RECOMMENDATION FOR EACH MEASURE INDIVIDUALLY FOR CENTER FOR CRIMINAL TECHNIQUE
52. Technical equipping of the Centre for criminal technique 1) Reorganization of forensic unit 2) Staff training 3) Purchase of modern laboratory and other equipment	Police Directorate	2006-2007, continuous	<p>Police Directorate: Measure 1) After the Rulebook on organization and systematization was adopted, the existing structure was changed and new organizational level of the Department was defined. The Rulebook came into force on 11.01.2007. ASSESSMENT: Obligation realized.</p> <p>Measure 2) During the reporting period, this Department realized considerable number of important trainings for its staff, and that is following: 3) Training on usage of microscopes and equipment (LEICA and MIDEA brand), organized in the premises of Forensic Centre by ICITAP-American Ministry of Justice. 4) Participating on the seminar in field of identification of documents, explosive and traces on vehicles, organized by the firm MRG and Vienna. 5) Participating in the Montenegrin Court Forensic Experts Assembly on which participated international experts as well. 6) Working meeting with the delegation of Norwegian Parliament and Embassy. Implemented donation analyzed so as technical capabilities of our Centre. 7) Working meeting with the MRG representative and Austrian expert in order to prepare the project and introduce the processes of DNA analysis. ASSESSMENT: Obligation partly realized. Obligation is being realized continuously.</p> <p>Measure 3) Police Directorate initiated, during the reporting period, the acquisition of modern equipment with the financial assistance of foreign donors (OSCE, ICITAP) but also with the help of budget means. The chambers for lifting of fingerprints are acquired (19 chambers, out of which, 14 will be distributed to the crime techniques in the field). Two cameras for microscopes and four metal detectors were acquired. Software programs for microscopes LEICA (three in total) were acquired and installed. ASSESSMENT: Obligation partly realized. Obligation is being realized continuously. RECOMMENDATION: To intensify the activities on implementation of this measure. To continue with the organizing of the trainings especially for the experts in field of DNA analysis and scanning electro-microscopy.</p>

GENERAL ASSESMENT / RECOMMENDATIONS FOR CENTER FOR CRIMINAL TECHNIQUE

General Assessments: Satisfactory progress was achieved in field of new organization and systematization of this Department within Police Directorate, and in the field of activity on modernization of the Forensic Centre- by building up new, modern premises in Danilovgrad.

Not satisfying progress was achieved on the plan of qualitative technical equipment, especially due to the non-existence of the DNA laboratory, lack of staff (specific staff, with the necessary expert education and training), and also on the plan of providing financial means necessary for implementation these measures (equipping part).

Recommendations:

1. To provide necessary financial means for continuation of building up Forensic Centre in Danilovgrad, through domestic and international sources of financing.
2. Staffing, and providing of the preconditions necessary for recruitment of adequate expert staff.
3. To continue carrying out the trainings, basic and specialized.

MEASURE	COMPETENT INSTITUTION	TIME FRAME (starting from the moment of adoption of the AP)	ASSESSMENT / RECOMMENDATION FOR EACH MEASURE INDIVIDUALLY FOR WORKING LINE FOR FIGHT AGAINST TERRORISM
<p>53. Reorganization of the existing line of work for the fight against terrorism</p> <p>1) Establishment of specialized units (unit for collection and processing of data, unit for protection against mines, organizational units in Security Centers)</p>	<p>Police Directorate, Police Academy</p>	<p>2007.</p>	<p>Police Directorate: New systematization of Police Directorate organizationally established structural organization of the line for fight against terrorism: in Crime Police Sector (Department for fight against organized crime, Department for fight against general crime), in the regional units of the police, in the Securing of persons and buildings Department and in Special Anti-terrorism Unit.</p> <p>1. In the Crime Police Department following organizational units which deal with the issues of terrorism have been defined:</p> <p>1.1 In the Department for Fight against General Crime- Group for fight against the crimes in field of terrorism and protection from F E D (fire, explosions, disasters)</p> <p>1.2. In the Department for fight against organized crime and corruption, in the Group for fight against general organized crime, working line for fight against terrorism and international terrorism has been established.</p> <p>2. In all police regional units according to the new systematization, new job positions have been established- for fight against terrorism and for fight against crimes in field of protection from F E D.</p> <p>3. In Securing of persons and buildings Sector- Anti-terrorism Search Department, Group for Anti-terrorism Search has been established.</p> <p>4. Special Anti-Terrorism Unit</p> <p>ASSESSMENT: Obligation realized.</p>
<p>54. Training of staff in the field of fight against terrorism</p> <p>Specialized training:</p> <p>1) for IED operations (elimination of danger from improvised explosive devices)</p> <p>2) for PAS (protection against sabotage)</p> <p>3) for negotiations with hijackers (terrorists)</p>	<p>Police Directorate, Police Academy</p>	<p>Continuous</p> <p>1) 2007.</p> <p>2) 2007. i 2008.</p> <p>3) 2007. i 2008.</p>	<p>Police Directorate and Police Academy: During the reporting period following trainings were organized:</p> <ul style="list-style-type: none"> • Police Academy: The first course "Organized crime-Certification Course", held in November 2006. • Police Academy: training "Organized Crime-Certification Course" held in period 14-19. 05. 2007, (15 participants). • Training on usage of metal detectors, as a part of the training for IED operations- organized and carried out, lasting 12 working days in October 2006. The training focused on the handling and usage of different kinds of metal detectors in the Republic Croatia on basis of previously established cooperation between HCR and RCUD. • The training on surface metal detection for maximum 30 cm depth using the metal detectors of following types: «Čeja», «Majlab», « Ferster», «Valon», and «Ebinger» was carried out. The certificates were granted to the participants who completed successfully this training. • The trainings in the SAU are carried out according to the Educational plan and program with the additional specialized profiles per teams. Trainings organized and carried out by the SAU, using own capacities / polygon, instructors, training and practice means. <p>ASSESSMENT 1, 2, 3: Obligation realized. Obligation is being realized continuously.</p> <p>RECOMMENDATION: To continue carrying out of advanced trainings.</p>
<p>55. Purchase of equipment</p>	<p>Police Directorate</p>	<p>2007 - 2008.</p>	<p>Police Directorate: Having in mind existing problems in the process of equipping of the police teams for fight against terrorism, the project for "equipping of the police team with the equipment necessary for fight against terrorism" will be launched in coming period. Priorities in the necessary equipment are protective bulletproof vest, ballistic shield, so as the necessary equipment for the SAU that serve directly for the life protection of the officers involved in actions.</p> <p>Due to lack of financial (budgetary) means, the necessary equipment was not acquired nor purchased during the reporting period.</p> <p>ASSESSMENT: Obligation is not realized.</p> <p>RECOMMENDATION: To continue with the activities on implementation of this measure.</p>
<p>56. Functionality of the organizational unit (improved horizontal and vertical connection between all working lines)</p>	<p>Police Directorate</p>	<p>2007.</p>	<p>Police Directorate: Functionality of organizational units of all working lines dealing with the fight against terrorism is defined by the systematization of job positions. It is evident through vertical and horizontal connection, which is united by the singular management on the level of the Police Directorate, concerning the fact that each Head of the designated Sectors is at the same time the Assistant to the Director of the Police.</p>

			ASSESSMENT: Obligation realized. RECOMMENDATION: To continue improving of the horizontal and vertical connection between all sectors in the Police Directorate.
57. Capacity building of the existing Special Anti-terrorist unit (SAU) 1) Implementation of continuous training 2) Purchase of modern equipment and arms	Police Directorate	2006, Continuous	Police Academy: According to the Annual Work Program of the Police Academy, implementation of this measure is planned for the second half of 2007. Police Directorate: 3) The trainings in the SAU are being carried out in accordance with the Educational plan and program with the additional specialized profiles, in their own arrangement / polygons, instructors, training and practice means / and it is continuous process. Contents and topics of the trainings refer to the most complicated situations in terrorist attacks, solving of the hostage situation, apprehending of the members and entire criminal groups, assisting in the fight against organized crime. 4) During the reporting period the additional equipment for the SAU needs was not purchase ASSESSMENT 1 and 2: Obligation partly realized. Obligation is being realized continuously. RECOMMENDATION: To prepare the training program for 2007-2008 and deliver it to the NC.

GENERAL ASSESMENT / RECOMMENDATIONS FOR WORKING LINE FOR FIGHT AGAINST TERRORISM

General Assessments: Satisfactory progress is evident in the field of organization, through existing Rulebook on systematization regarding the staff structure of the units within Police Directorate that will deal with the issues of the terrorism.

Not sufficient progress was achieved on the plan of legal infrastructure, through adoption of laws and sub-legal acts, increase of the technical equipment level, and level of skilled officers of the Crime Police Sector, in the field of prevention and fight against terrorism.

Recommendations:

1. To adjust legal and sub-legal to the European standards in field of fight against terrorism (adoption of Law on fight against terrorism, adoption of National strategy for fight against terrorism).
2. The greatly trained staff and better technical equipping, especially in Crime Police Sector in field of fight against terrorism.
3. Technical modernization of the equipment for the Special Anti-Terrorist Unit.

MEASURE	COMPETENT INSTITUTION	TIME FRAME (starting from the moment of adoption of the AP)	ASSESSMENT / RECOMMENDATION FOR EACH MEASURE INDIVIDUALLY FOR BORDER POLICE DEPARTMENT
58. Reorganization of the Directorate for state border and border affairs	Police Directorate	2007.	Police Directorate: Reorganization of the Directorate for State Border and Border Affairs completed. The Border Police Sector established with the centralized organization in which operative-analytical component and sector work are fully expressed. On the level of this Sector, four Departments have been established: Department for Border Surveillance, Border Crossing Control Department, Department for Operative Work (Intelligence), and Department for Aliens and Illegal Migrations. The heads / commanders of the eight outposts of the border police are directly connected to the director assistant who is actually Head of the Border Police Sector. This organizational structure should provide more efficient and qualitative control system and state border surveillance. Organized crime, international terrorism threat, better quality of forged documents, various ways of smuggling of goods, narcotics, weapon and human beings across the borders, represent a serious threat to the building of civil society in the region where we live. All these factors point to the necessity for adequate training and technical equipment in order to cope with the new challenges. On the other hand, international trade, tourism and cultural exchange require the opening of the borders. New structural organization enabled the Border Police Sector to establish the balance between adequate controls and the need for the open borders, which, in close cooperation with different services, enables achieving of the common goal "Open but safe borders". ASSESSMENT: Obligation realized.
59. Organization of continuous training for the	Police Directorate,	Continuous	Police Academy: A training "Smuggling of goods, narcotics, vehicles, art pieces and cultural- historical treasure over the state border, forging of travel documents and illegal migrations" was carried out in the period 23-27 April 2007, for 23 (in total) officers of

officers in this Department	Police Academy		<p>Police Directorate: 10 officers from Border Police Sector and 13 officers from the Crime Police Department.</p> <p>The rest of the trainings for the Border Police, by the Annual Work Program of the Police Academy, are envisaged to be held during a whole year (April report).</p> <p>Two trainings "Smuggling of goods, narcotics, vehicles, art pieces and cultural- historical treasure over the state border, forging of travel documents and illegal migrations" were carried out in the period 07-18 May 2007, for 41 officers (in total) from Police Directorate: 19 officers from Border Police Sector and 22 officers from Crime Police Sector.</p> <p>The rest of the trainings for the Border Police members will be carried out in the second half of 2007 (report from May).</p> <p>Police Directorate: The realization of the additional police training is in progress since January 2007, which attends 19 police officers in the Police Academy Danilovgrad. With the assistance and support of the OSCE, we provided the course of English language in Oxford Centre for the 20 officers from the BP Sector since January 2007. The training "Stolen Vehicles Identification" was organized and carried out by the OSCE in the PA Danilovgrad for 10 heads / commanders of the Border Police. The training "Smuggling of goods, narcotics, vehicles, art pieces and cultural-historical treasure over the state borders, forging of the travel documents and illegal migrations" was organized and carried out for 30 members of the Border Police in PA Danilovgrad.</p> <p>ASSESSMENT: Obligation realized. Obligation is being realized continuously.</p> <p>RECOMMENDATION: To continue with the activities on implementation of this measure.</p>
60. Purchase of equipment for surveillance and securing the state border and discovery of cross-border crime	Police Directorate	2007-2008.	<p>Police Directorate: During the reporting period, the equipment for surveillance and securing of the state border and for discovering of the cross-border crime was not acquired.</p> <p>ASSESSMENT: Obligation is not realized.</p> <p>RECOMMENDATION: Border Police Sector to deliver the information on the equipment that Border Police posses and what are the equipment needs of the Sector in relation to surveillance and securing of the state borders.</p>
61. Better quality cooperation at bilateral and regional level (negotiation, consulting meetings, planning and conduction of mutual activities etc.)	Police Directorate and Border Police Departments of neighboring countries	Continuously	<p>Police Directorate: Border Police Sector has the excellent informal bilateral and regional cooperation. The BP Sector did not sign the bilateral agreements on cooperation with the neighboring countries, but the drafts of these agreements have been prepared so as the draft of the protocol on the joint patrols with the neighboring border polices. These agreements will cover and include nine forms of the cross-border police cooperation: joint patrols, joint meetings on all management levels, common offices, national contact persons, liaison officers, common actions, common risk analysis, common border cross points and joint investigations. This activity is planned to be realized in 2007.</p> <p>ASSESSMENT: Obligation partly realized. Obligation is being realized continuously.</p> <p>RECOMMENDATION: To intensify carrying out of the activities on signing of the bilateral agreements in order to define cooperation in formal-legal way.</p>

GENERAL ASSESMENT / RECOMMENDATIONS FOR BORDER POLICE DEPARTMENT

General Assessments: Satisfactory progress was achieved in field of new organization and systematization within this Department, through securing of the State Border and in the field of the fight against cross-border crime and on the plan of the trainings carried out.

Satisfactory progress is evident on the plan of modernization and technical equipping of the border cross points, and cross-border cooperation with the neighboring countries.

Recommendations:

1. To continue modernization and technical equipping of the border cross points.
2. To continue carrying out of the trainings for all Border Police officers, especially in field of cross-border crime.

MEASURE	COMPETENT INSTITUTION	TIME FRAME (starting from the moment of adoption of the Ap)	ASSESSMENT / RECOMMENDATION FOR EACH MEASURE INDIVIDUALLY FOR NATIONAL CENTRAL BUREAU OF INTERPOL (INTERPOL NCB)
62. Initiate opening of Interpol NCB in Podgorica	Police Directorate	2007.	<p>Police Directorate: Realized. NCB Interpol Podgorica established.</p> <p>ASSESSMENT: Obligation realized.</p>

63. Direct connection with the communication system I-24/7 in order to establish global communication	Police Directorate (in cooperation with the General Secretariat of Interpol)	2006-2007.	Police Directorate: After that Montenegro became the full membership of the Interpol on 19 September 2006, Police Directorate has been connected to the Interpol secure communication system I-24/7. ASSESSMENT: Obligation realized.
64. Training of officers who will perform duties regarding international police cooperation 1) Training for the use of system of the Police Directorate 2) Training for the use of information system I-24/7 3) Training for the use of analytical program I-2 4) Specialized courses of Interpol	Police Directorate	Continuous	Police Directorate: During the reporting period, the trainings, in line with the needs of the Interpol NCB officers, were carried out. It is important to mention that the training on usage of the information system of Police Directorate was carried out, so as the part of the trainings on usage of Interpol system I-24/7. The trainings on application of analytical program I-2 are being carried out in the framework of Special Verification Unit activities, and these trainings are exclusively connected to the scope of work of SVU so that NCB Interpol did not organize trainings in this field. ASSESSMENT 1: Obligation realized. Obligation is being realized continuously. ASSESSMENT 2, 3 and 4: Obligation partly realized. Obligation is being realized continuously. RECOMMENDATION: Police Directorate to intensify the activities on implementation of this measure.
65. Purchase of the necessary equipment for work	Police Directorate	2007, continuous	Police Directorate: During the reporting period, NCB Interpol acquired a smaller part of the equipment needed for the fluent work, while the acquisition of the rest of the equipment is planed for the close future. ASSESSMENT: Obligation partly realized. RECOMMENDATION: Police Directorate to intensify the activities on plan of acquisition of the equipment needed.
66. Securing functional working space for this organizational unit	Police Directorate		Police Directorate: Adequate and functional working premises still are not provided. ASSESSMENT: Obligation is not realized. RECOMMENDATION: Police Directorate to intensify the activities on implementation of this measure.

GENERAL ASSESMENT / RECOMMENDATIONS FOR NATIONAL CENTRAL BUREAU OF INTERPOL

General Assessments: NCB Interpol achieved evident progress on plan of joining to Interpol and becoming the full member, connection to the Interpol system I-24/7, and on plan of staff increase.

Satisfactory progress is evident on plan of training NCB officers for carrying out the tasks of the Interpol communication via I-24/7.

Not sufficient progress has been achieved in the field of providing equipment necessary for undisturbed functioning of NCB, and providing of the adequate working premises, which fulfills Interpol security standards.

Recommendations:

1. To intensify trainings on usage of Interpol services and communication via I-24/7
2. To complete staff recruitment, in accordance with the adopted Rulebook on systematization.
3. Until the end of III quarter of 2007, to analyze the need for increase of the staff number, according to the NCB obligations to organize 24-hour duty and communication, 7 days per week.
4. To acquire missing equipment necessary for undisturbed functioning of NCB.

A.3. JUDICIARY

GENERAL ASSESSMENTS

This part of Action Plan is focused on judiciary capacity building, which is also one of the obligations from the European Partnership that has to be realized.

Respecting the right of the random allocation of the judge is the request especially emphasized, and the right guaranteed by the Article 8 of the Law on Courts (**measure 67**). In that sense, it is necessary consistently to apply the provisions of the Judiciary operative rulebook, which refers to the random allocation of cases, and to assess eventually, what are the technical means necessary for introducing of the information system into courts, in order to provide electronic case coding and allocation of the cases. In addition to this, it is necessary to intensify inspections of the court administration by the Ministry of Justice (until now, only High Court in Podgorica was inspected), and to provide strict application of the provisions on disciplinary responsibility of judges.

Action Plan envisages regular and continuous inspection of the court administration in accordance with the Law on Courts (**measure 67.1**). While the inspection of the court administration work is in progress, Ministry of Justice cannot take any actions, which would have influence on the court decisions in the cases. Ministry of Justice inspects organization of work in the courts, processing of the requests and complaints, work of Administration office in the Supreme Court relating to tasks that refer to the court administration, work of archive and clerk office, etc. In the previous reporting period, Ministry of Justice inspected the work of court administration in High Court in Podgorica. Focus was put on the execution of the court sentences in the crime cases. Inspection of the work of the court administration in basic courts is to follow. Competent ministry will have to intensify the activities on this plan in future period, in order to implement obligations arising from the Action Plan.

In order to strengthen court capacities, measure of strengthening the independence of the courts through establishing independent judiciary budget was created (**measure 68**). According to the report received from the Supreme Court, it is stated that in „expert text of the new Constitution, so as in the Draft of the new Constitution, it is envisaged for the judiciary to have independent budget “. This issue has already been regulated by the Law on Courts in such manner that the means anticipated for the work of the courts are determined in the special part of the budget of the Republic of Montenegro, and that proposal of defining of the court budget is proposed by the Judiciary Council. Council delivers it to the Government, and, regarding this procedure, it raises the question what is actually meant by this initiative (independent judiciary budget) and in what way it can be implemented into practice? In that sense, it is necessary that Supreme Court to propose concrete solutions that will guarantee independent judiciary budget and strengthening of the independent judicial authority, excluding the guarantees that already exist in the Montenegrin legislative. In addition to this, concerning the fact that new Constitution has not been adopted yet, obligation of criteria defining and establishing of the procedures for election of judges has not been realized (**measure 70**).

Concerning the fact that Judge Training Centre is in phase of transformation, measures (**69 and 71**) that refers to the previous training and specialization of judges could not have been realized, according to the Law on Education and Training in Judiciary Bodies. The training of the judges and employees in the court administration on the issues of corruption and organized crime could not have been realized as well.

It is necessary to continue with the activities on strengthening of the inter-institutional expert cooperation between courts and other authorized institutions respecting the principle of authority division (**measure 72**). However, state institutions are partners in the fight against corruption and organized crime, and sometimes it is possible to get impression that they are not harmonized enough. As a positive example, we emphasize Supreme State Prosecutor who agreed with the Customs Directorate to appoint one state prosecutor on duty in every city. That prosecutor will be the contact point with the authorized customs officers regarding the expert consultations, which would help discovering of the crimes with the elements of the corruption. Agreement on cooperation was signed with the Tax Agency, and approximation of the text of the Agreement on cooperation that will be signed with the Anti-corruption Initiative is in progress. The rest of the state institutions that are involved in the fight against crime should intensify activities on this plan, in a way as it was mentioned in previous example.

MEASURE	COMPETENT INSTITUTION	TIME FRAME (starting from the moment of adoption of the AP)	ASSESSMENT / RECOMMENDATION FOR EACH MEASURE INDIVIDUALLY
<p>67. Apply consistently the principle of random allocation of cases through the introduction of electronic case coding and allocation (using as much as possible the information technologies)</p> <p>1) Regular and ongoing supervision of court administration by the Ministry of Justice pursuant to the Law on Courts</p> <p>2) Strict application of the provisions on disciplinary responsibility of judges and the dismissal procedure pursuant to the Law on Courts</p>	<p>Court President</p> <p>1) Ministry of Justice</p> <p>2) Judicial Council</p>	<p>Continuous</p>	<p>Supreme Court: In cooperation with the Secretariat for Development of the RMN, the report is completed and certain data on the current state and needs of the court information system have been collected. The next step will be adoption of the implementation plan, or more precisely, defining of the time terms for the introduction of the information systems into the courts. However, applying of the principle of random allocation of cases in courts does not depend on the implementation of this measure, because this principle is being applied in all courts without exception and without any kinds of misuse since the day when the Law on Courts was adopted. This measure has been established in order to improve the court activities and make them more efficient and faster, but the consistency and legality of the application of this standard does not depend in any way on the implementation of this measure. That is why we consider that there is no room for the suspicions regarding the legality of the court procedures in this matter, and that the quality of the application of the principle of random allocation of cases depends on the degree of implementation of this measure. ASSESSMENT: Obligation partly realized. RECOMMENDATION: Supreme Court to intensify activities in order to provide electronic case coding and allocation for all the courts, which is in accordance with the Court Operating Procedure. NOTE: The lack of the budgetary means was reported, assessment: 800 000 euros.</p> <p>1) Ministry of Justice: Inspection of the High Court in Podgorica was made. The inspection of the Basic Courts is to follow. Special attention is paid on the execution of the court decisions in the crime matters. ASSESSMENT: Obligation partly realized. RECOMMENDATION: Ministry of Justice to intensify the activities in the field of the inspection of the court administration and to carry it out in all courts. 2) ASSESSMENT: Obligation is not realized. RECOMMENDATION: Judicial Council to deliver necessary information on implementation of this measure, latest until the III quarter of 2007.</p>
<p>68. Strengthen the independence of the judiciary powers through the establishment of the independent judiciary budget</p>	<p>Supreme Court</p>	<p>2007.</p>	<p>Supreme Court: In the expert text of the new Constitution, so as in the Draft of the new Constitution, it is envisaged for the judiciary to have independent budget, which is, certainly, positive solution regarding the courts. After adoption of the Constitution, the amending of the Law on Courts would follow in this context, and that would certainly contribute to the strengthening of the independence of the judicial authority. SC Recommendation: Establishing of the independent judiciary budget to set as a high priority. ASSESSMENT: Obligation is not realized.</p>
<p>69. Introduction of pre-training and specialization, pursuant to the Law on Education and Training in Judiciary Bodies</p>	<p>Judge Training Centre</p>	<p>Ongoing from the adoption of the Law on Education in Judiciary Bodies</p>	<p>Judge Training Centre is currently in the phase of transformation so the volume of the planned activities, according to the Annual Training Program for 2007, is only partly realized. Judge Training Centre organized two two-day seminars for the participants of the initial training (expert assistants in the judicial bodies and the persons who passed qualifying examination for judges and work in other state institutions), and in accordance with the Annual Training Program for 2007. Further practical training in crime and social cases and matters is provided for participants of this training. ASSESSMENT: Obligation partly realized. RECOMMENDATION: Judge Training Centre to deliver information on implementation of this measure latest until the end of III quarter of 2007.</p>
<p>70. Define the criteria and establish the procedures for the election of judges</p>	<p>Judicial Council</p>	<p>(2006.) 2007</p>	<p>SC: Realization of this measure is directly connected to the adoption of the new Constitution. Also, for the full implementation of this measure it is necessary to adopt the new Rulebook on orientation criteria, which would compare orientation criteria for the fulfilling of the judge quota with the current number and structure of the cases. ASSESSMENT: Obligation is not realized (regarding the measure 68).</p>

71. Training of judges and court administration staff on corruption	Judge Training Centre	Continuous	<p>Judge training Centre is currently in the phase of transformation and there were no any activities regarding the AP.</p> <p>ASSESSMENT: Obligation is not realized.</p> <p>PREPORUKA: Judge Training Centre to deliver information on implementation of this measure latest until the end of III quarter of 2007.</p>
72. Strengthening inter-institutional expert cooperation of courts and other competent bodies (Prosecutor's Office, Police Administration, Administration for Anti-corruption Initiatives, etc) observing the principle of division of powers	Supreme Court, State Prosecutor, Police Directorate, Anti-corruption Initiative Directorate and other competent bodies	Continuous	<p>SSP: Concerning the strengthening of the inter-institutional expert cooperation of courts and other competent bodies, the cooperation has been established with the Customs Directorate. In framework of this cooperation, one prosecutor on duty is appointed in every city. That prosecutor will be the contact point with the authorized customs officers regarding the expert consultations, which would help discovering of the crimes with the elements of the corruption.</p> <p>Agreement on cooperation was signed with the Tax Agency, and approximation of the text of the Agreement on cooperation that will be signed with the Anti-corruption Initiative is in progress.</p> <p>Moi&PA: No activities carried out on this plan during the reporting period.</p> <p>ACI: Anti-corruption Initiatives Directorate in period February-December 2006, realized the project on enhancing of the relations with the public and carried out propaganda-preventive activities. This project strengthened the ACI Directorate capacities through maintaining of direct contacts with the state institutions. The officer for maintaining of contacts with the citizens and authorized state bodies was appointed.</p> <p>The contact person network in all state bodies and institutions which deal with the issues of prevention and fight against corruption was established and developed: Police Directorate/Department for prevention and fight against organized crime, Supreme State Prosecutor, Ombudsman, Commission for control of public procurement procedures, Supreme Court Office for citizen's complaints, Tax Agency, Republic Work Inspection, etc. The obligation is being realized continuously. In the reporting period for April and May, no activities in this plan carried out.</p> <p>ASSESSMENT: Obligation is not realized.</p> <p>RECOMMENDATION: Supreme Court, Supreme State Prosecutor, and Police Directorate to deliver information, that is-proposal on the implementation manner of this measure until the III quarter of 2007.</p>

RECOMMENDATIONS FOR JUDICIARY:

1. Supreme Court to propose concrete solutions for guaranteeing judiciary budget independence and strengthening of judicial authority independence, excluding the guarantees that already exist in the legal system of the Republic of Montenegro.
2. Ministry of Justice to intensify carrying out court administration inspections in the courts with the special emphasize on the execution of the court decisions in the cases formed based on indictments for committing the major crimes.

B. EXTERNAL AND INTERNAL AUDIT OF THE BUDGET

GENERAL ASSESSMENT:

Within the chapter Specific Measures against Corruption and Organized Crime, there is a set of measures regarding the control of legality of budgetary spending, as well as the control of regularity and efficiency of work of budgetary beneficiaries and prevention of abuse in budget management.

The State Auditors Institution and the Ministry of Finance have the dominant role in the realization of measures from this part of the Action Plan (**measures 73, 75 – 78**). Analyzing reports of these two institutions, it could be concluded that the measures are enforced continually, and that the State Auditors Institution regularly submits to the Parliament the annual report on audit of the final budgetary account of the Republic of Montenegro (available at <http://www.dri.cg.yu>); individual audits of the final accounts of municipalities are done continually (three individual audits are finalized until June 1 of this year : Municipality of Ulcinj for 2005, Municipality of Kolašin for 2006 and the Republic Health Fund for 2006); with the

aim of prevention of abuse in budget management, the State Auditors Institution together with the Human Recourses Agency continually organizes education of responsible persons in charge of budgetary management and allocation, as well as the education and timely informing of the public about budgetary control and spending. These activities are being realized with the support of GTZ; furthermore, the Program for training and upgrading of auditors with the aim of education and creation of professional and competent management and state auditors. Also in cooperation with GTZ, the State Auditors Institution has prepared the Commentary of the Law on the State Auditors Institution which will, after publishing, be distributed and set forth on the web page www.dri.cg.yu. Furthermore, in preparation is also a strategy for public relation, which will also define the plan of activities in the area of education of public for understanding the issue of budgetary spending control. The Ministry of finance has not submitted the information on whether the internal audit of budgetary spending by budgetary beneficiaries is done continuously (**measure 74**).

MEASURE	COMPETENT INSTITUTION	TIME FRAME (starting from the moment of the adoption of AP)	ASSESSMENT / RECOMMENDATION FOR EACH MEASURE INDIVIDUALLY
73. External audit of the final budgetary account by State Auditors Institution	State Auditors Institution	Once a year (by the end of the second quarter)	<p>SAI: According to the law, the State Auditors Institution is obliged to make an audit of the final budgetary account of the Republic of Montenegro once in a year and to inform about it the Parliament of the Republic of Montenegro by the end of October, by submitting the annual report. The Annual Report of the State Auditors Institution for 2006 is published on the official site of the State Auditors Institution www.dri.cg.yu.</p> <p>The audit of the final budgetary account of RMNE for 2006 is in progress and it is expected to be completed at least by the end of July 2007.</p> <p>ASSESSMENT: Obligation realized</p>
74. Internal audit of budgetary spending by budgetary beneficiaries	Ministry of Finance– Department for Internal Audit	Ongoing	<p>The Ministry of Finance: Internal audit is carried out according to the annual audit plan brought by the Minister of finance. The Government has discussed the annual report on enforcement of internal revisions at the end of 2005, and at the end of 2006. The Annual Report for 2007 will be discussed in the fourth quarter. The working group for drafting of strategy of development of internal audit is formed in accordance with European directives. The law on internal audit will be prepared during 2008.</p> <p>ASSESSMENT: The obligation is being realized continuously.</p> <p>RECOMMENDATION: The Ministry of Finance should submit detailed information on enforcement of this measure, not later than by the end of the fourth quarter of 2007.</p>
75. Audit of budgetary spending	State Auditors Institution	Ongoing	<p>SAI: Three individual audits have been completed until June 1, 2007: the audit of the final account of the Municipality of Ulcinj for 2005, the audit of the final account of the Municipality of Kolašin for 2006 and the audit of the Republic Health Fund for 2006.</p> <p>ASSESSMENT: Obligation realized. The obligation is being realized continuously.</p> <p>RECOMMENDATION: SAI should continue submitting information on the enforcement of this measure.</p>
76 Training of persons in charge of budget management and allocation	State Auditors Institution and Human Resources Management Authority in cooperation with NGOs	Ongoing	<p>Human Recourses Management Authority has not submitted any information on realization of this of this measure.</p> <p>SAI: In cooperation with the German organization for technical support – GTZ, the State Auditors Institution has carried out the Program for training and upgrading of auditors, which envisages the training of management and state auditors, as well as the general part of training meant for all employees of the State Auditors Institution. A part of the training meant for upgrading of management and state auditors is financed by GTZ. The general part of training for all employees of the Institution is being carried out through the Human Recourses Management Authority of RMNE. With the aim of creating a professional and competent staff, the State Auditors Institution continues with trainings for state auditors; a part of these trainings is, also, a seminar – workshop, in cooperation with GTZ, whose aim is training for the better and more efficient application of software program IDEA, meant for auditing.</p> <p>The Human Recourses Management Authority hired three members of the Senate of the State Auditors Institution to give lectures on the seminars envisaged in the Program for professional training for 2007 (on the following seminars: "Financial Accounting Work in Public Administration Bodies", May 28 and June 29, 2007; "State Finance System and State Budget", June 8-19, 2007, and the seminar "Planning and Enforcement of the State Budget ", July 2-3 and July 9-10, 2007. The Senate of the State Auditors Institution has brought a Rulebook on taking exams for becoming a state auditor (Decision of SAI, No. 405- 01- 28, from April 20, 2007).</p>

			<p>Thereby, in progress is a procedure of appointing of members of the Commission for examinations for acquiring a state auditor title. Members of the Commission – examiners are due to compile manuals for taking subject exams with questions, which will be approved by the Senate of the Institution and whose content is envisaged by the Rulebook on taking exams for becoming a state auditor (Official Gazette, No. 44/06). In cooperation with GTZ, the training of the management and state auditors has been carried out successfully, with the aim of training for the better and more efficient application of software program IDEA, meant for auditing.</p> <p>ASSESSMENT: The obligation is partially realized. The obligation is being realized continuously.</p> <p>RECOMMENDATION: SAI should continue submitting information on the enforcement of this measure</p>
77. Raising public awareness regarding the supervision of budgetary spending through the development and dissemination of a guide and a media campaign	State Auditors Institution in cooperation with the media and the NGOs	Ongoing	<p>SAI: The Commentary of the Law on SAI has been prepared with the aim of raising public awareness and educating subjects of auditing. It explains all legal aspects of audit of budgetary spending. Publishing of the Commentary on the Law on SAI is being expected.</p> <p>Since GTZ (German organization for technical support) took over all of the obligations regarding publishing of the mentioned Commentary, we are not able to give a precise date of its publishing, although we expect it to be soon, after which it will be submitted to all subjects of audit and published on the official site of SAI www.dri.cg.yu. After publishing of the Commentary on the Law, its presentation is planned to be held so as the press conference.</p> <p>ASSESSMENT: The obligation is partially realized. The obligation is being realized continuously</p> <p>RECOMMENDATION: SAI should continue the enforcement of this measure</p>
78 Timely information provided to the public on budgetary spending and the implementation of planned audits pursuant to the Law on State Auditors Institution	State Auditors Institution in cooperation with the media and the NGOs	Ongoing	<p>SAI: In cooperation with the German organization for technical support – GTZ, the State Auditors Institution has started the preparation of a public relation strategy, which will define the activity plan in the field of raising public awareness, with the goal of understanding issues of budgetary spending control. The new Rulebook on systematization of working positions is expected to be adopted by the end of July, this year, and it will include the position of PR – public relation servant, considering that this working position is not envisaged by the present systematization.</p> <p>ASSESSMENT: The obligation has not been realized.</p> <p>RECOMMENDATION: SAI should intensify the activities on enforcement of this measure and submit information on it by the end of the third quarter of 2007.</p>

RECOMMENDATIONS FOR THE AREA: EXTERNAL AND INTERNAL AUDIT OF BUDGETARY SPENDING

Considering that the measures established in this segment of the Action Plan are carried out continuously, the National Commission recommends to the SAI, Ministry of Finance, the Human Resources Management Authority and NGOs to carry on with the continuous dynamics of realization of these measures, and to put an emphasis on the following points :

1. The Ministry of Finance must submit to the National Commission the information on annual reports of the internal audit of budgetary spending by budgetary beneficiaries, with the purpose of creating an insight of legality and purposefulness of the budgetary spending by budgetary beneficiaries;
2. The State Auditors Institution must also carry out the audit of budgetary spending in other local self-governments and institutions.

C. PRIVATISATION COUNCIL

GENERAL ASSESSMENT:

Taking into consideration that the process of privatization is an area treated in recommendations from the European Partnership – under "Democracy and the Rule of Law" – the Action Plan, in this segment, seta as a goal a greater degree of transparency, preventing the conflict of interests, improving quality of the process and the improvement of a relationship with citizens.

During the reporting period, a greater number of activities will be carried out (**measures 80 – 82, 84 – 86**): an Internet presentation of the Privatization Council has been installed on the

address of the Agency for Reconstruction and Foreign Investment : www.agencijacg.org, according to the Decision on the scope and structure of the Privatization Council , which states that the Agency deals with all consulting administrative – technical tasks for the needs of the Council; the election of counselors is being carried out in a public and transparent manner, via public notification of an authorized tender commission in line with the Regulation on stock and property sales via public tender (Official Gazette of RMNE, No 65/03) which ensures the transparency during the election of counselors and consultants for this process. Furthermore, the Law on Free Accession to Information is continuously applied regarding contracts of privatization and tender commission reports, except in a part of a contract and annex which have a provision "confidential" which is in line with the Article 9 of the Law; there are organized public discussions on privatization processes (the Agency points out that, during each presentation, depending on a model, the Privatization Council estimates that it would be useful and necessary to have public discussions on concrete privatizations – Aluminum Plant Podgorica, Coal Mine Pljevlja, Thermal Power Plant Pljevlja etc. – and beside public discussion, in preparation are privatization strategies for certain enterprises); with the aim of accomplishing a better quality of monitoring of privatization, consultations are held with minor stock holders via administration bodies and trade union organizations; reports on privatization which are submitted to the Government of RMNE are in preparation; furthermore, the Privatization Council has hired counselors for the investment control (ex: Aluminum Plant Podgorica – the Economy Faculty).

Regarding the measure connected with establishing discretionary powers of the Privatization Council members (**measure 83**), the Agency for Reconstruction and Foreign Investment has notified the National Commission that, according to present regulations, the Privatization Council members have no discretionary powers, which is in accordance of the aim of the measure in this segment...

Regarding reports of possible corruption in privatization (**measure 87**), there is an information that, so far, there were no reports of corruption in privatization, and that the Agency for Reconstruction and Foreign Investment, in line with the Working Program, regularly submits reports on privatization to the Government. Also mentioned is that reports of this kind should be the subject of processing of an independent institution, or an individual independent Commission.

With the aim of improvement of relation with citizens (**measures 88 – 90**) and their introducing to their rights on participation in decision making and privatization process control, the Privatization Council, through the marketing agency PRA, regularly informs citizens and employees about this segment of privatization; although the need for establishing of procedure for reporting possible corruption in privatization, the Agency for Reconstruction and Foreign Investment has not yet initiated its realization, with explanation that, in the existing regulations there are no obstacles to reporting possible corruption in privatization, so that telephone services of the Privatization Council and the Agency are public and opened for reports during working hours (so far, there were no reports of corruption); by the decision of the Government of RMNE, a new mixed working body was formed on May 10, 2007 – Commission for consideration of objections, pleas, proposals and suggestions of citizens and other subjects in the privatization process.

MEASURE	COMPETENT INSTITUTION	TIME FRAME (starting from the moment of the adoption of AP)	ASSESSMENT / RECOMMENDATION FOR EACH MEASURE INDIVIDUALLY
79. Establishing procedures for reporting the conflict of interests in privatization and their promotion	Privatization Council NGO	Immediately after the adoption of the Action Plan, 2007	ARFI: No procedure for reporting conflict of interests has been established. NGOs have not submitted information on enforcement of this measure. ASSESSMENT: the obligation not realized. RECOMMENDATION: NGO should submit information on enforcement of this measure. ARFI should establish the procedure for reporting conflict of interests in privatization. NOTE: According to the existing rules, there are no obstacles to reporting possible corruption in privatization.
80. Setting up the website of the Privatization Council	Privatization Council	(2006.) Ongoing	ARFI: The site of the Privatization Council is not set yet, but in function is the site of the Agency for Reconstruction and Foreign Investment on which one can find all tenders and materials connected to privatization within the jurisdiction of the Privatization Council. ASSESSMENT: the obligation partially realized. NOTE: according to the Decision on the scope and structure of the Privatization Council , the Agency for Reconstruction and Foreign Investment deals with all consulting administrative – technical tasks for the needs of the Council, but there is also a need for systematization of information on the site for the sake of transparency of the process.
81. Establish procedures and provide for publicity and	Privatization	2006.	ARFI: The election of counselors is not obligatory, according to the Regulation on stock and property sales via public tender (Official Gazette of RMNE, No 65/03). The appointment of counselors was so far carried out in a public and transparent manner via public

transparency in the selection of advisors – renowned consultancy agencies	Council	Ongoing	notification of the authorized tender commission, with due application of the above mentioned Regulation, except for the part of criteria are determined by a decision of the Tender Commission, just like in the case of election of a buyer. The procedure is carried out publicly and transparently on a public call, so that everyone has the same application rights and a fair election. ASSESSMENT: The obligation realized. RECOMMENDATION: ARFI should fully apply the Regulation on stock and property sales via public tender, which prescribes public and transparent procedures for appointment of counselors.
82. Enforcement of the Law on Free Access to Information and publication of privatization contracts and tender commissions reports on the privatization of companies and other information relevant for the privatization process	Privatization Council	Ongoing	ARFI: The Law is fully applied, except for the part in contracts and annexes where there is a provision "confidentiality", which is in line with the Article 9 of the Law: "limitation of accession to information". On the Agency's site there is the Guide for accession to information. The Agency responds to all requirements for information submission in due time and in accordance with Law, and also regularly implements all decisions of competent courts. ASSESSMENT: The Obligation realized.
83. Set the discretionary authorities of the members of the Council, as stipulated by the law, the decisions of the Government and the Council, giving proposals for amendments of laws and decisions	Privatization Council	2006.	ARFI: According to the existing regulations, members of the Council have no discretionary powers. ASSESSMENT: The obligation realized.
84. Organize public discussions on privatization	Privatization Council (PC)	2006 -2007.	ARFI: During each privatization, depending on a model, the Privatization Council estimates that it would be useful and necessary to have public discussions on concrete privatizations – Aluminum Plant Podgorica, Coal Mine Pljevlja, and Thermal Power Plant Pljevlja. Beside public discussion, in preparation are privatization strategies enterprises. ASSESSMENT: The obligation partially realized.
85. Establish a system to control investments in privatized companies	Montenegrin Agency for Economic Restructuring and Foreign Investments	2006. Ongoing	ARFI: For each privatization, the control is established through defining contractual control obligations. For bigger enterprises, controls are done by hired reputable counselors. On May 15, 2007, the Privatization Council decided to call, in the future period, an international tender for hiring an independent expert institution that would compose an impartial and objective report on so far realized privatization contracts. ASSESSMENT: The obligation partially realized. RECOMMENDATION: The Privatization Council should hire an institution that would prepare an analysis of a quality of the established system of control of investments and their realization, as well as prepare an overview of completed privatizations. The next report should include indicators of quantity.
86. Inclusion of minority shareholders of privatized companies in monitoring of the privatization process	Privatization Council	2006. Ongoing	ARFI: The minor stockholders are consulted in all companies to be privatized, whether those are republic funds or workers and citizens. The consultations are carried out through administration bodies (mainly the general meeting) or trade union organizations (making "social packages"). ASSESSMENT: The obligation partially realized. RECOMMENDATION: To intensify the participation of minor stockholders in privatization decisions making.
87. Quarterly reports on corruption and privatization	Anticorruption Directorate (ACD), Privatization Council	2006, Ongoing	ARFI: The report on privatization is submitted to the Government of RMNE, and so far it included no case of corruption. The obligation could not be realized in this reporting period, since no case of corruption in privatization has been reported to the Privatization Council. ASSESSMENT: The obligation is being realized continuously. RECOMMENDATION: Reports of this sort can be subject to proceedings and UAI, within the regular reporting on citizens'

			notifications (the number of notifications related to the area of privatization).
88. Inform the public and the employees of their rights to participate in decision-making and monitoring of the privatization process	Privatization Council	2006. Ongoing	ARFI: The Privatization Council regularly informs citizens and employees through the specialized marketing agency PRA from Belgrade. ASSESSMENT: The obligation partially realized. The obligation is being realized continuously. RECOMMENDATION: To intensify activities on enforcement of this measure and provide quantity data.
89. Set up procedures for reporting non-compliances and corruption in privatization 1) Set up a phone line to report instances of corruption	Privatization Council	(2006.) 2007	ARFI: There is no need for a special procedure. Telephone services of the Privatization Council and the Agency are public and opened for reports during working hours. There were no reports of corruption so far. ASSESSMENT: The obligation not realized. RECOMMENDATION: Provide a special phone line for reporting irregularities and corruption in privatization. The obligation should be realized as soon as possible, by the end of the third quarter of 2007.
90. Establish a mixed working body to deal with cases, suggestions and complaints of the public on privatization process	Government of the RMNE	2006, Ongoing	ARFI: The Agency – Council submitted to the Government of RMNE a proposal for forming a working body. The Government of RMNE has formed special "Working body for reporting citizens' objections on the process of privatization" during the reporting period lead by Minister of Justice. Police Directorate: The representative of the Police Directorate in this body has been appointed. ASSESSMENT: The obligation realized. RECOMMENDATION: The report on work of this working body should be submitted to the National Commission as well.

RECOMMENDATIONS FOR THE AREA: THE PRIVATIZATION COUNCIL

Analyzing the accomplished results of the measures realized, and of those to be improved and carried out, the National Commission recommends:

1. The Agency for Reconstruction and Foreign Investment should intensify the activities informing citizens and employees about their right to participate in the decision-making process and control of privatization.
2. The Agency for Reconstruction and Foreign Investment should, as soon as possible, establish a procedure for reporting irregularities and corruption in privatization, and provide a special phone line for that purpose;
3. The Agency for Reconstruction and Foreign Investment should strengthen control mechanisms in counselor appointments, and to fully apply the Regulation on stock and property sales via public tender, and therefore inform the National Commission on tenders which were realized in line with the Law on Free Accession to Information.
4. The Privatization Council should hire an expert institution in the following period to prepare the analysis of the quality of the established investment control system and its implementation, as well as a review of finalized privatizations. The next report should include quantity indicators of implementation of this and all other measures mentioned in the AP.

D. MONEY LAUNDERING PREVENTION DIRECTORATE

GENERAL ASSESMENT:

The Administration for Prevention of Money Laundering has accomplished a significant progress regarding organization, bilateral and multilateral cooperation on the national and international level, by organizing trainings in the country and abroad. A significant progress was made in defining and submitting an extended (innovated) list of indicators of suspicious transactions.

The Administration for Prevention of Money Laundering made no progress regarding the adoption of a new rulebook on systematization and organization, staff recruitment, extension of jurisdiction and forming the Department for reporting entities control, with the explanation that all of the mentioned activities are in connection with adoption of the new law on prevention of money laundering and financing of terrorism.

MEASURE	COMPETENT INSTITUTION	TIME FRAME (starting from the adoption of the AP)	ASSESSMENT / RECOMMENDATION FOR EACH MEASURE
91. Adoption of the new Regulations on Internal Organization and Systematization	Government of the RM, Administration for Prevention of Money Laundering	2007.	<p>APML: Adoption of the new Rulebook will follow after adopting the new Law on prevention of money laundering and financing of terrorism, as well as the sub legal acts for its implementation. The existing Rulebook on systematization and organization of the Administration for Prevention of Money Laundering is harmonized with the present regulations according to the Regulation on groups of tasks, criteria for the internal organization, nomenclature of tasks and the frame number of executives within the public administration.</p> <p>ASSESSMENT: The obligation not realized.</p> <p>RECOMMENDATION: APML should follow a certain dynamics in the enforcement of this measure.</p>
92. Establishment of the Department for the Supervision of reporting entities	Government of the RM Administration for Prevention of Money Laundering	2007.	<p>APML: Forming of the Department for reporting entities control is planned to be carried out after the adoption of the new Law on prevention of money laundering and financing of terrorism, considering that this law will provide a greater jurisdiction of the Administration regarding the control function which would be realized through an inspection supervision.</p> <p>ASSESSMENT: The obligation not realized.</p> <p>RECOMMENDATION: APML should follow a certain dynamics in the enforcement of this measure.</p>
93. Recruiting personnel as per the Regulations on Internal Organization and Systematization and training	Administration for Prevention of Money Laundering	2007.	<p>APML: After adopting the new Law on prevention of money laundering and financing of terrorism and the Rulebook on systematization and organization, a suitable staff recruitment will be carried out. Namely, the content of this new law will determine new obligations of the Administration according to which the internal systematization and organization should be adopted.</p> <p>ASSESSMENT: The obligation not realized.</p> <p>RECOMMENDATION: APML should follow a certain dynamics in the enforcement of this measure.</p>
94. Participation to seminars organized by international institutions	Administration for Prevention of Money Laundering	Ongoing	<p>APML: In accordance with the need for presence on the international scene within the area of their work, and also for the purpose of continuous education and training in the area of prevention of money laundering and financing of terrorism, representatives of AMPL have participated on 18 international conferences, meetings and seminars.</p> <p>Seminar on the topic "Prevention of spreading of mass destruction weapons" (April 16-19, 2007).</p> <p>14.05. – 18. 05. 2007, Syracuse, Italy – seminar on the topic » Typology of money laundering and financing of terrorism« - in the organization of IMF and Italian Guardia di finanza.</p> <p>ASSESSMENT: The obligation realized. It is realized continuously.</p>
95. Participation of the representatives of the Administration in the working groups of the Egmont Group	Administration for Prevention of Money Laundering	Ongoing	<p>APML: Representatives of the Administration have participated in two meetings of working groups of the Egmont Group.</p> <p>27.05.-01.06.2007, Hamilton, Bermuda Islands – Representatives of the Administration for Prevention of Money Laundering have participated in working groups of the Egmont Group.</p> <p>ASSESSMENT: The obligation realized. It is realized continuously.</p>
96. Preparation of the amended list of indicators of suspicious transactions	Administration for Prevention of Money Laundering, the Central Bank in cooperation with competent institutions	2006, Ongoing	<p>APML: The list of indicators of suspicious transactions was extended in March 2007. The amended list includes 65 indicators and it has been submitted to reporting entities.</p> <p>CBoM: The measure realized by APML.</p> <p>ASSESSMENT: The obligation realized. It is realized continuously.</p> <p>RECOMMENDATION: In accordance with the Law on prevention of money laundering and financing of terrorism, CboM should participate in preparation of the list of indicators of suspicious transactions. The next report should provide information in line with the law (Art. 35).</p>

97. Delivery of the amended list of indicators of suspicious transactions to reporting entities and monitoring its application	Administration for Prevention of Money Laundering, the Central Bank	Ongoing	APML: The amended list includes 65 indicators and it has been submitted to reporting entities. CBoM: Banks are introduced to the amended list and the Control Sector regularly controls its application. ASSESSMENT: The obligation realized. It is being realized continuously.
98. Organizing seminars for authorized persons of reporting entities and the employees having direct contact with clients	Administration for Prevention of Money Laundering	Ongoing	APML: The organization of seminars for authorized persons of reporting entities and the employees who have direct contact with clients was planned for June 21 and 22, 2007. ASSESSMENT: The obligation not realized. RECOMMENDATION: APML should prepare a plan for seminars for authorized persons of reporting entities and the employees who have direct contact with clients, and submit information on it by the end of the third quarter of 2007.
99. Organizing seminars for authorized persons of reporting entities and state bodies in order to transfer knowledge acquired at the international seminars	Administration for Prevention of Money Laundering	Ongoing	APML: The preparation of the plan for organizing seminars for authorized persons of reporting entities and state bodies in order to transfer knowledge acquired at the international seminars is in progress. ASSESSMENT: The obligation not realized. RECOMMENDATION: APML should prepare the plan of seminars and submit information on it by the end of the third quarter of 2007.
100. Innovate individual cooperation agreements with FIU from the region and entering into new agreements.	Administration for Prevention of Money Laundering	2007.	APML: APML plans the innovation of the signed Agreements on cooperation with FIU from the region, after the adoption of the new Law on prevention of money laundering and financing of terrorism. ASSESSMENT: The obligation not realized. RECOMMENDATION: APML should submit information on enforcement of this measure by the end of the third quarter of 2007.
101. Regional meetings with the FIU from the neighboring countries	Administration for Prevention of Money Laundering	Ongoing	APML: The meeting was held with the Financial Intelligence Center UNMIK Kosovo (notified in the report of the date 09. 05. 2007) while the mixed FIU regional meeting is planned for September of this year. ASSESSMENT: The obligation partially realized. The obligation is realized continuously. RECOMMENDATION: APML should continue with the implementation of this measure.
102. Innovate individual cooperation agreements with other authorized public bodies and organizations and entering into new agreements	Administration for Prevention of Money Laundering and other supervisory bodies (Police Administration, Tax Directorate, Customs Directorate, Securities Commission, Central Bank), and ministries	Ongoing	APML: The Agreements on cooperation which the Administration signed with other authorized state institutions and organizations during 2005 and 2006 are fully implemented, so that there is a constant communication, coordination, cooperation and sharing of information necessary for revealing and preventing money laundering and financing of terrorism. Innovations of individual agreements on cooperation will be carried out after the adoption of the new Law for the purpose of introduction of new obligations included in this law. CBoM: The Agreement on Cooperation between CBoM and APML is concluded. CAoM: Constant communication, coordination, cooperation and sharing of information necessary for revealing and preventing money laundering in accordance with the Agreement on Cooperation between CA and the Administration for Prevention of Money Laundering (concluded on 21.10.2004.) ASSESSMENT: The obligation realized. It is realized continuously. RECOMMENDATION: APML should continue submitting information on enforcement of this measure.
103. Strengthening inter-institutional professional	Administration for Prevention of	Ongoing	APML: In cooperation with other institutions, 51 subjects were processed (the Police Administration - 30; State Prosecutor – 6; Tax Directorate – 11; Customs Directorate - 4).

<p>cooperation of the competent bodies regarding the implementation of the Law on Prevention of Money Laundering and Financing Terrorism</p>	<p>Money Laundering and other supervisory bodies (Police Administration, Tax Directorate, Customs Directorate, Securities Commission, Central Bank), and ministries</p>		<p>The Commission for Securities as a national regulatory and supervising body in dealing with securities, has no direct legal authority to enforce measures against corruption and organized crime. However, the Commission can, in the course of its own functioning, reveal acts and irregularities, which are reasonably suspected to have elements of criminal acts, and in such cases informs about it the authorized institutions, first the Ministry of Interior Affairs and Public Administration - the Police Administration - Department for combating commercial crime. The Commission for Securities has a strong cooperation with the Police Administration and MIPA, in submitting information on irregularities identified within the frame of competence of the Commission. The Commission has given a detailed report on cases where there were interventions. From 01.05. Until 31.05. The Commission has not submitted to PA, Ministry of Interior and Department for combating commercial crime any Information on revealed acts and irregularities, which are reasonably suspected to have elements of criminal acts. CBoM: The Agreement on Cooperation between CBoM and APLM is concluded. ASSESSMENT: The obligation realized. It is realized continuously.</p>
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RECOMMENDATIONS FOR THE AREA: MONEY LAUNDERING PREVENTION DIRECTORATE

1. Intensify activities on the adoption of the new Law on prevention of money laundering and financing of terrorism, for the purpose of implementation of other measures envisaged in the action plan, which are conditioned by its adoption.
2. Continue with organizing of program trainings for the employees of APLM and reporting entities.
3. Continue with the innovation of the list of indicators of suspicious transactions, in accordance with the identified needs.

E. PUBLIC PROCUREMENT COMMISSION

GENERAL ASSESMENT:

For the purpose of providing an efficient application of the new Law on Public Procurement, as well as the transparency of the procedure of public procurement, than protection of rights of bidders, developing capacities of the Commission for Public Procurement and fulfilling the obligations from the European Partnership, this Action Plan envisages a set of measures for each of these areas from the chapter Public Procurement Commission.

During the reporting period, no satisfactory progress has been accomplished in implementation of measures from the Action Plan, except in the part: training of staff for application of the Law on Public Procurement which is realized in cooperation with EAR (organized one-day-training programs for staff for public procurement and members of the Commission for opening and ASSESMENT of bidding which were attended by 200 participants from the mentioned institutions - **measure 104**); furthermore, drafting by-laws for the implementation of the Law on Public Procurement (Regulation on determining amounts and time frames applied in implementation of methods for enforcement of public procurement Official Gazette of RMNE, No. 23/03; the Rulebook on the form, content and procedure of issuing a document that provides a regular payment of public procurement fees; conditions and a procedure for determining the value of public procurement, Official Gazette of RMNE, No. 71/06 and the Rulebook on Procedure of the Commission for Public Procurement Control, Official Gazette of RMNE, No. 10/07. - **measure 105**), and developing an electronic register (in progress) (**measure 111**).

In cooperation with SIGMA/OECD, the Project for determining work methodology in drafting by-laws in the area of electronic public procurement has been nominated, (**measure 111**), which is the initial phase of implementation of this measure.

Expressed in numbers, only one (1) out of twelve (12) measures was implemented, while four (4) were partially realized.

MEASURE	COMPETENT INSTITUTION	TIME FRAME (starting from the moment of the adoption of AP)	ASSESSMENT / RECOMMENDATION FOR EACH MEASURE INDIVIDUALLY
104. Training of staff for the implementation of the new law (Public Procurement Commission, public procurement officers and bidders)	Public Procurement Commission, Human Resources Agency, Public Procurement Directorate	2006 - 2007.	Human Resources Agency has not submitted any information on realization of this measure. Commission for Public Procurement: Commission for Public Procurement Control, in cooperation with the European Reconstruction Agency organized one-day-training programs for staff for public procurement and members of the Commission for opening and ASSESSMENT of bidding on following dates: April 16, in Bijelo Polje, April 18, in Nikšić and April 20, in Budva. Trainings were attended by 200 participants from the mentioned institutions. ASSESSMENT: Obligation partially realized. RECOMMENDATION: The Commission for Public Procurement Control and the Human Resources Agency intensify their activities on implementation of this measure, and submit information on it by the end of the third quarter of 2007.
105. Drafting by-laws	Public Procurement Commission, Public Procurement Directorate	2007.	Commission for Public Procurement Control: By-laws on implementation of the Law on Public Procurement (Official Gazette of RMNE, No. 71/06) are drafted. Also determined is the methodology in drafting by-laws in the area of electronic public procurement in cooperation with SIGMA/OECD ASSESSMENT: Obligation realized.
106. Develop Public Procurement Manual	Public Procurement Commission, Public Procurement Directorate	(2006.) 2007	Commission for Public Procurement Control: Will be realized as a part of IPA 2007. Commission for Public Procurement Control: the methodology of work is established, as well as the choice of international and local experts who will participate in drafting the manual. The international expert Dr Aleksij Muzina will have an organized a meeting with representatives of the State Commission. ASSESSMENT: Obligation not realized. RECOMMENDATION: Initiate the draft of the manual , and submit an information on it by the end of the third quarter of 2007.
107. Develop comparative analysis on the protection of the rights of bidders in the Western Balkan countries	Public Procurement Commission, Public Procurement Directorate	2007.	ASSESSMENT: Obligation not realized. RECOMMENDATION: Intensify activities on drafting the analysis, and submit information on it by the end of the third quarter of 2007.
108. Set up a phone line for reporting irregularities in public procurement (with the elements of corruption)	Public Procurement Commission, Public Procurement Directorate	(2006.) 2007	Commission for Public Procurement Control: This measure was not defined by the Law on Public Procurement. ASSESSMENT: Obligation not realized. RECOMMENDATION: Public Procurement Directorate and the Commission for Public Procurement Control should determine legal grounds for the realization of this measure, and submit information on it by the end of the third quarter of 2007.
109. Inform the competent bodies on established irregularities with the elements of corruption in the public procurement procedures	Public Procurement Commission, Public Procurement Directorate	Ongoing	Commission for Public Procurement Control: The Information submitted to the Administration for Anticorruption Initiative. ASSESSMENT: Obligation not realized. RECOMMENDATION: Commission for Public Procurement Control should submit an information on implementation of this measure by the end of the third quarter of 2007.
110. Providing conditions for the implementation of	Public Procurement	2007.	Commission for Public Procurement Control: SIGMA/OECD have informed us that this project had been proposed to the European Union.

the Public Procurement Law regarding the electronic public procurement system	Commission, Public Procurement Directorate		ASSESSMENT: Obligation not realized. RECOMMENDATION: Commission for Public Procurement Control should identify alternative sources of financing for implementation of this measure in 2007.
111. Creation of the electronic register book	Public Procurement Commission, Public Procurement Directorate	2008.	Commission for Public Procurement Control: Realization is in progress. ASSESSMENT: Obligation not realized. (Although it is planned for 2008). RECOMMENDATION: Submit a report on project status and the dynamics of its realization, by the end of the third quarter of 2007.
112. IT training for public procurement officers and bidders	Public Procurement Commission, Public Procurement Directorate	2008.	Commission for Public Procurement Control: Will be realized as a part of IPA 2007. ASSESSMENT: Obligation not realized (although it is planned for 2008). RECOMMENDATION: Submit a report on planned activities on implementation of this measure, by the end of the third quarter of 2007.
113. Report of the Public Procurement Commission on the state of affairs of the public procurement, observed irregularities and proposed measures to improve the system	Public Procurement Commission, Public Procurement Directorate	2008.	ASSESSMENT: Obligation not realized. (Although it is planned for 2008). RECOMMENDATION: Submit a report on planned activities on implementation of this measure, by the end of the third quarter of 2007. All information should be published on the Internet page of the Commission for Public Procurement Control. Provide an Internet presentation of the Public Procurement Directorate.
114. Human resources development	The Parliament of RMNE, Public Procurement Commission, Public Procurement Directorate	2006, Ongoing	Commission for Public Procurement Control: Trainings are organized with the participation of representatives of the State Commission. Parliament of RMNE: The process of staff recruitment is finalized (16 new public servants and employees are hired). The employment of 4 new servants is expected in the Committee for International Relations and European Integration. ASSESSMENT: Obligation partially realized. RECOMMENDATION: The Commission should prepare a program of human recourse development of the Commission for Public Procurement Control service.
115. Intensify training of staff	Public Procurement Commission, Public Procurement Directorate,	Ongoing	Commission for Public Procurement Control: Employees of the Commission are participating in training programs. ASSESSMENT: Obligation partially realized and its realization is ongoing. RECOMMENDATION: The Commission should submit a report on realized programs and levels of training, by the end of the third quarter of 2007.

RECOMMENDATIONS FOR THE AREA OF PUBLIC PROCUREMENT:

Considering the adoption of the Law on Public Procurement and of by-laws, the National Commission suggested the establishing of suitable institutional frame for their implementation. In that sense, the National Commission points out that the Ministry of Finance, which supervises the work of of the Public Procurement Directorate, should take over the activities so that the Directorate and the Commission for Public Procurement Control could respond to the established program obligations. After this RECOMMENDATION phase of establishing the functional first instance body, progress could be expected in the implementation of measures from the Action Plan.

F. COMMISSION FOR ESTABLISHING THE CONFLICT OF INTERESTS

GENERAL ASSESMENT:

Taking into account that the conflict of interests is one of the RECOMMENDATION issues in the area of the anticorruption policy, measures defined by the Action Plan are primarily directed towards amending the existing legal framework and harmonization with the international standards in the area of conflict of interests, the accuracy control of submitted data on incomes and assets, training of all subjects included in the enforcement of law, and fulfillment of obligations from the European Partnership.

The primary issue is certainly the prompt adoption of the new law which would harmonize the definition of a public official with the standards defined in the UN Convention on Anticorruption, and than give the authorization to the body for the application of this law, and to control the accuracy of submitted data on incomes and assets of public officials (**measures 116 and 117**). The existing Law gives no such possibility to the Commission, except that the data are publicly announced, so each citizen and legal person can submit an appeal/initiative for false report of assets (**measures 119 and 120**). In that sense, the new legal framework should define an efficient penalty system for the cases when a public official does not comply with the law. According to information of the Commission for Establishing the Conflict of Interests, during the reporting period most of the reports came from NGO MANS.

However, in line with the present Law, the Commission for Establishing the Conflict of Interests monitors incomes and assets of public officials, through reports which they submit (**measures 118 and 121**), and therefore submits a request to a competent body for dismissal from the public office (the present statistics: the Commission for Establishing the Conflict of Interests has, during 2006 and 2007, submitted 85 requests for dismissal from the public office, but only one public official was suspended). Furthermore, in December 2006, the Commission for Establishing the Conflict of Interests submitted to the State Prosecutor an initiative for determining the origin of assets of four public officials. All of the mentioned data are available on the Commission's web page: www.konfliktinteresa.cg.yu.

Furthermore, in the part related to the training of all subjects involved in the implementation of the Law, the Commission has prepared 13 training programs proposed to the international organizations (OSCE and others), with detailed financial assessment of expenses. However, the financial support is not provided yet, since donors estimated that the adoption of the new law should be waited because it will regulate the issue of preventing the conflict of interests in performing public functions.

MEASURE	COMPETENT INSTITUTION	TIME FRAME (starting from the moment of the adoption of AP)	ASSESMET / RECOMMENDATION FOR EACH MEASURE INDIVIDUALLY
116. Adoption of the new Law on Conflict of Interests	Parliament of RMNE in cooperation with the Commission for Establishing the Conflict of Interests	(2006.) 2007	Parliament of RMNE: Draft Law has not been submitted to the Parliament of RMNE. Commission for Establishing the Conflict of Interests: Commission for Establishing the Conflict of Interests has submitted to the Parliament the Report on Work for 2005 and 2006, which first proposes the amendment of the law and adoption of requests of the international organizations (GRECO, Merida Convention). The Committee for Political System, Judiciary and Administration of the Parliament has adopted the material on May 25,2007, and in June 2007, the Parliament has, after the discussion, adopted the Annual Report for 2006. ASSESMET: Obligation not realized. RECOMMENDATION: The Parliament should submit information on the planned discussion, by the end of the third quarter of 2007.
117. Harmonize the definition of public officials with UN Convention against	Parliament of RMNE in cooperation with	2007	ASSESMET: Obligation not realized. RECOMMENDATION: The Parliament of Montenegro should intensify activities on the adoption of this law, along with the harmonization with the international standards and instruments.

Corruption (art.2 of the Convention)	the Commission for Establishing the Conflict of Interests		NOTE: Commission for Establishing the Conflict of Interests has submitted to the Parliament the Report on Work for 2005 and 2006 which first propose the amendment of the law and adoption of requests of the international organizations (GRECO, Merida Convention)
118 Introduction of efficient and proportional punishments, leading even to dismissal	Parliament of RMNE in cooperation with the Commission for Establishing the Conflict of Interests	2007	Commission for Establishing the Conflict of Interests: In 2006, the Commission for Establishing the Conflict of Interests submitted 53 requests for dismissal from the public office, but only one public official was suspended. In accordance with the Article 22 of the Law, 32 requests for dismissal from the public office were submitted during 2007. ASSESSMENT: Obligation not realized. RECOMMENDATION: The Parliament of Montenegro should intensify activities on the adoption of this law.
119. Envisage sanctions for false declaration of income and assets	Parliament of RMNE in cooperation with the Commission for Establishing the Conflict of Interests	2007	ASSESSMENT: Obligation partially realized. RECOMMENDATION: The Parliament of Montenegro should intensify activities on the adoption of this law.
120. Establish by the Law on Conflict of interest the obligation of the Commission to verify and determine the accuracy of data on income and assets	Parliament of RMNE in cooperation with the Commission for Establishing the Conflict of Interests	(2006.) 2007	Commission for Establishing the Conflict of Interests: The existing Law gives no such possibility to the Commission, except that the data are publicly announced, so each citizen and legal person can submit an appeal/initiative for false report of assets. According to information of the Commission for Establishing the Conflict of Interests, during the reporting period most of the reports came from NGO MANS. ASSESSMENT: Obligation not realized. RECOMMENDATION: The Parliament of Montenegro should intensify activities on the adoption of the new law.
121. Application of the obligation to submit information to the State prosecutor on false declaration off assets	Commission for Establishing the Conflict of Interests	Ongoing	Commission for Establishing the Conflict of Interests: In December 2006, the Commission for Establishing the Conflict of Interests submitted to the State Prosecutor an initiative for determining the origin of assets of 4 public officials. These data can be found on the site of the Commission, and they consider the following officials: a member of the Parliament, Vice-president of a municipality, a Deputy Minister and a Director of the Agency. ASSESSMENT: Obligation realized. The obligation is realized continuously.
122. Training for public officials (local officials)	Commission for Establishing the Conflict of Interests, in cooperation with NGOs and the media	2006, Ongoing	Commission for Establishing the Conflict of Interests: Within plan is an educational seminar in 2007, but not before providing the financial support. The Commission has established 13 programs nominated at the international organizations (OSCE and others). The report includes a financial plan of realization of the training program. ASSESSMENT: Obligation realized. The obligation is realized continuously. RECOMMENDATION: The Commission should continue the implementation of this measure. The Commission should submit information on the realized trainings for 2006 by the end of the third quarter of 2007.
123. Training for NGO representatives		2006, Ongoing	Commission for Establishing the Conflict of Interests: Within plan is an educational seminar in 2007, but not before providing the financial support. The Commission has established 13 programs nominated at the international organizations (OSCE and others). The report includes a financial plan of realization of the training program. ASSESSMENT: Obligation not realized. RECOMMENDATION: The Commission should submit information on the plan of training for NGO sector by the end of the third quarter of 2007.

124. Training for journalists		2006, Ongoing	Commission for Establishing the Conflict of Interests: Within plan is an educational seminar in 2007, but not before providing the financial support. The Commission has established 13 programs nominated at the international organizations (OSCE and others). The report includes a financial plan of realization of the training program. ASSESSMENT: Obligation not realized. RECOMMENDATION: The Commission should submit information on the plan of training for media representatives by the end of the third quarter of 2007.
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RECOMMENDATIONS FOR THE AREA: COMMISSION FOR ESTABLISHING THE CONFLICT OF INTEREST

Having in mind the priority of enhancement, primarily of the legislative regulation within the area of the conflict of interests , as well as the recommendations of GRECO and from the European Partnership, the National Commission, for the purpose of complying to the international standards, recommends:

1. The Ministry of Interior Affairs and Public Administration, in cooperation with the Commission for Establishing the Conflict of Interests, should, as soon as possible prepare a Draft Law on Conflict of Interests;
2. The international standards, especially the UN Convention on Anticorruption and the recommendations of GRECO should be taken into account in drafting the Law.
3. Along with defining the jurisdiction of the Commission for Establishing the Conflict of Interests and of sanctions for breach of this law, also determined should be the authorization of the Commission to control the accuracy of submitted data and penalties for submitting false information on registered incomes and assets,
4. The Commission for Establishing the Conflict of Interests should provide the training, after the adoption of the Law, for all subjects involved in its implementation, including the civil society and the media.

G. TAX DIRECTORATE

GENERAL ASSESMENT:

Tax Directorate has accomplished a significant progress in defined measures from the Action Plan (providing a phone line for reporting corruption, annual researches on circumstances and forms of corruption, strengthening the department for internal control, drafting the code of ethics, introduction of the information system with the unique data base, signing agreements on cooperation with other state authorities, and training of employees for using the information technology).

Tax Directorate has not realized the measure relating the rotation of employees, and in that respect, informed the Ministry of Finance about the present legislation, which does not include the «rotation» of employees.

However, because of the specific nature of tasks and a diverse working pressure on tax inspectors in all district units, as well as for the complete control coverage in all district units, some inspectors did daily controls in towns out of their district units, especially controls of tobacco traffic and traffic registration, while 15 inspectors were hired for providing full control of accounting, reporting and tax paying. Furthermore, the Tax Directorate continuously develops and supports information system, although the Police Directorate has not yet made any direct access to these databases.

MEASURE	COMPETENT INSTITUTION	TIME FRAME (starting from the moment of the adoption of AP)	ASSESSMENT / RECOMMENDATION FOR EACH MEASURE INDIVIDUALLY
125. Setting up a phone line	Tax Directorate	2006. Ongoing	Tax Directorate: The function of the existing phone line 9707 for contact and providing services for taxpayers has been expended on reporting of all forms of corruption and organized crime. The phone line is active 24 hours a day. There is also a «flashing

for reporting corruption in Tax Directorate and making six-month reports			<p>banner» with a call for reporting corruption on 9707. During the reporting period, there were 83 calls, and they were mostly related to breaching tax legislation. The Tax Directorate has undertaken all legal measures after each report. None of the reported irregularities had elements of corruption, and they had nothing to do with the work of tax servants.</p> <p>During May, there were 109 reports of breach of tax legislation on 9707 phone line, and there were no reports of acts with elements of corruption.</p> <p>ASSESSMENT: Obligation realized. The obligation is realized continuously.</p>
126. Annual research on current conditions, different forms, causes and methods of corruption in Tax Directorate	Tax Directorate	Ongoing	<p>Tax Directorate: Researches on the existing circumstances, forms, causes and methods of appearance of corruption in Tax Directorate are provided by the organizational structure of the Tax Directorate, and they are carried out daily as a part of regular working activities with a special control and analysis of reports on work being done by the management and the Department for Internal Control.</p> <p>Results of the six-question survey have been submitted to the National Commission with the Report of 10th of April. A survey on other 4 «question of the week» is in progress, and the information acquired from it in the next reporting period will be presented.</p> <p>FRMNE the aspect of the internal control, it is important to point out that in the Tax Directorate there is an accescmen of inspection results of each inspector introduced for the purpose of implementation of the given measure, based on comparison with the expected results. In that sense, a special attention is given to the selection of taxpayers for the control, so that the selection is done by a greater number of persons from the Control Sector and district units. This way there is no possibility that few persons get monopoly over the selection, so that impartiality is guaranteed.</p> <p>ASSESSMENT: Obligation realized. The obligation is realized continuously.</p>
<p>127. Strengthening the Internal Control Department of the Tax Directorate</p> <p>4) Training of staff of the Internal Control Department</p> <p>5) Development of Rules of Operation for the Internal Control Department</p> <p>6) Making six-month reports on performed internal controls</p>	Tax Directorate	2007.	<p>Tax Directorate: In the internal control, a special significance is given to the control of the inspection procedure, as well as to the audit done by tax inspectors. The inspection procedure is controlled daily on several levels, (given in the report). During the reporting period, 60% of controls were followed by irregularities, and the percentage of the newly established obligations in the inspection procedure is 15% of the overall budgetary revenues. The legality of acting of tax inspectors and other servants is confirmed also by the enlarged number of complaints on documents brought in procedures of identification, control, and charging of tax obligations. 649 internal controls was carried out by inspectors-controllers of quality during the reporting period, while all of controls and procedures of adoption of documents are monitored by supervisors and managers of subsidies and district units.</p> <p>1) There is a constant training of internal control servants and employees, in many forms (trainings for work, internal and external training)</p> <p>ASSESSMENT: Obligation realized. The obligation is realized continuously.</p> <p>2) The Tax Directorate has brought the Rulebook on the work of internal control on November 22, 2006, and it has been translated in English and published, in both versions, on the web site.</p> <p>ASSESSMENT: Obligation realized.</p> <p>3) During the past six months of the reporting period, there were 3032 internal controls, which discovered and provided indications of no acts with the elements of corruption of tax inspectors, servants, and employees.</p> <p>By the Report of April 10, the national Commission was informed on the adoption of the internal acts for enhancement of the Sector for the internal control. During the reporting period, there were 558 inspections, and heads of district units and inspectors-controllers of quality have carried out 462 controls of inspection regularity within district units. The controls discovered and provided indications of no acts with the elements of corruption of tax inspectors, servants, and employees.</p> <p>There were also no reports of corruptive behavior in the complaint boxes for citizens. The Sector for monitoring of the implementation of tax regulations, the inspection surveillance, and administrative procedure examined documentations of 8 inspection procedures and concluded that all of them were carried out in legal manner.</p> <p>Despite of application of all measures for discovering corruption and organized crime, the Sector for Internal Control discovered and acquired indications of no acts with the elements of corruption of tax inspectors, servants, and employees.</p> <p>During the reporting period, there were three trainings on control of direct taxes, profit taxes, income taxes for physical persons, as well as on the treatment and control of major taxpayers.</p> <p>ASSESSMENT: Obligation realized.</p>

128. Strengthening external control through: 1) appointing an authorized officer to supervise the operation of the Tax Directorate 2) six-month reporting on supervision and their posting on the websites of the Ministry of Finance and the Tax Directorate	Ministry of Finance	2007.	Ministry of Finance: 1) Ministry of Finance -Sector for tax and customs system continuously realizes the administrative monitoring of work of the Tax Directorate. This sector is a second instance body of the Ministry of Finance, which manages complaints of parties. ASSESSMENT 1: Obligation realized. ASSESSMENT 2: Obligation not realized. RECOMMENDATION: The Ministry of Finance should submit information on drafting of the six-month report on supervision, by the end of the third quarter of 2007.
129. Rotation of employees in Tax Directorate (Financial Police)	Tax Directorate	Ongoing	Tax Directorate: Rotation in the Financial Police envisaged by the Action Plan and by the new organization of inspection surveillance cannot be implemented, either on horizontal or vertical level, within the frame of the existing legislation that regulates the establishment and seizure of working relations, so it has not been implemented during the reporting period. Tax Directorate has informed the Ministry of Finance on the existing legal regulation that does not include the «rotation» of employees. However, because of the specific nature of tasks and a diverse working pressure on tax inspectors in all district units, as well as for the complete control coverage in all district units, some inspectors did daily controls in towns out of their district units, especially controls of tobacco traffic and traffic registration, while 15 inspectors were hired for providing full control of accounting, reporting and tax paying. ASSESSMENT: Obligation partially realized. RECOMMENDATION: The existing legal solutions should be reconsidered and they should include the rotation of employees in the Tax Directorate.
130. Development of a Code of Ethics for public servants within the Tax Directorate	Tax Directorate	2007.	Tax Directorate: On November 22, 2006, the Tax Directorate has brought the Code of Ethics for servants and employees who work there. The Code is available on the web page of the Tax Directorate. There was no discovery or indication of acts with elements of corruption and organized crime in tax inspectors, servants, and employees. ASSESSMENT: Obligation realized.
131. Introduction of IT system with a unique database	Tax Directorate	2007-2008.	Tax Directorate: The Tax Directorate is a body that develops and maintains its own informatics system. All of the district units and branches (21 of them) are connected to the same informatics system, which provides the accessibility and consistency in information within the competence of the Tax Directorate. The system provides an input, change, update and searching of data, the report creation, issuing of documents, along with the suitable training of employees. ASSESSMENT: Obligation realized.
132. IT training of staff		2007-2008, Ongoing	Tax Directorate: 302 servants passed through the computer training, so that it could be concluded that their knowledge of use of information technology is satisfactory. In progress is drafting of the Project on mutual registration and the system of reporting on calculation and charge of taxes and incomes, based on the Contract on delivery of Application Software to the Tax Directorate concluded between the Ministry of Finance and the consulting agency «Hermes soft lab». ASSESSMENT: Obligation realized.
133. Signing agreements on cooperation	Tax Directorate Police Administration Prosecutor's Office	2007-2008.	Tax Directorate: The Agreement on Cooperation between the Supreme State Prosecutor of RMNE and the Tax Directorate in fighting against criminal acts with elements of corruption and organized crime was concluded in January 2007. The Agreement on Cooperation between the Tax Directorate and the Police Directorate was concluded in March 2007. Based on this agreement, the Tax Directorate has submitted two reports against two taxpayers who are suspected of performing criminal acts with elements of corruption. ASSESSMENT: Obligation realized.

134. Enable the police to have direct access to Tax Directorate databases	Tax Directorate Police Administration	2007, Ongoing	Tax Directorate: A system of full communication and provision of data for the needs of the Police Directorate was realized as a part of the concluded Agreement and legal regulations. ASSESSMENT: Obligation partially realized. RECOMMENDATION: The Tax Directorate and the Police Directorate should initiate the amendment of The Agreement on Cooperation with the aim of providing a direct access to data for the Police Directorate as well as the use of the Administration's data base.
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RECOMMENDATIONS FOR TAX DIRECTORATE:

1. The Tax Directorate should initiate amendment of laws regarding the rotation of employees by the end of the fourth quarter of this year.
2. By the end of the fourth quarter of this year, The Tax Directorate and the Police Directorate should innovate the Agreement on Cooperation with the aim of providing a direct access to the Administration's database for the Police Directorate.

H. CUSTOMS DIRECTORATE

GENERAL ASSESMENT:

Customs Directorate has accomplished a significant progress in all defined measures from the Action Plan (providing a phone line for reporting corruption, annual researches on circumstances and forms of corruption, appointment of an authorized servant for monitoring of work of the Administration, rotation of employees, introduction of the information system with the unique data base, signing agreements on cooperation with other state authorities, and training of employees for using the information technology).
Certain progress was made on the plan of drafting six-month reports of the Sector for Internal Control and signing agreements on cooperation with the Supreme State Prosecutor.
Customs Directorate has not made any progress in the realization of measures such as: signing the Agreement on Cooperation with the Police Directorate, drafting manuals for citizens, drafting a rulebook on the work of the Sector for Internal, training of servants and providing a direct access to data for the Police.

MEASURE	COMPETENT INSTITUTION	TIME FRAME (starting from the moment of the adoption of AP)	ASSESSMENT / RECOMMENDATION FOR EACH MEASURE INDIVIDUALLY
135. Enhance the system of communication with the public 1) Set up a phone line for reporting instances of corruption in Customs Directorate and six-month reporting 2) Development of Guidelines for the public	Customs Directorate	2006. Ongoing	Customs Directorate: During the period from April 1 to April 30, 2007, on the Opened Line there were no complaints on the work of customs servants. In plan is drafting of the Manual for citizens containing instructions and modes of reporting corruption. During the period from May 1 to May 31, 2007, on the Opened Line there were no complaints on the work of customs servants. 1) ASSESSMENT: Obligation realized. 2) ASSESSMENT: Obligation not realized. RECOMMENDATION: Customs Authority should, as soon as possible, make the Manual for Citizens, and inform the National Commission about it.
136. Annual research of the current state of affairs, different forms, causes and methods of occurrence of corruption in customs services	Customs Directorate	2006. Ongoing	Customs Directorate: The survey was made by CEED in June of 2006, in cooperation with the World Bank. ASSESSMENT: the corruption in the Customs Directorate is on a medium level. The data are available on the site of the Customs Directorate. The survey was carried out on four border crossing (Tivat Airport, the Port of Bar and Debeli Brijeg) and on customs terminals (Podgorica, Nikšić and Bijelo Polje). The survey included dispatch, transport and trade companies, and the criteria were the scope of work and a number of declarations.

			<p>Questions from the survey were defined in cooperation with the World Bank; the survey was carried out in the period from May 29 till June 9, 2006. 154 subjects were involved (13 production firms, 40 trade companies, 61 transportation companies and 40 dispatching companies).</p> <p>According to 92% of the interviewed, the Customs Directorate has a fair treatment in relation to other companies. When asked if the customs service acted the same way in dispatches during 2006, 93% of the companies answered affirmatively.</p> <p>Considering that 88% of the interviewed said that they were introduced with their rights and obligations toward the Customs Directorate and that every fourth of them thinks that the Administration always initiates the legal procedure on receiving a complaint, and 42% of them think that the present procedure is legal in the same degree like it was in 2002, it could be concluded that the regulations are complied. In 78% of the cases, there is an opinion that during 2006, the Customs Directorate was efficient in applying customs procedure and more that a half of the interviewed (54%) think that customs procedures were applied quicker in 2006 than in 2002.</p> <p>In comparison to 2002, the Customs Directorate made the biggest progress in its work when compared to other services on boarder crossings - that is the conclusion of 34,4% of the interviewed. Most of the interviewed think that, in comparison to other customs services from the region, the Montenegrin customs service gives a better treatment to companies.</p> <p>When directly asked about the corruption, most of the interviewed (46%) thought that the corruption of customs services is on a low level, 5,2% of them think it is on a very high level, while 10,4 % of the interviewed have not answered the question.</p> <p>It is encouraging that over 77,3% of the interviewed pointed out that they never had to give bribes, and the corruption in the Customs Directorate is on a medium level (the average value of the corruption level indicator is 2,26 when the range goes from 1 to 5)</p> <p>However, 22, 7% of the interviewed said that they are giving bribes from 5 to 100 euros. Every third gave a bribe up to 10 euros, and every fourth not more than 5 euros. They were mostly giving less than 5% of the value of their goods as a gift/bribe.</p> <p>Considering that the survey is done on the initiative of the World Bank, it has been entirely published on the web site of the Customs Directorate (www.vlada.cg.yu/carine), after being published on the site of the World Bank (www.worldbank.com).</p> <p>ASSESSMENT: Obligation realized.</p>
<p>137. Strengthening the Internal Control Department of the Customs Directorate</p> <ol style="list-style-type: none"> 1) Training of staff of the Internal Control Department 2) Development of Rules of Operation for the Internal Control Department 3) Making six-month reports on performed internal controls 	Customs Directorate	2007.	<p>Customs Directorate:</p> <p>1, 2) within the CAFAO Mission in Montenegro there were some inevitable delays in the realization of certain components of the project. Therefore, CAFAO has made an overview of the working program and suggested certain changes regarding results and timeframes for one part of tasks from the program.</p> <p>Sector for Internal Control is included in the CAFAO working program for 2007, under the sub-project MON/07/08. The activities here envisaged were not realized because of delays of hiring an expert consultant for this sub-project.</p> <ol style="list-style-type: none"> 1. Special trainings not realized. <p>ASSESSMENT: Obligation not realized.</p> <ol style="list-style-type: none"> 2. Not realized. <p>ASSESSMENT: Obligation not realized.</p> <ol style="list-style-type: none"> 3. Sector for Internal Control drafts semiannual and annual reports on the implemented internal control. <p>ASSESSMENT: Obligation realized.</p> <p>RECOMMENDATION: Customs Directorate should prepare a program of training for servants of the Sector for Internal Control, as well as a rulebook on work of the Sector, and inform the National Commission on it at least by the end of the third quarter of 2007.</p>
<p>138. Strengthening external control through:</p> <ol style="list-style-type: none"> 1) appointing an authorized officer to supervise the operation of the Customs Directorate 2) six-month reporting on 	Ministry of Finance	2007.	<p>Ministry of Finance: The Ministry of Finance – Sector for tax and customs system continuously implements the administrative supervision of work of the Customs Directorate, and within the Ministry of Finance there is also a second instance body that decides about the complaints on the work of the Customs Directorate.</p> <p>ASSESSMENT 1: Obligation realized.</p> <p>ASSESSMENT 2: Obligation not realized.</p> <p>RECOMMENDATION: The Ministry of Finance should submit an information on drafting a six month report on surveillance (second instance procedure), by the end of the third quarter of 2007.</p>

supervision and their posting on the websites of the Ministry of Finance and the Customs Directorate			
139. Development of a Code of Ethics for public servants within the Customs Directorate	Customs Directorate	2007.	<p>Customs Directorate: Department for Monitoring and Implementation of Regulations made a draft of the Code of Ethics for customs servants and employees. The Ministry of Finance, as a supervising body, gave the opinion that in the Code of Ethics for customs servants there are no specific differences to the Code of Ethics for public servants and employees. Therefore, they think that there is no need for making a separate Code of Ethics for customs servants and employees. According to recommendations of the National Commission in relation to drafting the Code of Ethics for customs servants and employees, the Ministry of Finance is obliged to reconsider the adoption of the Code of Ethics for customs servants and employees, following the procedure for the Customs Directorate. ASSESSMENT: Obligation partially realized. RECOMMENDATION: the Ministry of Finance is obliged to reconsider the adoption of the Code of Ethics for customs servants and employees, following the procedure for the Customs Directorate, and inform the National Commission about it, by the end of the third quarter of 2007.</p>
140. Rotation of employees in Customs Directorate	Customs Directorate	Ongoing	<p>Customs Directorate: Rotation of servants within the Customs Directorate, during the reporting period, has been implemented in the following degree: Customs Office Podgorica – 36 servants, 38; Customs Office Bar- 13 servants, 12; Customs Offices in Kotor – 20 servants, 20. A temporary rotation of customs servants from the Customs Office Kotor into Customs Office Bar -3 servants. ASSESSMENT: Obligation realized.</p>
141. Introduction of IT system with a unique database	Customs Directorate	2007 - 2008.	<p>Customs Directorate: Realized. Customs Information System (CIS) (01.04.2003). Project of »Automatic Counter« (04.12.2005). Electronic Exchange of Data (ERP) (25.05.2006). Project »System for the Risk Analysis« (24.04. 2007) ASSESSMENT: Obligation realized.</p>
142. IT training of staff		2007-2008, Ongoing	<p>Customs Directorate: During the reporting period, the following trainings were realized: During the period 23.04.2007-27.04.2007, there was a training on the topic “Human Recourses Information System” organized by the Human Resources Authority; attendance -1 servant of the Customs Directorate. During the period, 03.04.2007-13.04.2007 there was training for customs servants, on using the system for risk analysis in Customs Offices. This training was attended by customs Directors, station chiefs, and several customs servants. During the reporting period, the following trainings were realized:</p> <ul style="list-style-type: none"> • a training on using the Customs Information System (as a part of customs course) for 22 servant of the Customs Directorate. • a training on using the System for the Risk Analysis in Customs Offices of Montenegro. <p>ASSESSMENT: Obligation realized.</p>
143. Signing agreements of cooperation	Customs Directorate, Police Administration, State Prosecutor	2007 -2008.	<p>Customs Directorate: Drafting of the agreement on cooperation between the Customs Directorate and the Police Directorate is in progress. Cooperation between the Customs Directorate and the Supreme State Prosecutor has been realized in the previous reporting period. The work on drafting the Agreement with the Police Directorate has been continued during the reporting period. . Cooperation between the Customs Directorate and the Supreme State Prosecutor has been realized. The Protocol on Cooperation between the Customs Directorate and the Faculty of Law in Podgorica was signed on May 15, 2007.</p>

			ASSESSMENT: Obligation partially realized. RECOMMENDATION: Intensify the activities on signing the Agreement on Cooperation with the Police Directorate.
144. Enable the Police to have a direct access to Customs Directorate databases	Customs Directorate, Police Administration	2007, Ongoing	Customs Directorate: The project of making the »National Intelligence System« is in progress. The performer of works on this project is the Police Directorate, with the participation of the Customs Directorate. A new meeting of the Commission was held on May 8, 2007, in OSCE, where the Customs Directorate performed a presentation of the System for the Risk Analysis. ASSESSMENT: Obligation not realized. RECOMMENDATION: The Customs Directorate and the Police Directorate should submit together information on the degree of implementation of this measure, by the end of the third quarter of 2007.

RECOMMENDATIONS FOR CUSTOMS DIRECTORATE:

1. The Customs Directorate should intensify the activities on signing the Agreement on Cooperation with the Police Directorate with the aim of providing a direct access to data for the Police Directorate as well as the use of the Administration's database, by the end of the third quarter of 2007.
2. The Ministry of Finance is obliged to reconsider the adoption of the Code of Ethics for customs servants and employees, following the procedure for the Customs Directorate, and inform the National Commission about it, by the end of the third quarter of 2007.
3. Intensify the activities on making a rulebook on work of the Sector for Internal Control, as well as the activities in relation to trainings for the servants of the Sector, by the end of the third quarter of 2007.
4. Intensify the activities on making the Manual for Citizens, by the end of the third quarter of 2007.

I. ANTICORRUPTION INITIATIVE DIRECTORATE

GENERAL ASSESMENT:

The Action Plan, in the part Specific Measures against Corruption and Organized Crime, defines the obligations of the Administration for Anticorruption Initiative who is authorized, among other, for propaganda-preventive acting for the purpose of fighting corruption and fulfilling the obligations coming Montenegro's membership in SPAI, the Council of Europe and other international organizations and institutions.

In that respect, there are continuously realized activities within frames of the international cooperation on the plan of fighting against corruption, and the Administration whose director is the Higher representative of SPAI for Montenegro, coordinates all activities being realized with a support of the Regional Secretariat of SPAI. The membership of Montenegro in the Council of Europe also implies a set of activities, and it is specially important to emphasize the successful finalization of the program PACO Impact (the purpose of which was to provide support for the countries of SE Europe in implementation of national anticorruption Strategies) and the adoption of the report on the first and the second ASSESMENT of Montenegro on the GRECO plenary session in October 2006. The implementation of 24 recommendations of this CE Committee, horizontally dislocated through the Action Plan, represent a continuous activity, and the Administration is obliged to, until May 31, 2008, inform GRECO on a degree of their realization (**measures** 152-155).

When international anticorruption standards are considered, it could be concluded that the Citizens-legal Convention on Corruption of the Council of Europe has not been ratified (**measure 151**), just like the Additional Protocol to the CE Criminal-legal Convention on Corruption. On the other side, the Republic of Montenegro is a foreign contract party of the first global instrument, UN Convention against Corruption, and the Administration is presently carrying out activities on the analysis of five priority legal documents: Criminal Code, Code on Criminal Procedure, the Law on Conflict of Interests, the Law on Public Procurement and the Law on free access to information with this document. The expert support of UNODC is expected (the UN Office against narcotics and crime), and also planned is a presentation on expert findings and formulating of recommendations for the full harmonization of the

national legislation with the UN Convention against Corruption.

Furthermore, the Action Plan defines as a RECOMMENDATION – staff and financial strengthening of the Administration (**measure 145**), with the aim of efficient performing of numerous obligations, such as providing an expert and technical support to National Commission. In that segment, the obligations are partially realized with a support of the Ministry of Finance and the Secretariat for development. Also determined is the Administration's obligation to form a special department for propaganda-preventive activity, which was followed by the Draft Rulebook on internal organization and systematization of the Administration for Anticorruption Initiative (**measure 149**).

A set of measures related to providing the expert and technical support to the National Commission for monitoring the implementation of the Action Plan have been realized (**146 – 148**), in accordance with the Rules of Procedure of the National Commission, with the participation of representatives of the Administration in the work of the Expert Team that makes an expert analysis of reports of competent bodies, institutions and NGOs on implementation of measures from the Action Plan.

MEASURE	COMPETENT INSTITUTION	TIME FRAME (starting from the moment of the adoption of AP)	ASSESSMENT / RECOMMENDATION FOR EACH MEASURE INDIVIDUALLY
145. Enhance human and financial resources of the Administration to monitor the implementation of the Action Plan, as well as provide expert and technical assistance for the work of the National Commission	Government of RMNE, Anticorruption Directorate (ACD),	Ongoing Starting right after the adoption of the AP	ACD: In cooperation with the Secretariat for Development, the Administration has provided better computer equipment, as well as a big number of computers. In cooperation with the Ministry of Finance, during the reporting period the Administration provided resources worth 1.700 euros for the realization of planned activities (making and distribution of the propaganda material, office material of the Administration, etc.) ASSESSMENT: Obligation partially realized. The obligation is realized continuously.
146. Gather reports of competent bodies and institutions on the implementation of measures envisaged by the Action Plan and expert analysis of these reports	Anticorruption Directorate (ACD), in cooperation with competent bodies	Ongoing	ACD : During the reporting period, the Expert Team of the National Commission, where one of the members is a representative of the Administration, regularly performed the activities of analysis of reports of the competent bodies and institutions on implementation of measures from the Action Plan. The Administration submits to the National Commission monthly reports on fulfillment of obligations from the Action Plan. ASSESSMENT: Obligation realized. The obligation is being realized continuously.
147. Draft proposals for possible amendments to the Action Plan	Anticorruption Directorate (ACD),	Ongoing	ACD: During processing of the monthly reports and the Action Plan implementation Analysis the Expert Team of the National Commission made a suggestion on précising the performers and time frames for certain measures from the Action Plan, which was delegated to the National Commission ASSESSMENT: Obligation realized.
148. Drafting proposals to be adopted by the National Commission	Anticorruption Directorate (ACD),	Ongoing	ACD : Preparing the constitutive session of the National Commission, the Administration made Draft Rules on Procedure for the National Commission and a list of state bodies obliged to submit reports on implementation of measures from the Action Plan. ASSESSMENT: Obligation realized. The obligation is realized continuously. (Starting April 1, 2007).
149. Establish a Department for Public Complaints and adopt the new Rules of Internal Organization and	Government of RMNE, Anticorruption Directorate (ACD),	2007.	ACD: The Administration made a revision of the present organization and systematization of working positions. In line with numerous obligations from the AP and other documents, the Administration made a Draft Rulebook on internal organization and systematization, which has been submitted, to the Ministry of Finance and the Human Resources Authority for opinion. The Draft Rulebook envisaged, among other things, a special Department for propaganda-preventive activities including public relation, reporting potential cases of corruption, analysis work, etc.

Systematization of the Administration fro Anti-corruption Initiative			ASSESSMENT: Obligation partially realized.
150. Development and dissemination of information and promotion materials	Anticorruption Directorate (ACD),	Ongoing	ACD: During 2007, as a part of the anticorruption campaign, the Administration submitted posters and brochures to the Ministry of Education and Science (for schools in Podgorica and the University of Montenegro), Institute for execution of criminal sanctions and the Supreme State Prosecutor (for prosecution offices in RMNE). After opening the phone line, in February 2006, the Administration carried on receiving reports on potential cases of corruption. The Administration is financing this activity from its own budget, which, on the other hand, disabled a more intense public campaign, making propaganda material (posters, leaflets), and publications in daily newspapers. Activities are in progress – the obligation is realized continuously. ASSESSMENT: Obligation realized. The obligation is being realized continuously.
151. After the ratification of the Council of Europe's Civil and Legal Convention on Corruption, coordinate the activities on its full implementation	Anticorruption Directorate (ACD), in cooperation with competent bodies	Ongoing	There were no activities in this respect, since the Convention has not been ratified yet. ASSESSMENT: Obligation not realized. PREPORUKA: Initiate the process of ratification of the Citizens-legal Convention on Corruption, through the Ministry of Finance.
152. Coordinate activities regarding full implementation of the UN Convention against Corruption 1) Analysis of current legislation to determine the level of alignment with the provisions of the UN Convention against Corruption 2) Amendments to current legislation and undertaking specific measures towards full implementation of the UN Convention against Corruption	1) Anticorruption Directorate (ACD), in cooperation with competent bodies 2) Government of the RM with relevant ministries	2007 – 2008.	ACD: The Administration for Anticorruption Initiative, with a support of UNDP of Montenegro and the OSCE Mission of Montenegro, started the activities on making the analysis on harmonization of the national legislation with the UN Convention against Corruption. On April 16, this year, the Administration introduced competent state bodies and institutions with goals of this project as well as with the need for making an overview of the present legislative framework. The majority of competent state bodies submitted the innovated data regarding harmonization of the national legislation with this convention. After compiling the data and translating them into English, they will be submitted to the UN Office against Narcotics and Crime (UNODC) for the expert analysis. In the following months, a visit of UNODC experts is expected, when they will make the analysis, in cooperation with competent institutions, on harmonization of the national legislation with the UN Convention against Corruption. Also planned is a presentation of experts' findings and formulating recommendations for the full harmonization of the legislative framework. ASSESSMENT 1: Obligation partially realized. ASSESSMENT 2: Obligation not realized. RECOMMENDATION: Intensify activities on making the analysis on harmonization of the national legislation with the UN Convention against Corruption and prepare basic material as soon as possible (the fourth quarter of 2007), and submit information on it by the end of the fourth quarter of 2007. .
153. Coordinate activities regarding compliance with the binding recommendations from the Council of Europe's Report (GRECO) on the assessment of the anticorruption measures and activities in the	Anticorruption Directorate (ACD), in cooperation with competent bodies and institutions	Following the submission of the GRECO report	ACD: GRECO recommendations are the part of the Action Plan for realization of the Program of fighting against corruption and organized crime, so that the monitoring of the AP implementation provides an insight in implementation of GRECO recommendations. ASSESSMENT: Obligation partially realized. The obligation is realized continuously. RECOMMENDATION: Monitor the implementation of GRECO recommendations, having in mind that these measures are horizontally dislocated through the AP.

Republic of Montenegro			
154. Coordinate activities undertaken within the Coordinate activities (SPAI)	Anticorruption Directorate (ACD), in cooperation with competent bodies	Ongoing	<p>ACD: The Authority has coordinated activities for signing Memorandum on Understanding between the Governments of the SPAI member states on April 13, this year in Zagreb. This Memorandum, signed by the Montenegro' s Minister of Justice, affirms the concept of regional cooperation within the restructuring process from the Pact of Stability, or its initiatives into the Regional Center for cooperation.</p> <p>On the Regional Conference for experience exchange in corruption prevention, the Director of the Administration for Anticorruption Initiative has presented the accomplishments of the Republic of Montenegro in applying the UN Convention against Corruption/ Chapter II of the Convention – the prevention measures. The Regional Conference was held in Tirana (April 3-4, 2007), in the organization of SPAI/RSLO and OSCE.</p> <p>In Bucharest was held a regional conference on the topic"Fight against Corruption in the SE Europe". Representative of the Administration gave a presentation on prevention of corruption (anticorruption institutional capacities, preventive measures, and challenges of the implementation of measures for preventing the conflict of interests, registration of incomes and assets and public procurement).</p> <p>In Tirana was held the Cranes Montana Forum, where the representative of the Administration gave a presentation on Montenegrin priorities in regional and international cooperation in fighting against corruption.</p> <p>On June 1, 2007, the Administration realized Montenegro's obligation from Memorandum on Understanding between the Governments of the SPAI member states in fight against corruption in the SE Europe and transferred 24.000 euros meant for the work of the Regional Secretariat of SPAI. These funds were provided from the Budget of the Administration for 2007</p> <p>ASSESSMENT: Obligation realized. The obligation is realized continuously.</p>
155. Finalize activities undertaken within PACO Impact project of the CoE	Anticorruption Directorate (ACD), in cooperation with competent bodies	2006.	<p>ACD: The regional project PACO Impact has the purpose of supporting the SE European countries in the implementation of the anticorruption plans, with a total budget of 1.5 million euros. The Project was realized in the period from March 2004 until July 2006. Director of the Administration was the director of PACO Impact for Montenegro. The project included the following activities in Montenegro: 1. drafting and adopting the overall Program for fight against corruption and organized crime and the Action Plan for its implementation; 2. strengthening capacities of the relevant institutions for implementation of the Program for fight against corruption and organized crime and the Action Plan (the Administration for Anticorruption Initiative, the Special Prosecutor and the Ministry of Interior); 3. Strengthening capacities for drafting and implementing the new legislation harmonized with international and European standards; 4. Establishing an operational and efficient Special Prosecutor's Office for Organized Crime in line with the Program for fight against corruption and organized crime.</p> <p>ASSESSMENT: Obligation realized.</p>

RECOMMENDATIONS FOR ANTICORRUPTION INITIATIVE DIRECTORATE:

Taking into account the priority of prevention of corruption, reflected in the European Partnership for Montenegro and the other documents of the European Commission, the National Commission recommends:

1. During the process of preparation of Draft Budget of RMNE for 2008, the priorities from the Action Plan should be considered; provide adequate funds for staff and financial strengthening of the Administration;
2. The Administration should, through participation in the work of the National Commission, prepare suggestions for amending and updating of the Action Plan, depending on the realized progress and purposefulness of certain measures from the Action Plan;
3. The Administration should intensify the activities on making the analysis on harmonization of the national legislation with the UN Convention against Corruption, and regularly inform the National Commission on progressing;
4. The Administration should continue monitoring the implementation of GRECO recommendations dislocated, through the Action Plan, and should give support to state bodies and institutions in the realization of these activities, with the aim of having a solid report for the presentation on the GRECO plenary session, in the end of May 2008.

IV FINAL ASSESSMENTS AND RECOMMENDATIONS

1. **REALIZED MEASURES STATISTICS** - The first report on realization of measures from the Action Plan for implementation of Program for fight against corruption and organized crime was prepared to give all-inclusive and analytic review of all realized measures and carried out tasks in the first 9 months of the program implementation (September 2006 – May 2007), which is based on the strengthening of the cooperation between institutions and defining the carriers of the activities. In conclusion, following **review of realized measures statistics per individual chapters** is given:

LEVEL OF REALIZATION OF MEASURES AND SUB MEASURES FROM THE ACTION PLAN PER CHAPTERS FOR PERIOD 1.9.2006. – 31-5-2007.G.	Level of realization - number of measures and structure (%)									100%
	R Realization of measures/obligations		PR Partly realized measures / obligations		CONT Continuously are being realized ¹¹		NR Not realized in this reporting period		Number of measures and sub measures	
	Measures	Structure	Measures	Structure	Measures	Structure	Measures	Structure	Total	
I POLITICAL AND INTERNATIONAL OBLIGATION TO ACT	9	21%	14	33%	5	12%	15	35%	43	
II GENERAL OBJECTIVES										
A. EFFICIENT CRIMINAL PROSECUTION WITH THE OBJECTIVE TO PREVENT CORRUPTION AND ORGANIZED CRIME	1	9%	3	27%	6	55%	1	9%	11	
B. PREVENTION AND EDUCATION / TRAINING	11	41%	5	19%	4	15%	7	26%	27	
C. PUBLIC, CIVIL SOCIETY (INCLUDING PRIVATE SECTOR) AND MEDIA		0%	4	40%	4	40%	2	20%	10	
D. LOCAL SELF-GOVERNMENT		0%		0%		0%	1	100%	1	
III SPECIFIC MEASURES AGAINST CORRUPTION AND ORGANIZED CRIME										
A. EFFICIENT CRIMINAL PROSECUTION AND TRIAL										
A1 – Prosecutor's office	6	35%	3	18%	7	41%	1	6%	17	
A2 – Police	20	28%	11	15%	23	32%	18	25%	72	
A3 – Judiciary	0	0%	3	38%	0	0%	5	63%	8	
B. EXTERNAL AND INTERNAL AUDIT OF THE BUDGET	1	20%	0	0%	4	80%	0	0%	5	
C. PRIVATISATION COUNCIL	4	31%	4	31%	2	15%	3	23%	13	
D. ADMINISTRATION FOR PREVENTION OF MONEY LAUNDERING		0%		0%	7	54%	6	46%	13	
E. PUBLIC PROCUREMENT COMMISSION	1	8%	2	17%	1	8%	8	67%	12	
F. COMMISSION FOR ESTABLISHING THE CONFLICT OF INTERESTS	0	0%	1	11%	2	22%	6	67%	9	
G. TAX DIRECTORATE	7	54%	2	15%	3	23%	1	8%	13	
H. CUSTOMS DIRECTORATE	7	50%	2	14%	0	0%	5	36%	14	
I. ANTICORRUPTION INITIATIVE DIRECTORATE	2	17%	2	17%	6	50%	2	17%	12	
TOTAL	69	25%	56	20%	74	26%	81	29%	280	

As it is evident in the table given, in the first reporting period **69 measures was fully realized out of total number of 280 measures, which makes 25%** out of total number of measures included by the plan for 2007-08. However, 56 measures was partly realized (additional 20% of the plan), and it is expected for the majority of these

¹¹ In the first reporting period, measures that are being realized continuously, have been realized according to the plan or they have been realized partly, which (R/CONT or PR/CONT), which mean their regular following;

measures to be fully realized until the next reporting period. In that case, it is to expect that the level of realization of measures until the end of the second reporting period will be 45%. Further, on, 74 measures are being followed continuously during the entire period of implementation of Action Plan, which makes 26% out of total number of measures. According to the all measures, a number of significant activities were carried out in the reporting period. If we add the number of the measures that are being realized continuously to the number of the measures realized in this period, than we get a **significant percentage of the realization of measures in the first reporting period, which amounts 51%**.

2. COOPERATION WITH THE EXPERT TEAM, WHICH COLLECTED REPORTS AND WAS IN A CHARGE FOR A CORRESPONDENCE / IN CHARGE FOR INSISTING ON RESPECTING REPORTING DEADLINES, FOR THE NEEDS OF THE NATIONAL COMMISSION - Some institutions did not have realized activities in this period, due to the more-less objective circumstances and reasons (late and slow preparation and adoption of the legislative, which slowed down process of establishing and development of certain institutions, lack of financial means or lack of the premises for adequate work). However, some institutions did not fully cooperate, and that is the reason why they are not fully recognized in certain measures. That is the reason why the cooperation with them has to be improved so that they can understand what their obligations are. In addition to this, special attention has to be paid to the cooperation with the local communities, and in that sense, involving of business associations and more representatives of the NGO sector.

Report is very **detailed** and it points out the position of certain institutions towards this important task. Report, with its **transparency**, should have positive influence on all reporting subjects, to be more engaged, in order to achieve good, common and individual, result in field of implementing these politics.

In contrast to institutions that have low level of realization of measures (e.g. institutions involved in the implementation of public procurement policy and establishing of conflict of interest), it is evident in the table of realized measures statistics that some institutions have very high level of measure realization in the reporting period, such as: Tax Agency and Customs Directorate. At the same time, the biggest number of the measures refers to the Police Directorate (level of measure realization 28%, while 32 % is being realized continuously).

Special attention of all involved institutions should be focused on **81 measures from the Action Plan that are not realized**. For realization of many of them additional finance means will be necessary, more competent and trained staff in different institutions, more premises and equipment that would enable adequate and efficient work and better results in the field of fight against corruption and organized crime.

2. SPECIFIC IMPORTANCE OF THE RECOMMENDATIONS – in addition to the assessment of measure realization, very often, **each measure has the attached recommendation. Every field**, however, obligatory **has attached general assessment and key recommendations**. They represent the result of the analytic work on the received reports lasting several months, studying of the limitations for further implementation of this Action Plan, need for strengthening of anti-corruption policy and fight against corruption and organized crime, and analysis of level of measure realization.

In order to carry out these measures, and **proposed by the National Commission**, it is necessary for the Government of RMNE, the Parliament of RMNE, Prosecutor's Office, Judiciary, and local self-government to adopt the recommendations indicated for each measure individually. The most important recommendations for chapters to be obligatory, as much as, it is possible for all subjects involved in this process. It is to expect that this Report will be useful analytical document, as for the qualitative dialogue between the Government and NGO sector, so as for the more constructive social dialogue, which involves the representatives of the trade unions and business sector.

After the National Commission adopts the Report, for the procedure of adopting it in the Government of RMNE, it is necessary to prepare special **Summary of the report with the proposals of statements, concrete recommendations, and conclusions for the responsibilities and obligations of the certain competent institutions**, in accordance with the standard methodology (if it is possible-financial framework, that is fiscal influence for certain measures).

3. COMPREHENSIVENESS OF THE DOCUMENT AND NECESSITY OF THE COOPERATION BETWEEN THE INSTITUTIONS – The structure and the competence of the National Commission arise reasonable optimism that these reports will help further institutionalization of the good cooperation relations among all bodies involved into the implementation of anti-corruption policy and the policy of fight against organized crime. Without strong institutions and good and efficient cooperation, we cannot achieve better results in area of these policies. Special value of this report is that, **this is the first report of this kind in the Region**, which comprehensively analyzed effects of the implementation of the Action Plan for fight against organized crime and corruption. It will certainly contribute to the improvement of the general impression and image of Montenegro, as the youngest European country, which recognizes importance of institution and judiciary building and strengthening, necessary for the essential EU association process. In addition to aforementioned, we have to point out and remind that majority of the information in this Report will be good and valid source for better, that is-objective, assessment of these policies in Montenegro, for the next **EC Report on progress in Stabilization and Association Process of our country to the European Union**, which will be published in November 2007.

4. PROPOSAL FOR ACTION PLAN UPDATING – BEARERS, DEADLINES – in the table part of the Report, which follows original measures, bearers, and deadlines from the Action Plan, Expert Team proposed to the National Commission, for the sake of precise and easier following in the future, to make interventions on the indicated measures in sense of precise defining of the bearer of activities for certain measures and adjusting the realization deadlines. Columns 2 and 3 of the table part in the Report were prepared in that sense (changes are marked with the blue color in the electronic version of the report). Thematic session of the National Commission, regarding aforementioned, should be organized and should take place in the middle of the second reporting period, which will be added to the session / meeting calendar framework of the National Commission (October 2007).

5. PROPOSAL FOR METHODOLOGY CHANGES – INTRODUCING OF THREE-MONTH DYNAMIC OF REPORTING – methodologies determined on constitutive session of National Commission, in the first reporting period, appeared to be too intensive. It positively influenced on enhancing of improvement of the awareness on importance of this joint work, but in the next phase, Expert Team finds that the **three-month reporting** would be enough, having in mind that the current reporting subjects are familiar with the writing procedures of the reports on measures, so that precise and prompt delivery of the reports are expected, so as the respecting of the agreed deadlines. The very same President of the National Commission will specially insist on quality of the reports and on respecting of the agreed deadlines for delivering reports to the Expert Team.

6. DIALOGUE WITH THE EUROPEAN COMMISSION AND CONTINUING OF THE EUROPEAN INTEGRATION PROCESS – after the Report is adopted by the National Commission, and by the Government of the RMNE, it will be delivered to the indicated Parliamentary Committees, but it will be also translated on English and delivered, as it was announced, to all interested international organizations and institutions. It is especially important to deliver this Report to the representatives of the Directorate for justice, freedom, and security within European Commission as soon as possible, in order prepare more qualitatively for the next meeting of the Enhanced Permanent Dialogue EC-Montenegro, in field of justice, freedom, and security, which will be held in Podgorica on 11 September 2007.

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On 10.7.2007, National Commission adopted the first Report on realization of measures from the Action Plan for implementation of the Program for fight against corruption and organized crime, for the period 1.9.2006 – 31.5.2007.

NATIONAL COMMISSION CONCLUDED FOLLOWING:

1. **To deliver the Report on recommendations and conclusions on obligations of certain institutions for realization of measures from the Action Plan to the Government of the RMNE.**
2. **After adoption of the Report by the Government of the RMNE¹², Report on recommendations and conclusions to be delivered to all competent institutions that are involved into the process of measure implementation (State bodies, The Parliament of the RMNE, judiciary, prosecutor's office, business associations, NGO sector, and local self-government), with the objective to implement and realize recommendations defined and determined by the Report.**
3. **National Commission specially points out the following priorities:**
 - a) **Preparation and adoption of the laws directly relevant to the fight against corruption and organized crime, and of the sets of the laws in field of general legislation reform, until the end of 2007;**
 - b) **To decide on the Judiciary Council proposal in the Parliament of the RMNE as soon as possible;**

NOTE: Next Report will be prepared in January 2008;

¹² THE GOVERNMENT OF THE RMNE ADOPTED THIS REPORT ON 12 JULY 2007, AND ADOPTED AS OBLIGATORY TASKS ALL THE RECOMMENDATIONS GIVEN BY THE NATIONAL COMMISSION IN THE REPORT.

ANNEX I :

Pursuant to Article 12, paragraph 3 of the Decree on the Government of the Republic of Montenegro ("Official Gazette of the Republic of Montenegro", no. 15/94 and 4/97) and Article 17a, paragraphs 4 and 5 of the Rules of Procedure of the Government of the Republic of Montenegro ("Official Gazette of the Republic of Montenegro", no. 45/01, 91/03, 71/04 and 71/06), the Government of the Republic of Montenegro, on its session held on February 15 2007, adopted

DECISION ON ESTABLISHING THE NATIONAL COMMISSION FOR MONITORING THE ACTION PLAN FOR IMPLEMENTATION OF THE PROGRAMME FOR THE FIGHT AGAINST CORRUPTION AND ORGANIZED CRIME

("Official Gazette of the Republic of Montenegro", no. 15/07 of March 14 2007)

I The National Commission is established for monitoring the Action Plan for implementation of the Programme for the Fight against Corruption and Organized Crime (hereinafter: the National Commission).

II Composition of the National Commission is as follows:

Chairperson:

Mrs Gordana Djurovic PhD, Deputy Prime Minister of the Government of the Republic of Montenegro;

Deputy Chairperson:

Mr Jusuf Kalamperovic, Minister of the Interior and Public Administration;

Members:

Mr Igor Luksic PhD, Minister of Finance,

Mr Miras Radovic, Minister of Justice,

Mr Dragisa Pesic, Chairman of the Committee on Economy, Finance and Budget in the Parliament of the Republic of Montenegro,

Mr Dzavid Sabovic, Chairman of the Committee on Political System, Judiciary and Administration in the Parliament of the Republic of Montenegro,

Mr Ratko Vukotic, President of the Supreme Court of the Republic of Montenegro,

Mrs Vesna Medenica, Supreme State Prosecutor,

Mr Veselin Veljovic, Director of the Police Directorate,

Mrs Vesna Ratkovic LLM, Director of the Directorate for Anti-corruption Initiative,

Mrs Vanja Calovic, Executive Director of the Network for Affirmation of NGO sector;

Secretary:

Mr Petko Spasojevic, Head of the Department for Suppression of Economic Crime in the Police Directorate.

III Terms of reference of the National Commission are:

- ö To manage, organize and synchronize activities of the state bodies and other relevant institutions aimed at implementing the Programme for the Fight against Corruption and Organized Crime;
- ö To manage overall funds allocated for implementation of the Programme for the Fight against Corruption and Organized Crime;

- ö To set priorities, dynamics and deadlines for realization, as well as to assess results achieved in implementation of the Programme for the Fight against Corruption and Organized Crime;
- ö To submit to the Government of the Republic of Montenegro reports, at least twice a year, comprising a review of the state of play, assessment and proposals of measures to be taken.

IV Aiming at increased efficiency in the performance of its activities, the National Commission may set up permanent or ad hoc expert teams and engage experts in crime suppression and protection of human rights.

V The National Commission may seek expert assistance from relevant international organizations and institutions that manage projects related to the suppression of corruption and organized crime.

VI The National Commission may request information, explanations and reports from state bodies and other organizations, related to the prevention and suppression of organized crime.

VII This decision shall enter into force on the eighth day following its publication in the "Official Gazette of the Republic of Montenegro".

No. 03-1390
Podgorica, February 15 2007

Government of the Republic of Montenegro
Prime Minister,
Mr Zeljko Sturanovic, signed.

ANNEX II :

Pursuant to paragraph 1 of the Decision of the Government of the Republic of Montenegro on establishing the National Commission for monitoring the Action Plan for implementation of the Programme for the Fight against Corruption and Organized Crime („Official Gazette of the Republic of Montenegro“, no. 15/07) and Action plan for implementing the Programme for the Fight against Corruption and Organized Crime, adopted by the Government of the Republic of Montenegro on August 24 2006, the National Commission for monitoring the Action plan for implementation of the Programme for the Fight against Corruption and Organized Crime, on its session held on March 16 2007, adopted:

THE RULES OF PROCEDURE OF THE NATIONAL COMMISSION FOR MONITORING THE ACTION PLAN FOR IMPLEMENTATION OF THE PROGRAMME FOR THE FIGHT AGAINST CORRUPTION AND ORGANIZED CRIME

(“Official Gazette of the Republic of Montenegro”, no. 39/07 of June 29, 2007)

I GENERAL PROVISIONS

Article 1

The Rules of Procedure regulate issues of organization, work methodology and reaching decisions by the National Commission for monitoring the Action Plan for implementation of the Programme for the Fight against Corruption and Organized Crime (hereinafter: the National Commission).

Article 2

Composition, terms of reference and competences of the National Commission are laid down in the Decision of the Government of the Republic of Montenegro on establishing the National Commission for monitoring the Action Plan for implementation of the Programme for the Fight against Corruption and Organized Crime ("Official Gazette of the Republic of Montenegro “, no. 15/07).

Article 3

The composition of the National Commission is as follows: the chairperson, deputy chairperson and nine members.

The National Commission has a secretary.

II RIGHTS AND DUTIES OF MEMBERS OF THE NATIONAL COMMISSION

Article 4

Members of the National Commission are equal in their rights and duties.

Article 5

Member of the National Commission is obliged to attend sessions of the National Commission and is entitled to participate in its work and reaching decisions.

Chairperson, deputy chairperson and members of the National Commission may authorize other persons from the institutions that they are representing, to participate at the sessions of the National commission, without having the right to vote.

Article 6

Should a member of the National Commission not be able to attend a session, he/she is obliged to inform the chairperson of the National Commission accordingly.

Member of the National Commission may submit his/her opinion on particular items of the agenda, relating to the session he/she is unable to attend.

Article 7

Member of the National Commission is obliged to perform his/her duties in good faith.

Member of the National Commission is entitled to request submission of data and information from competent bodies as well as to check files and documents with reference to the scope of work of the National Commission, through communication with the chairperson of the National Commission.

Member of the National Commission has the right to be regularly informed on all issues examined and decided upon by the National Commission, including all other issues that may be relevant for his/her participation in the National Commission's work.

Article 8

Member of the National Commission is entitled to initiate a discussion on particular issues pertaining to the scope of work of the National Commission, to propose measures for improving the Action Plan for implementation of the Programme for the Fight against Corruption and Organized Crime, as well as to vote on proposed decisions, other acts and opinions.

Member of the National Commission is obliged to adhere to the session's approved agenda.

Article 9

In its work, the National Commission is obliged to keep state, official, business or other secrets.

Awaiting the adoption of relevant legislation, the National Commission shall, on proposal of the chairperson, reach a decision on marking specific data as secret.

III CONVOCATION AND WORK ON THE SESSION

Article 10

The National Commission works and reaches decisions on its sessions.

The chairperson or deputy chairperson shall convene the session of the National Commission, at least four times per year.

The chairperson or deputy chairperson are obliged to convene the session of the National Commission, upon request of at least one third of all members of the National Commission, not later than fifteen days following the receipt of such a request.

Article 11

The chairperson, i.e. deputy chairperson shall submit the convocation letter, as well as proposal of the agenda and supporting documents and minutes from the previous session, to the members of the National Commission, not later than eight days prior to the session.

Exceptionally, the chairperson or deputy chairperson may convene the session of the National Commission, upon proposal of the member of the National Commission, in a shorter period of time, while proposal of the agenda and supporting documents may be submitted on the session itself.

Article 12

The chairperson moderates the sessions of the National Commission, and in case of his/her absence the session is moderated by the deputy chairperson.

The chairperson determines whether the session is attended by the required number of members of the National Commission and manages the work of the National Commission in accordance with the agenda, adhering to the Rules of Procedure.

In order to reach a valid decision, the session must be attended by more than a half of all members of the National Commission.

Should it be determined that the session is not attended by the required number of members, the chairperson shall postpone the session and set the date for the next session.

Article 13

The National Commission reaches decisions on its sessions, by public vote.

Exceptionally, the National Commission may decide to reach decisions by secret vote.

When more than a half of all members of the National Commission vote for a decision, it is considered to be adopted.

Article 14

Following the opening of the session, the National Commission shall approve the agenda.

Every member of the National Commission is entitled to propose changes and amendments of the agenda.

Article 15

According to the approved agenda, minutes from the previous session shall be discussed, prior to the start of work of the National Commission.

The minutes contain information on: attendance and absence of members of the National Commission, on proposals which were discussed, decisions, conclusions and other acts adopted on the session, as well as on the outcome and voting methods for each question that was discussed.

The member of the National Commission is entitled to produce comments related to the minutes, while the validity of these comments shall be discussed on the session.

Following the request of the member of the National Commission that expressed individual opinion, minutes shall include information on the member that specified his/her individual opinion, as well as reasons behind it.

Should there be no comments produced to the minutes, or should they be changed according to the submitted comments, the minutes shall be considered adopted.

Producing and approving comments, or statements that the minutes were adopted without comments shall be noted in the minutes of the current session of the National Commission.

Article 16

The chairperson represents and acts on behalf of the National Commission, proposes the adoption of the reports on work of the National Commission and verifies with his/her signature the decisions, minutes and other acts adopted by the National Commission.

The National Commission shall submit the report on its work, in writing to the Government of the Republic of Montenegro, at least twice per year, and the chairperson of the National Commission or his/her deputy shall elaborate on the report on the Government's session.

The report on the work of the National Commission is submitted to the Committee on Economy, Finance and Budget, as well as to the Committee on Political System, Judiciary and Administration of the Parliament of the Republic of Montenegro.

The report on the work of the National Commission may be submitted to the international organizations that express such an interest.

Article 17

The secretary of the National Commission produces minutes from the sessions.

The secretary shall organize and prepare the session of the National Commission and provide necessary administrative and technical support to the work of the National Commission.

The secretary shall collect monthly reports of the competent state bodies, in charge for implementing the Action Plan of the Programme for the Fight against Corruption and Organized Crime.

Article 18

Expert support in analysing and drafting monthly and semi-annual reports of the competent bodies shall be provided by the Directorate for Anti-corruption Initiative, in part which refers to the issues of corruption.

Expert support in analysing and drafting monthly and semi-annual reports of the competent bodies shall be provided by the Police Directorate, in part which refers to issues of organized crime.

IV TRANSPARENCY OF WORK OF THE NATIONAL COMMISSION

Article 19

The sessions of the National Commission are, as a rule, held without public presence.

The transparency of work of the National Commission shall be ensured through public presentations of semi-annual and other reports on its work, through press releases following its sessions and through holding press conferences, as well as disclosing the documents on work of the National Commissions, in accordance to specific regulations.

All documents in relation to the work of the National Commission shall be published on the internet portal of the Government of the Republic of Montenegro, provided that they are not declared secret, pursuant to Article 9 of the Rules of Procedure.

The chairperson or his/deputy, or a member of the Commission or its secretary, authorized by the chairperson, shall inform the public on the work of the National Commission.

Article 20

All documents and data of the National Commission that were declared secret shall not be published, pursuant to Article 9 of the Rules of Procedure.

V FINAL PROVISIONS

Article 21

Issues relating to the work of the National Commission that are not regulated by means of these Rules of Procedure may be regulated by a decision of the National Commission, in accordance with these Rules.

Article 22

These Rules of Procedure shall enter into force on the day of their publication in the „Official Gazette of the Republic of Montenegro“.

Number: 10-5159

Podgorica, March 16 2007

Chairperson of the National Commission

Mrs Gordana Djurovic, PhD, signed.