



**MONTENEGRO
GOVERNMENT OF MONTENEGRO**

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

THE SECOND

REPORT ON REALIZATION OF MEASURES

FROM THE

ACTION PLAN FOR IMPLEMENTATION OF THE PROGRAM FOR FIGHT AGAINST CORRUPTION AND ORGANIZED CRIME

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Podgorica, February 2008

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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 and 22 January 2007), 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.

- MEETINGS OF THE NATIONAL COMMISSION AND PLAN FOR 2008 -		
I MEETING	CONSTITUING OF NATIONAL COMMISSION	16 March 2007
II MEETING	PREPARATION AND ADOPTION OF THE FIRST REPORT	6 and 10 July 2007
III MEETING	THEMATIC SESSION ON NECESSITY OF AP INOVATING	25 December 2007
IV MEETING	PREPARATION AND ADOPTION OF THE SECOND REPORT	February 2008
V MEETING	ADOPTION OF THE AMENDMENTS OF AP /PROGRAMME/	April 2008
VI MEETING	PREPARATION AND ADOPTION OF THE THIRD REPORT	July 2008
VII MEETING	PREPARATION AND ADOPTION OF THE FOURTH REPORT	January 2009

Expert team for preparation of the First report - according to the Rulebook on the work, technical analysis of monthly reports, or three-month 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 and three-months reports in the table for monitoring was made for the reports submitted for the period from September 2006 to December 2007. The Government 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. Generally, fair cooperation with all institutions was established and the sense of responsibility for obligations gradually heightened.

Adoption of the First report – The Government of RMNE adopted the First Report on realization of the measures from the Action Plan for implementation of the Program for the fight against corruption and organized crime on 12 July 2007, after which it was delivered to the Parliament – to the Committee for economy, finance and budget, and to the Committee for political system, justice and administration, in the Parliament of the Republic of Montenegro.

Transparency – The First Report on realization of the measures from the Action Plan for implementation of the Program for the fight against corruption and organized crime has been translated into English and delivered to a number of international development partners.

Amendments of the existing Action Plan - On 25.12.2007, the third thematic 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. It was concluded at the session that, on the basis of the decision passed by the Minister of Internal Affairs and Public Administration, Working Group is established with the aim to analyze necessary amendments of certain measures from the Action Plan on the basis of the collected proposals and suggestions from the state bodies and institutions, so as from NGO sector, which are included in realization, or implementation of the defined measures. This proposal stemmed from the **necessity of precise defining of the carriers of realization of certain measures, formulation of certain measures**, so as from the **re-examining sustainability of certain measures**, in accordance with the current legislation in this field. Working Group shall deliver its proposal to the National Commission on discussion and adoption until the end of I quarter.

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) – The Resolution have been adopted on the Parliamentary Session on 27th of December 2007 (Official Gazette of MNE No. 02/08). Article No. 7 of the Resolution anticipates constitution of a specific working body for monitoring the implementation of this Resolution, the body that will closely cooperate with the National Commission, line ministries and other institutions and organizations, involved in the Action Plan, and whose establishing is planned for the beginning of 2008.

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), Law on Amendments to the Law on financing the local self government (Official Gazette of RMNE, No. 42/04 and 05/08) etc.

After announcing the Constitution, the **Parliament of Montenegro** carried out with regular sessions, following laws were adopted: Law on money laundering prevention and financing of terrorism (Official Gazette of MNE, No. 14/07 and 4/08), Law on Responsibility of Legal Entities for Criminal Offences (Official Gazette of MNE, No. 2/07 and 13/07), Law on international legal aid in criminal matters (Official Gazette of MNE, No. 4/08), and also the Citizens-Legal Convention on Corruption has been ratified (Official Gazette of MNE, No. 1/08), as well as the Additional Protocol to the CoE Criminal-legal Convention on Corruption (Official Gazette of MNE, No. 11/07).

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, The Bar, 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). The draft of the Criminal Code Procedure has been submitted to all courts and state prosecutor offices in Montenegro, to the Bar, and to international organizations for giving comments. When the working group considered all submitted comments on the Draft Code, particularly the CoE expertise, the procedure for establishing of the Draft Code and the public discussion program, is in progress. The Ministry of Justice, together with OSCE is preparing the costs analysis in accordance with the solutions consisted in the Draft Code.

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** ², 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. In that sense, the procedure for extended deprivation of the profit rights from property has been envisaged by the Draft Law.

The Government has confirmed the **Text of the Proposal for the Law on obligatory relations**, on 17th of January 2008 and it is in the Parliament procedure.

The Government has confirmed the **Text of the Proposal for the Law on Property** (on 20th of December 2007) and the **Text of the Proposal for the Law on State Property** (in January 2008) and submitted them to the Parliament.

Ministry of Interior Affairs and Public Administration, in cooperation with the Commission for Determining the Conflict of Interests and competent institutions prepared the **Draft Law on preventing conflict of interest**, which is in harmonization stage in competent institutions of the Government of Montenegro and international organizations.

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 Parliament of Montenegro in the first quarter of 2008.

Ministry of Finance, in cooperation with the Customs Administration, is working on the preparation of text of the **proposal for the Law on Amendments to the Law on Customs** for the first quarter of 2008.

Ministry of Traffic, Maritime and Telecommunications has acceded drafting the **Law on electronic telecommunications** (first quarter of 2008), the Law has been processed to the competent institutions of the Government of MNE. In the course of drafting the Law and due to recommendations of the National Commission, the Ministry has formed the Commission where authorized representatives of the Ministry of Justice and Police Directorate took active part.

Within joint work with the United Nations Development Program in Montenegro (UNDP) and with the assistance of OSCE Mission to Montenegro, Anticorruption Initiative Administration 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)**. Responsible public authorities provided necessary information in line with relevant provisions of this international instrument. The visit of UNODC (United Nations Office on Drugs and Crime) experts has been realized. The Experts performed harmonization analysis of four priority legal texts: Criminal Code, Criminal Code Procedure, Law on Conflict of Interests, and Law on Public Procurement. The Experts opinions has been presented to the professional public at the Conference held on 11/12 of October 2007 in Podgorica, attended by numerous representatives of state institutions and NGO. The AIA has submitted to the Government of MNE information on conducted activities, which is adopted on Session from 22nd of November 2007. In accordance with the Session's conclusion, the AIA has submitted the information to the National Commission as well as to working groups for amendment correspondent legislation. EXPERTS GENERAL ASSESMENT: The general assessment of experts is that current criminal legislation is, in great deal, harmonized with the UN Convention against Corruption, and concerning the Law on public procurement, it was highlighted that this law generally fulfils the requirements of the UN Convention against Corruption and presents consistent element of harmonization with other prevention measures and reasonable balance between integrity goals and other procurement goals. During November 2007, AIA has submitted the final, joint responses of the authorized bodies, to the UNDOC's Query (United Nation Office against Drugs and Crime), with its residence in Vienna. The Query is related to the national legislation harmonization level assessment of the contracting parties with certain determinations of the UN Convention against Corruption (articles: 5-9; 15-17; 23-25; 44-46; 52-53; 54-57; from four chapters of mentioned Convention) - **measure 6**.

² 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.

When it is about implementation of the Declaration on 10 common measures for prevention of corruption in Southeast Europe, in reporting period, it was stipulated that Montenegro has fulfilled, completely or partially, two out of three priority measures from this Declaration (measure 1 – signing, ratification and implementation of the UN Convention against Corruption and measure 2 – making and upgrading of the anticorruption strategies in accordance with international conventions, general principles and recommendations by EU Institutions and CoE Committee for fight against corruption (GRECO). Having in mind the present status of anti corruptive activities in Montenegro, priority measures for period 2008-2009 have been established and those are: **Measure 4** – to provide honest and concurrent trading and investments through preventing corruption in private sector, promoting legal entities responsibility on the ground of international standards, introducing clear rules for “whistle blowing” through ensuring courts independence and efficiency, as well as establishing the practice of “white lists” of companies that indicated integrity. **Measure 8** – To promote and support inquiries and analyses of corruption phenomenon, including assessment of its appearing forms, charts and promoters of corruption in the targeting sectors and institution (for example: judiciary, legislation processes, political parties and elections, local self-government, public procurement, energy, education, health care, infrastructure, tax administration, customs, economic association registration and licensing, banks, insurance and pensions). **Measure 9** – To develop an efficient national campaign for raising awareness with the aim of preventing and controlling corruption in specific sectors and institutions including those responsible for implementation priority reforms and alternatives for corruptive practice.

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 for the fight against corruption 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.

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.³ 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. The Program for cooperation of the State Prosecutors of Russian Federation and the State Prosecutors of Montenegro for two years period has been signed with the General Prosecutor of Russian Federation on 28th of June 2007. The Agreement with the General Prosecutor of Albania was signed on 26th of July 2007. This Agreement defines the cooperation between the State Prosecutors of Albania and the State Prosecutors of Montenegro, in line of easier argumentation and exchange of evidences and data for fight against transnational and organized crime. The Memorandum on consensus in implementing and enhancing mutual cooperation in fight against all forms of serious crimes with acting Public Prosecutor of the Republic of Serbia on 31st of October 2007. (The Agreement on cooperation in criminal prosecution of the perpetrators of crimes against humanity and other goods protected by international law was signed with him on the same day). In cooperation with the Government of USA, realization of project of education of state prosecutors in the field of fight against corruption, for the purpose of strengthening of administrative capacities of the state prosecutors for this area. The Supreme State Prosecutor has signed the Agreement on technical cooperation with ICTY on 6th of December 2007.

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.

³ The South East European Prosecutors Advisory Group (SEEPAG); members are: Albania, BiH, Bulgaria, Croatia, Greece, Macedonia, Moldova, Montenegro, Romania, Serbia, Slovenia and Turkey (www.seepag.org)

⁴ 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.

⁵ MNE Government adopted Judiciary Reform Strategy 2007-12 on 12 June 2007 (available at web site of the Ministry www.pravda.vlada.cg.yu).

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) on 13th of April 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 November 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. Rulebooks on category and secrecy level of data, proceeding manner, particular protection and measures of keeping secret and official data have been made and the Rulebook on conditions and manner of election of the police officer who will be consigned to work abroad. **National central bureau (NCB) of INTERPOL** established intensive communication with other NCBs, situated in Belgrade, Sarajevo, Ljubljana, Wiesbaden, Zagreb, Skopje, Vienna ..., 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 and 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, large amounts of funds, which can be routed towards Montenegro, are unused. 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. In that purpose the TAIEX booklet has been published in January 2008 and its distribution were organized.

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 **IPA⁴ 2007 funds** and it submitted the proposal for the program to the European Commission (**measure 17**). The general documents regulating the Instrument for pre-accessing Assistance are following: Commission Regulation (EZ) No. 1085/2006 from 17th of July 2006 under which the IPA has been established, as well as Commission Regulation (EZ) No. 718/2007 from 12th of June 2007 under which the IPA implementation rules has been established. The obligation of the IPA funds country user is signing the Omnibus Agreement with the European Commission, for setting principles related to implementation and manner of using financial pre accessing assistance in the signer country. Montenegro has signed the Framework Agreement on 15th of November 2007, and the Parliament has adopted the **Law on ratification of the Framework Agreement between the Government of Montenegro and the ECC (European Communities Commission) on cooperation principles relating the financial support of the EC to Montenegro, within the scope of implementing the IPA**. In November 2007, the EC has adopted the IPA Preposition Program for Montenegro for 2007, for the component – Transition Support and institutions development.

In the National IPA Program for 2007, under political requests, **funds intended for the fight against organized crime and corruption amount to 3 millions of €** were granted. The aim of the project if 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 undercover 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 Administration, particularly regarding coordination of consolidation economic 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 Administration** nominated the project, entitled „**Capacity building for the more efficient and functional work of Tax Administration, in line with European standards**“, the purpose of which is to provide assistance to the Tax Administration 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 Administration in cooperation with UNDP, is being carried out according to the planned program of activities. In the course of May 2007, the Administration, with 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 at the donor Hellenic Aid. In the purpose of the AIA capacity building, the Project on strengthening the public relations of the Administration has been approved in November 2007, and is being carried out in cooperation with the OSCE Mission in Montenegro, therefore AIA will be able to organize training for public relations employees. This is a priority considering that organization of the AIA has been amended by the Regulation on internal organization and systematization of the Anticorruption Initiative Administration (adopted on 19th of July 2007) and establishment of the promotion and preventive activities Department has envisaged. In November 2007, the Administration, in cooperation with the Ministry for Economic Development, has submitted the proposal of activities out of its competency, that would be realized through the project “Norwegian assistance”.

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 in the first quarter of 2008.

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 will last until the end of 2008 and Ministry of Justice of Italy participates in its implementation.

Judiciary Reform Strategy for 2007 – 2012

On 21st of June 2007, the Government of Montenegro has adopted the Judiciary Reform Strategy 2007-2012. The Ministry of Justice prepared the Action Plan for implementation of the Strategy, adopted by the Government of Montenegro on 13th of December 2007. The Action Plan is a basis for numerous projects that will ensue out of it. The Judiciary Reform Strategy 2007-2012⁵ foresees further directions and goals that want to be acquired through the judiciary system reform. The Donor Conference applied to the acting of the Action Plan for implementation of the Strategy is in plan for February 2008.

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 been adopted at the Session on 27th of December 2007("Official Gazette of MNE" No. 02/08).</p> <p>ASSESSMENT: Obligation realized.</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: Article seven of the Resolution anticipates forming of a specific working body for monitoring of implementation of this Resolution, that will closely cooperate with the National Commission for implementation of the Program, line ministries and other institutions and organizations involved in the Action Plan. The Parliament of Montenegro is obliged to, in accordance with undertaking duties from Regional Conference of Southeast Europe, GOPAC – Global Organization of Parliamentarians Against Corruption, establish national branch of parliamentarians of Montenegro in fight against corruption, in which the representatives of all working bodies would be represented.</p> <p>ASSESSMENT: Obligation is not realized. RECOMMENDATION: Form the body for monitoring of the Resolution implementation</p>
<p>3. Establishing of national commission for the monitoring of the Program and the implementation of the Action Plan</p> <p>1) Rulebook on the work of the National commission (description and operation rules) for monitoring of the Program and implementation of the Action plan</p> <p>2) Drafting monitoring of the plan</p> <p>3) Submittal of three month reports on implementation of Action plan and submittal of other analysis and reports concerning corruption and organized crime</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 Action plan</p> <p>3) All competent bodies</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 commission</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, Rulebook 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, or three months reporting, for all institutions, which participate in the Action plan implementation, is agreed (up to the 10th day of the month).</p> <p>1. ASSESMENT: Obligation is realized. 2. ASSESMENT: Obligation is realized. 3. ASSESMENT: Obligation is realized.</p>

<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>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>8. 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.</p> <p>6) 2006 (third quarter of 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 Criminal Code Procedure, 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 of Criminal Code Procedure at the beginning of 2007. The working group is composed of judges and prosecutors, representatives of the Faculty of Law in Podgorica, The Bar, Police Directorate, and Ministry of Justice. <u>Ministry of Justice</u> signed the Memorandum of Understanding with the <u>OSCE Mission</u> in Montenegro, which specifies cooperation in the area of criminal procedure reform, on 16th, February 2007. At the beginning of March 2007, Ministry of Justice established cooperation with <u>the High Judicial and Prosecutor Council of Bosnia and Herzegovina</u>. This country is known to have implemented the highest level of the criminal procedure reform in the Western Balkans region after the introduction of prosecutor's criminal investigation in 2003.</p> <p>Since Croatia stated preparing the new Criminal Code Procedure, which will assign the conduction of investigation process to prosecutors, <u>cooperation between Montenegrin and Croatian ministries responsible for legislation was established</u>.</p> <p>The working group prepared the <u>First working version</u> of the Criminal Code Procedure in the second half of March 2007, using experiences of Germany, Bosnia and Herzegovina, and Serbia in this field. After that, 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.</p> <p>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. 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 Great Britain, Belgium and Austria, engaged by the European Commission. Within CARPO 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. In July 2007, the Ministry of Justice has submitted the Draft Criminal Code Procedure to all courts and state prosecution offices in Montenegro, THE Bar and international organizations supporting judicial reform. Deadline for giving remarks, comments and suggestion on the Draft Code is the end of September 2007. The procedure for extended deprivation of profit right on the property (extended confiscation) is anticipated by the Draft Code. At this time, Working group considers submitted remarks on the Draft Code Text, in particular the EC expertise. By the end of February 2008, the Government of Montenegro will confirm the Draft Criminal Code Procedure and the public discussion program in order to get the best solutions in this reform text. The Ministry of Justice together with OSCE prepares the costs analysis in accordance with solutions consisted in the Draft Criminal Code Procedure.</p> <p>Supreme Court: Representatives of the Supreme Court participate in the working group for the preparation of the Proposal for the</p>
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9)	Law on changes and amendments of the Law on wages and other incomes of state officials	9. Ministry of Finance	7) 2007	<p>Criminal Code Procedure. ASSESSMENT: Obligation partly realized.</p> <p>RECOMMENDATION: As soon as possible, adopt the Proposal of amendments of the Criminal Code Procedure. Form a working group for the preparation of amendments to the Criminal Code Procedure or settle in other way the issue of extended deprivation of profit right of property. In the new Criminal Code Procedure, 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 SSM.</p> <p>2) Law was adopted in December 2006 and entered into force on 1 January 2007. ("Official Gazette of RMNE" No. 2/07 and 13/07) NOTE: Ministry of Justice published the Comment of the Law on the responsibility of legal entities for criminal acts and it was distributed to all judges. Intensive education for the implementation of this law is planned. ASSESSMENT: Obligation is realized</p> <p>3) Ministry of Justice: The Law on rendering international legal assistance in criminal matters was adopted ("Official Gazette of MNE" No. 4/08). The Law is harmonized with following conventions: European Convention on rendering international legal assistance in criminal matters from 1959 and the Protocols following the Convention, European Convention on extradition, and European Convention on transferring convicted person, Convention EU on rendering mutual legal assistance in criminal matters and Convention on simplified extradition procedure. ASSESSMENT: Obligation is realized.</p> <p>4) Ministry of Interior and Public Administration: Sector for protection – security affairs and surveillance within the Ministry of interior and Public Administration made the Draft Law on national DNA register. Before making the Proposal of Law, it is necessary to introspect in details and analyze all possible obstacles, particularly those related to non-existence of the Forensic Centre and defining under whose authority the National DNA Centre will be established. ASSESSMENT: Obligation is not realized</p> <p>RECOMMENDATION: Intensify preparation of the proposal for the law, because of its importance for the AP implementation.</p> <p>5) Ministry of Interior and Public Administration in cooperation with the Commission for Establishing the Conflict of Interests and competent institutions prepared the Draft Law on prevention of conflict of interest, which is in the harmonization phase, within competent governmental institutions of Montenegro and international organizations. ASSESSMENT: Obligation partly realized.</p> <p>RECOMMENDATION: Ministry of Interior and Public Administration is to intensify final activities on adoption of the Draft Law.</p> <p>6) The Law on the prevention of money laundering has been adopted at the Parliamentary Session on 29th of November 2007. ASSESSMENT: Obligation is realized.</p> <p>7, 8) Government adopted the Proposal for the Law on Salaries and other Incomes of Judges and State Prosecutors on 29 March 2007 (increase up to 35%). Law on Salaries and other Incomes of Judges and State Prosecutors adopted (Official Gazette of RMNE, No. 36/07) and is applied starting from 1 September 2007. ASSESSMENT: Obligation is realized.</p> <p>9) ASSESSMENT: Obligation is not realized. RECOMMENDATION: Ministry of Finance is to provide information – comment on functionality of the measure for the reaching AP objectives, taking into account the abovementioned measures under 7 and 8.</p> <p>10) Law was adopted by the Parliament of the Republic of Montenegro ASSESSMENT: Obligation is realized.</p> <p>11) Anticorruption Initiative Administration: In the purpose of preparing regulations to ensure special protection of persons who report corruption ("whistleblowers") the Anticorruption Initiative Administration prepared working material – retrospective view on provisions of the UN Convention against Corruption, Romanian and Norwegian legislative and submitted it to the Ministry of Interior and Public Administration.</p> <p>Ministry of Interior and Public Administration: Minister of Interior and public Administration formed Working Group, with the aim of making Proposal of this Law, consisted of representatives from Ministry of Interior and Public Administration, Anticorruption</p>
10)	Law on public procurement	10. Ministry of Finance	8) 2007	
11)	Law on the protection of persons who report corruption	11. Ministry of Interior and Public Administration / Ministry of finance	9) 2007 10) 2006 11) 2006-07	
12)	Changes and amendments of tax laws	12. Ministry of finance		
13)	Law on changes and amendments of the Law on financing political parties	13. Parliament	12) 2006-07. 13) 2007.	
14)	Law on lobbying			
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) ⁶	14. Parliament 15. Ministry of finance	14) 2007-08. 15) 2007	
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)	16 Ministry of finance	16) 2007	
17)	Law on determining the degree of secrecy of data	17. Ministry of Interior and Public Administration	17) 2006.	

<p>18) Law on the protection of personal data</p> <p>19) Law on taking care of temporarily and permanently ceased property</p> <p>20) Law on changes and amendments of the Law on budget (in the part of distribution of profit acquired of the ceased property)</p> <p>21) Law on changes and 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>18. Ministry of 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>18) 2006-2007</p> <p>19) 2006-07</p> <p>20) 2007-08.</p> <p>21) 2006-07.</p>	<p>Initiative Administration, Ministry of Health Care, Labour and Social Welfare. The Proposal of Law will be made with expert and consulting support of the UNDP, upwards defining the planned mutual activities. The Proposal Law is expected to be submitted to the Government of Montenegro for consideration in first quarter of 2008.</p> <p>ASSESSMENT: Obligation is partly realized.</p> <p>RECOMMENDATION: Ministry of Interior and Public Administration is to intensify activities on proposing and adopting the Proposal Law on protection of persons who report corruption.</p> <p>12) Parliament of MNE: Government, at its session on 11th of December 2007, adopted Law on Amendments to the Law on Personal Income Tax. This law was confirmed and adopted by Parliament in December 2007.</p> <p>ASSESSMENT: Obligation is realized. Obligation is being realized continuously.</p> <p>RECOMMENDATION: Ministry of Finance is to report in detail the effect of the fiscal reform over the anticorruption policy in next reporting period.</p> <p>13) Parliament of MNE, Ministry of Finance: Government, at its session on 11th of December 2007, adopted this Law and it was delivered to the Parliament for adoption procedure</p> <p>ASSESSMENT: Obligation is partly realized.</p> <p>14) Parliament of MNE: Activities concerning the adoption of laws were intensified.</p> <p>ASSESSMENT: Obligation is not realized</p> <p>RECOMMENDATION: Intensify preparation of the proposal for the law, because of its importance for the AP implementation.</p> <p>15) Ministry of Finance: New Law on Banks is in parliamentary procedure. Government adopted it in November 2007.</p> <p>ASSESSMENT: Obligation is realized. /integrated in the measure 4.6. /</p> <p>NOTE: In fact, this measure is treated in changes and amendments of the Law on prevention of money laundering and financing terrorism. 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) MF: Inter-institutional Working Group (Customs Administration, EU CAFAO for Montenegro, and Ministry of Finance) prepared the Proposal of Law on Amendments to the Law on customs. The only change related to money is that effective money is treated as customs good.</p> <p>ASSESSMENT: Obligation is partly realized.</p> <p>17) Government of MNE adopted the Proposal of Law on Data Confidentiality at session on 24th of January 2008 and it was submitted to Parliament of MNE for adopting procedure.</p> <p>ASSESSMENT: Obligation is realized.</p> <p>18) Ministry of Interior and Public Administration: Proposal of Law on the protection of personal data is submitted to the Government of MNE for assessment and adoption.</p> <p>ASSESSMENT: Obligation is partly realized.</p> <p>19) Ministry of Finance formed Inter-institutional Working Group in which the representatives of NGO will also participate</p> <p>ASSESSMENT: Obligation is not realized.</p> <p>RECOMMENDATION: Ministry of Finance is to intensify activities on preparation of the proposal Text for the Law on taking care of temporarily and permanently deprived property. Intensify preparation of the proposal for this law in 2008, because of its importance for the AP implementation. Measure 4.20 should be integrated in this measure</p> <p>20) ASSESSMENT: Obligation is not realized.</p> <p>RECOMMENDATION: <u>Measure under 4.20 is integrated in the measure 4.19</u>, 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> <p>21) Ministry of Transport, Maritime Affairs and Telecommunications: Upon making Law on telecommunications Ministry formed Commission, in which actively participated authorized representatives of Ministry of Justice, and Police Directorate. The Proposal of</p>
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			Law has been submitted to competent bodies of the Government of MNE. ASSESSMENT: Obligation is partly realized.
5. . Determining and adopting of laws from the domain of general legislative reform ⁷ , among which the most important ones are:	Government of the Republic of Montenegro, i.e. competent ministries, Parliament of the RoM		
1) Law on property relations	1. Ministry of finance	1) (2006.) 2007	1) Draft Law has been adopted at Government session on 20 th of December 2007. Parliament: Draft Law on property has been inserted in the Agenda of Second Extraordinary Meeting of the 23 Session that will be held on February 11, 2008. ASSESSMENT: Obligation is partly realized.
2) Law on obligations	2. Ministry of Justice	2) 2007-08.	2) Ministry of Justice: Government has adopted the Draft Law on obligatory relations and it has been submitted to the Parliament of MNE for adopting procedure. Parliament: Draft Law on obligatory relations has been inserted in the Agenda of Second Extraordinary Meeting of the 23 Session that will be held on February 11, 2008. ASSESSMENT: Obligation is partly realized.
3) Law on asylum	3. Ministry of Interior and Public Administration	3) 2006.	3) Ministry of Interior and Public Administration: Law on Asylum (Official Gazette of RMNE, No. 45/06) entered into force on 26 th , July 2006. It has been applied since 26 th , January 2007. Office for Asylum, as the first instance body, and State Commission for dealing with complaints, as second instance body, was opened by the Act on internal organization and systemization of the Ministry of Interior and Public Administration. Proposals of sub-legal acts for implementation of the Law on Asylum have been prepared, such as: Draft Regulation on appearance and contents of set form and manner of issuing certificates for persons requesting asylum and Draft Regulation on content and manner of record keeping in the field of asylum. Building of the Asylums and refuges Centre is in progress. ASSESSMENT: Obligation is realized
4) Law on foreigners	4. Ministry of Interior and Public Administration	4) 2006-07. 5) 2007.	4) Ministry of Interior and Public Administration: Law on Foreigners is in parliamentary procedure. Office for readmission, visas, and migration was opened. Law on Foreigners was submitted to the Parliament of RMNE in June 2006. Its adoption is expected in first quarter of 2008. After proclamation of the Constitution, Ministry of Interior and Public Administration prepared the Amendments on the Draft Law on Foreigners. Parliament: Law was submitted in June 2006. The adoption is expected in the first quarter of 2008. ASSESSMENT: Obligation is partly realized.
5) Passing of anti-monopoly law	5. Ministry for Economic Development		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 is realized
6) Law on changes and amendments of the Law on privatization of economy	6. Ministry for Economic Development		6) ASSESSMENT: Obligation is not realized NOTE – MED: Ministry of Economic Development stated that proposing this law is not under its competency, because this law stipulates methods of privatization of social as of state capital, which is not in their competency RECOMENDATION: General Secretariat of Government is to define competent body for drafting this law.
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) Ministry of Finance and Parliament: Law on changes and amendments of the Law on financing local self-government has been adopted (December 27, 2007). ASSESSMENT: Obligation is realized.
6. Analyze the degree of harmonization of the	Anticorruption Initiative	Continuous	Anticorruption Initiative Administration: Within joint project with the United Nations Development Program in Montenegro (UNDP) and with the assistance of OSCE Mission to Montenegro, Anticorruption Initiative Administration undertakes activities in the field of performing of Harmonization Analysis of the Montenegrin legislation with United Nations Convention against

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 tranfering "non- judicial proceedins" 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 theses proceedings in the total number of proceedings, settled before courts, amounts to 100.000. This is also the parctice in neighbouring countries, which would effect positively the work of courts.

legislation with international standards from the field of the fight against corruption	Directorate in cooperation with competent state bodies		<p>corruption. Responsible public authorities delivered necessary information in line with relevant provisions of this international instrument. The visit of UNODC (United Nations Office on Drugs and Crime) experts was realized and they performed harmonization analysis of five priority legal texts: Criminal code, Criminal Code Procedure, Law on Conflict of Interests, and Law on Public Procurement (the end of the third quarter of 2007). Experts opinions were presented to the vocational public at the Conference held on October 11 and 12 October 2007 in Podgorica, where many representatives of the state institutions and NGO were present. AIA submitted to the Government of MNE information on managed activities, which was adopted at the Session on 22nd of November 2007. In accordance with conclusions of this Session, the AIA submitted abovementioned information to the National Commission, as well as to the working groups for amending adequate legislation. GENERAL ASSESSMENT OF EXPERTS: Current laws of criminal matter are harmonized with UN Convention against Corruption, and regarding the Law on Public Procurement, it was emphasized that this law generally fulfils the requirements of the UN Convention against corruption and represents the solid harmonization element with other measures of prevention as well as give a reasonable balance between integrity aims and other procurement goals. During November AIA submitted final, overall answers of authorized bodies to the Questionnaire of UNDOC Office with residence in Vienna. The Questionnaire is related to assessment of harmonization level of the national legislation with certain provisions of the UN Convention against corruption (art. 5-9; 15-17; 23-25; 44-46, 52-53; 54-57 from four chapters of mentioned Convention)</p> <p>ASSESSMENT: Obligation is realized Obligation is being continuously realized.</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: Law on prevention of money laundering and financing of terrorism was adopted at the Second Session of the Second Ordinarily Meeting of Government, in accordance with mentioned Convention. Obligation is partly realized, activities were intensified.</p> <p>ASSESSMENT: Obligation is partly realized.</p> <p>RECOMMENDATION: Intensify activities in this field.</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 Montenegro as the signer or the contracting party of the Civil-Legal Convention on Corruption, starting with 6th, June 2006 (174).</p> <p>Parliament: Civil-Legal Convention on Corruption was ratified ("Official Gazette of MNE" No. 01/08)</p> <p>ASSESSMENT: Obligation is realized.</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 RMNE	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: Parliament ratified the additional protocol with Criminal-legal convention of the Council of Europe on corruption ("Official Gazette of MNE" No. 11/07)</p> <p>ASSESSMENT: Obligation is realized.</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>ASSESSMENT: Obligation is partly realized.</p> <p>RECOMMENDATION: To establish coordination between Ministry of Justice and Ministry of Interior and Public Administration concerning accomplishment of this measure. Obtain complete information from above mentioned to the National Commission by the end of first quarter of 2008.</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 <u>UN Convention on fight against corruption</u> and to the <u>UN Convention on fight against transnational organized crime</u> 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 from 2003, Ministry of Justice took into account a number of documents in the international field, particularly the United Nations Convention against Transnational Organized Crime, particularly during preparation of the new Code on criminal proceedings (Since February 2007). 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 Criminal Code Procedure 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. In the severe criminal cases, it will be particularly prescribed the possibility that 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. Harmonization of this regulation with international sources will 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>MED: Law on control of weapons' traffic and goods of dual- use, which was adopted on the State Union of Serbia and Montenegro level in 2005, and it is in application in Montenegro, is harmonized with international standards in the field of weapons' traffic and goods of dual- use control, and regular reports on this matter are being submitted to the Government and relevant international institutions. Mutual project of MED and UNDP has also been realized in the second half of 2007, preparation and publishing of the arms traffic and goods of dual- use report for Montenegro in 2006 (available at the web page of the MED).</p> <p>ASSESSMENT: Obligation is partly realized.</p> <p>RECOMMENDATION: Establish coordination between Ministry of Justice and Ministry of Interior and Public Administration concerning accomplishment of this measure. Obtain complete information from above mentioned to the National Commission by the end of first quarter of 2008.</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: Successful regional cooperation has been established through bilateral Agreements of the International Police Organization and Liaison Officers. By the end of November 2006 the <u>Agreement on cooperation and understanding between police organizations of Sweden and Montenegro</u> was signed (cooperation concerning tracking and repression of trans national organized crime; models of future cooperation with the Swedish regional police, region of Scania, with particular priorities for repression of organized crime, development of criminal-investigating data, and building of capacities of Police Directorate).</p> <p>Parliament of MNE has adopted the <u>Law on ratification of the Vienna Convention on police cooperation between South East Europe countries</u> ("Official Gazette of MNE" No. 1/08). Regulations on manner and level of data secrecy, proceeding manner, special protection and measures of keeping official and secret data and Regulation on conditions and manner of selecting police officer who is consigned to work abroad.</p> <p>Supreme State Prosecutor: The Supreme State Prosecutor signed bilateral agreements with Public Prosecutor of <u>Russian Federation</u> in September 2006, in Podgorica and with General Prosecutor of Ukraine in Kiev. The Memorandum on cooperation and data exchange concerning all types of crime, particularly organized crime and corruption was signed with the Prosecutor's Office of <u>Macedonia</u> and their Public Prosecutor on 29th, May 2007, in Ohrid. The Office of the Supreme State Prosecutor of Montenegro will be particularly dedicated to signing of Agreements with the National Bureau for fight against mafia of <u>Italy</u>.</p> <p><u>Program on cooperation of State Prosecutors of Russian Federation and State Prosecutors of Montenegro</u> has been signed with General Prosecutor of Russian Federation on 28th of September 2007 for a period of two years. Program stipulates arrival of experts from the Russian State Prosecutor's institution and main expert goals are investigative activities for the purpose of fight against organized crime, illegal traffic of narcotics and corruption and terrorism. General Administration for International Legal Cooperation – from a part of the Russian Federation Prosecution, and Department for international cooperation – from a part of the</p>

		<p>Supreme State Prosecutor, will coordinate with realization of the agreed activities. From October the 30 until November the 3, 2007 five members of the Russian Federation Prosecutors Delegation visited the State Prosecutors of Montenegro, which is a part of two years cooperation program realization. This visit contributed in making essential steps in introspecting specifics in manner of work, in introducing measures of secret surveillance and mechanisms for detecting corruption and organized crime. It was agreed that State Prosecutors of Montenegro conduct a study visit in March 2008, and professionally improve their knowledge regarding specific appliance of the measures of secret surveillance, successful providing evidences for corruption and organized crime felonies.</p> <p>The Agreement with the General Prosecutor of <u>Albania</u> was signed in Podgorica on July 26, 2008. This Agreement specifies cooperation between State Prosecutors of Albania and State Prosecutors of Montenegro, in the course of easier detection and exchange of evidences and data for fight against trans national and organized crime. Contact with the Ambassador of the Republic of <u>China</u> has been established with the request to restore communication, trough diplomatic means, with the State Prosecutor of China and to transmit the need of State Prosecutors of Montenegro for signing an agreement on cooperation. This activity has been completed and the term for signing Agreement was settled for first quarter of 2008. In the same period, in Podgorica, on the 31st of October 2007, Memorandum on acceptance in achieving and upgrading mutual cooperation in fight against all kinds of severe crime has been signed between Supreme State Prosecutor of Montenegro and acting Public Prosecutor of the Republic of <u>Serbia</u>. On same day in Podgorica has been signed the Agreement on cooperation in criminal prosecution of the perpetrators of crimes against humanity and other goods protected by international law. The Agreement was signed by Supreme State Prosecutor of Montenegro and War Crimes Prosecutors of the Republic of Serbia.</p> <p>The Supreme State Prosecutor has signed the Agreement on technical cooperation with ICTY on 6th of December 2007 with the aim of providing the utilization of the ICTY database, which will be helpful to the Prosecution Office to collect data on war crime cases that are in the court procedure. The Supreme State Prosecutor of Montenegro has also signed the Agreement on cooperation in the forests protection field in Montenegro (the signers of the Agreement are OEBS, competent ministries, Police Directorate and Supreme State Prosecutor of Montenegro). Felonies with elements of corruption that can emerge in this area are included in the Annex of the Agreement.</p> <p>Customs Directorate: In Montenegro, after declaring the Independency, agreements on mutual assistance in customs matter are being purposefully enforced with a numerous countries (Austria, Bulgaria, Czech, France, Greece, Italy, Hungarian, Germany, Poland, Romania, Russian Federation, Macedonia, Slovakia, BiH, Turkey, USA, China, and it is still in force the Agreement on customs cooperation with Serbia signed on April 23, 2003). Memorandum on understanding between CAM and the customs service of UNMIK was signed on November 19, 2004. The Government of the Republic of Iran, the Government of Republic of Serbia, and Government of RMNE signed Agreement on June 1 2005 in Teheran, and ratified it. ("Official Gazette of RMNE" No. 28/06). Agreement between the Government of the Republic of Montenegro and the Government of the Republic Croatia was signed on December 9, 2005, and Agreement on cooperation in this area between the Government of the Republic of Montenegro and the Government of the Republic of Albania was signed on December 26, 2006 () these two agreements are also ratified and published in the "Official gazette of RMNE" No. 28/06). Agreement on mutual assistance in customs matter between Slovenia and Montenegro was signed on April 19, 2007, ratified on October 9, 2007. Furthermore, Annex of the Protocol on exchange the customs informational lists between CAM and CAS was signed on July 23, 2007, and it entered into force on August 1, 2007. Annex stipulates that all goods and vehicles (empty or full) on relation of these two neighboring countries are followed by customs informational lists with data on good and vehicle, and that goods and vehicles entry will not be allowed without it (electronically exchange of data on tracing all goods and introducing customs informational lists for all shipments as for all vehicles – empty or full).</p> <p>On 15th of October 2007, the <u>Stabilization and Association Agreement</u> was signed between Montenegro and 27 EU countries and ratified on 13th of November 2007. Since 01.01.2008. Temporary Agreement entered into force, whose composite part is the <u>Protocol on mutual administrative assistance in customs matter</u> and the Protocol related to definition of concept "products with origin" and administrative assistance methods of customs services during implementation of its provisions in the SAA between</p>
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			<p>MNE and 27 EU countries.</p> <p><u>Continuous negotiation</u> on tracking accise goods is being carried out, with the aim to repress illegal activities together with neighboring customs services (UNMIK, Croatia, BiH, Serbia, Albania): with the Indirect Taxation Administration of Bosnia and Herzegovina, negotiation issue was the Protocol on tracking goods (electronically and physically), with particular accent on cigarettes as well as the escort between two neighboring border crossing points: with the Customs Administration of Croatia on tracking goods electronically and physically, and with UNMIK on improving the current agreement implementation because of security problems.</p> <p>Activities on signing the agreements on customs cooperation and mutual assistance wit Moldova, Ukraine Byelorussia are being undertaken. At the end of June 2007, CAM submitted the Proposal for clousring the Agreement on mutual assistance in customs matter, between the Government of MNE and the Ministers Cabinet of Ukraine. On August the 20, 2007 Customs Administration of Ukraine informed this Administration that the Draft text of the Agreement has been considered and accepted in general. Ukrainian customs service will submit the Agreement to the executive bodies, whereof the CAM will be informed additionally. Ministry of foreign affairs submitted positive opinion on this Draft Agreement. CAM presented the request to the General Secretariat of the Government of MNE for giving authorization to Director of the CAM for signing the Agreement with Ukraine. Signing the Agreement on customs cooperation and mutual assistance with Moldova is planed for the beginning of 2008.</p> <p>Ministry of Interior and Public Administration and Police Directorate: In reporting period Agreements (Protocols) with Albania, Turkey, Croatia, and Kingdom of Belgium, Slovenia, Macedonia, Austria, Romania, Serbia, Bulgaria, and Bosnia and Herzegovina were signed. While, at the South East Europe level, and under the leadership of Austria, the <u>Convention on cooperation of South East Europe countries</u> have been signed. Activities for signing the Agreement with Netherlands and Austria are being initiated. In addition, activities on admitting the Police Directorate in SECI Centre are in progress. In mentioned period signing the Agreement with Europol have been initiated. Cooperation with Europol that should result with signing the strategic contract on cooperation with Europol has been established in the beginning of 2008. From the stated follows that the priorities are signing bilateral agreements of Police Directorate with Macedonia, Slovenia, BiH, Serbia, UNMIK police form Kosovo.</p> <p>Ministry of Justice: Ministry of Justice of Montenegro in cooperation with Ministry of Justice of Italy harmonize 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. Ministry of Justice submitted new text of the Agreement, which completes the European Convention on providing international legal assistance from the Ministry of Justice of Italy. Harmonization process with other state bodies is in progress.</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 the first quarter of 2008, the latest.</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: Memorandum of understanding with the Governments of the Stability Pact for Anticorruption Initiative member states (SPAI) was signed on 13th of April 2007, 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 are in progress.</p> <p>Ministry of Interior and Public Administration: Law on ratification of Vienna Convention on police cooperation of the South East Europe countries was adopted. 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>Police Directorate: During 2007, NCB Interpol processed the total number of 17.886 cases, concerning international control, 17.729 of which were completed, while the work on another 157 cases continued. While processing submitted cases, 23.903 communications were established, 20.486 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, Zagreb, and Skopje, which contributed to prevention that is more efficient and revealing of cross border criminal acts. Efficiant regional cooperation was established through bilateral agreements on cooperation, international police organizations and</p>

			<p>liaison officers</p> <p>Police Directorate/Supreme State Prosecutor – regional cooperation: During 2007, Sector for fight against organized crime – Division for fight against organized crime and corruption, in cooperation with Police Directorates of Macedonia, Croatia, BiH and Serbia conducted eight international police operations, in cooperation with the Special Prosecutor for fight against organized crime and High prosecutor. All eight cases resulted with applying criminal charges against several persons from these countries for a number of criminal offences.</p> <p>In the first case: Criminal Association, falsification of documents, unauthorized border crossing, smuggling of people.</p> <p>In the second case: Criminal Association, assistance in smuggling, falsification of documents, misuse of the official position, giving bribe, taking bribe, impulsion of bribe giving, unauthorized keeping of weapon and explosive substances, investigation of customs clearing of vehicles on tree border crossing points, trough NBC Interpol Office in Podgorica is in progress.</p> <p>In the third case: Criminal Association, unauthorized border crossing and smuggling of people, assistance in unauthorized border crossing and smuggling of people, unauthorized keeping of weapon and explosive substances, money falsification.</p> <p>In the fourth case: For reasonable doubt of committing criminal act of severe murder in attempt, article 144 of the CL of RMNE regarding article 20 of the CL of RMNE and article 403 of the CL of RMNE, unauthorized keeping of weapon, and explosive substances, all related to article 507 of the CLP of RMNE.</p> <p>In the fifth case; Members of the international criminal group were arrested on 6th of January 2007, trough cooperation of the police Directorates of Montenegro, Macedonia and Serbia (with the criminal charge of unauthorized production, keeping and putting on sale of the opiate narcotics, 488 kg of Heroin were seized and handed over to the authorized Prosecutors Office in Macedonia).</p> <p>In the sixth case: In cooperation with Federal Police of the USA, a person that committed criminal act of severe murder in 1999 in New York was arrested and, together with criminal charges, handed over to the Investigative Judge of the High Court in Podgorica, on 18th of February 2007.</p> <p>In the seventh case: On 16th and 17th of June 2007, in cooperation with police officers of district unit Budva and the National Security Agency, operational – tactical measures and activities were being undertaken with the aim of locating the Hague's accused, which resulted with imprisonment and extradition to the representatives of the ICTY.</p> <p>In the eight case: On 7th of September 2007, officers of the Division for fight against organized crime and corruption in cooperation with police officers of the district unit Podgorica submitted criminal charge against one person - member of the international criminal group. In Croatia, two persons were arrested.</p> <p>Commission for establishing conflict of interest: In reporting period, Commission signed Memorandums on cooperation with BiH, Albania, Macedonia and signing of Memorandums with Serbia and Slovenia is in progress.</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 first quarter of 2008.</p>
14. Implementation of the Declaration on ten joint measures for the fight	Directorate for anti-corruption initiative, in	Permanent	<p>AIA: Montenegro, 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 (SPA/RSLO) on September 2006./measure 1,2 and 8 of the Declaration.</p>

against corruption in the Southeast Europe	cooperation with other competent bodies and civil society	<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. 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>After adopting the First report on realization of measures from the Action Plan for implementation of the Program for fight against corruption and organized crime it has been determined that Montenegro has fulfilled, completely or partially, two out of three priority measures of this Declaration (measure 1 - Signing, ratifying and implementation the UN Convention against corruption and measure 2 - completing and working 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)). Having in mind actual status of anti-corruptive activities in Montenegro, priority measures for period 2008-2009 were determined and these are:</p> <p>Measure 4 – Provide honest and concurrent business and investments by preventing corruption in private sector, promoting responsible legal entities according to the international standards, introducing clear rules for “whistle blowing”, insuring independency and efficiency of courts as well as establishing the practice of “white lists” of the companies that proved integrity.</p> <p>Measure 8 – Promote and support surveys and corruption phenomenon analysis, including the assessment of its aspects, patterns and corruption devices in the targeting sectors and institutions (justice, legislative procedures, political parties and election, local self government, public procurement, energy, education, health care, infrastructure, tax administration, customs, registrations and licensing of economic companies, banks, insurances and pensions) and</p> <p>Measure 9 – Develop efficient national campaign for raising perception level of corruption. The aim is to prevent and control corruption in specific sectors and institutions, including those responsible for implementation of priority reforms and alternatives for corruptive practice.</p> <p>ASSESSMENT: Obligation is being continuously realized.</p>
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15. Fulfilling of binding recommendations from GRECO Report on the estimate of anti-corruption measures and activities in the Republic of Montenegro	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	Following submitting of GRECO Report (Report submitted in January 2007, available at www.gom.cg.yu/antikorup) 2007-08	<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: Recommendation No. 7 of the GRECO Report, October 2007. In the period 26th – 28th of September 2007, manager of the Division and two officers participated on seminar with working topic “Key of success in criminal persecution of corruption” in organization of the USA Ministry of Justice, OPDAT and ICITAP, attended by 12 officers of the Sector of criminality police and 15 representatives of Prosecution Office and representatives of NGO.</p> <p>Anti-corruption Initiative Administration: 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 Administration 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. Administration is obliged to inform GRECO on implementation of above mentioned recommendations until the 31st, May 2008.</p> <p>Concerning recommendations in the GRECO Report, Directorate has: 1) Undertaken activities related to implementation of the GRECO recommendation 1; 2) 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; 3) 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; and 4) Offered professional assistance for the implementation of training for public servants and employees concerning Code of Ethics in line with GRECO recommendation 18.</p> <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 <u>Code of Ethics for state prosecutors</u> in November 2006. The Constitution of Montenegro does not guarantee durability of the state prosecutor’s mandate, which diminishes the level of individuality of performing prosecution function and of work independence.</p> <p>GRECO recommendations were respected, reinforcing the <u>Office of the Department for the fight against organized crime</u> 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 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.</p> <p><u>Clear mechanisms of cooperation between police and state prosecutors in the pre-criminal proceedings</u>, 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.</p> <p>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</p>

			<p>organized.</p> <p>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.</p> <p>Financial investigations were initiated 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 competences must be given in cases of deprivation of profit rights on property, which do not correspond to properties in possession of the perpetrator of criminal acts of corruption.</p> <p>Ministry of Interior and Public Administration: Ministry undertook activities on implementation of GRECO recommendation 1.</p> <p>ASSESSMENT: Obligation is partly realized.</p> <p>RECOMMENDATION: All line ministries and state prosecutor's office should separately elaborate, in next reports, the level of GRECO recommendation achievement.</p>
16. Securing technical and financial support to competent bodies Budget of the Republic of Montenegro	Government of the Republic of Montenegro Ministry of Finance, Anti-corruption initiative Administration, 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	Permanent	<p>Evaluated public consumption in 2007, is 1.075, 43 mil €, or 47, 21% of gross national product. Participation of current public consumption (consolidated public consumption diminished for total capital expenses – capital budget of MNE, capital expenses in current budget and capital expenses of funds and municipalities) in 2007, is estimated to 915,87 mil €, which is 40,21% of gross national product for 2007.</p> <p>Consolidated public expenses in 2008 have been planned for mil € / 49, 75% of gross national product. Current public consumption has been planned for mil € / 41, 76% of gross national product. In other words, total budget is planned to be greater for 16,9% wherewith precondition for more generous financing of political parties in the area of fight against corruption and organized crime, particularly in the area of capital investments.</p> <p>Budget for respective institutions is as follows: Parliament 5,17 mil € /index 104/, Court budget 15,1 mil € /index111/, Ministry of Justice 11,13 mil € /index 127/, Ministry of Interior and Public Administration 19,58 mil € /index 116/, Police Academy 11,4 mil € /index164,7/, Police Directorate 70,76 mil € /index 1237/, Ministry of Finance 52,83 mil €, Tax Administration 7,8 mil /index 97/, Customs Administration 7 mil € /index 113/, AIA 417 360 € /index 239/, Administration for prevention of money laundering 441.440 € /index 113,28/, Public procurement Directorate 256.012€ /index 197/, Real estate Directorate 9,95 mil € /index 189/, Commission for investigation of conflict of interests 237.017€ /index 132/.</p> <p>Planned capital budget of MNE for 2008 is 65, 88 mil € / 2, 61% of estimated gross national product. In the framework of capital budget building of the Centre for criminality expertise and training – Forensics Laboratory in Danilovgrad is being carried out, and 2, 33 mil € in 2008 is calculated for equipment acquisition for this Centre and another 300.000 € for project of electro – info points at border crossings. All the institutions involved the resources for new equipment acquisition into their individual capital expenses for 2008, which are necessary for improvement of technical cooperation and overall efficiency in implementing policies out of its authority.</p> <p>ASSESSMENT: Obligation is realized.</p>
17. Defining priorities, drafting of projects and their candidacy with international organizations and institutions	Government of the Republic of Montenegro and competent ministries,	Permanent	<p>Customs Directorate: In IPA Program 2007, the project related to Customs Administration and amount to 1, 92 mil €, 0, 8 mil € of which are intended for technical assistance (TA). ("TARIC"-integrated tariff of EU: "Improvement of customs laboratory": "Efficiency and activities of the Internal Control Department of CAM", "Training program for Customs servants", "Improvement of security measures in the Intelligence Division"). In the period June – August 2007 for purposes of disposing resources rendered within EU Regional component assistance, EU-CAFAO for Montenegro submitted to CAM the request for assessment of needs for 2008 (TACTA), consist of priority subproject topics: legislation and procedures, trade facilitation, afterwards clearing controls, human</p>

	<p>Supreme state prosecutor, Supreme court Secretariat for European integration (SEI)</p>	<p>resources management and integrated border management/customs security. With reference to this, Customs Administration proposed three more projects:</p> <ol style="list-style-type: none"> 1. Trainings for preparation of IPA proposals and projects, as well as training for making LOG framework related to Customs Administration; 2. Reporting of the CAM Management / DATAWARHOUSE; 3. Development and Implementation of the NCTS transit system harmonized with EU procedures. <p>In addition, proposal was made to add, in the Assessment, the projects TARIC"-integrated tariff of EU and project Improvement of customs laboratory. The aim is establishing national database and connecting tariff positions with national legislation/ all regulations defining visible imports as well as improvement customs laboratory where sampling goods will be carried out for regular identification, assortment, and declaration of customs duty. In cooperation with EAR and SEI Customs Administration proposed projects in the framework of IPA Program for 2008, and on that occasion possibilities for implementation support project in preparation of the "Customs Blueprint" activities and in preparation of "Project Finch" and project task for IPA 2008 were analyzed.</p> <p>Secretariat for European integration (SEI): The assistance of the IPA financial instrument for the <u>fight against organized crime and corruption</u> in 2007, has been approved by EC in amount to 3 mil (Services/Twinning 1, 5 mil €, works 1 mil € and procurement 0, 5 mil €).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 improvement of closed investigation and criminal intelligence system; - 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 Anticorruption initiatives Administration, 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>Implementation of the above-mentioned projects out of the approved IPA 2007 package is expected in the second half of 2008. TAIEX brochure has been handed over for printing. Publishing the second TAIEX brochure, distribution in period January/February 2008.</p> <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>
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		<p><u>Previous activities – CARDS</u> 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 Administration: 1) Administration nominated the project with the OSCE Mission in Montenegro (5.000 euros). Project entitled "<u>Capacity building of Anticorruption initiative Administration in the treatment of reported cases of corruption</u>", was carried out in the period between September – December 2006.</p> <p>2) In December 2006, Administration nominated with the OSCE Office a project (12.000 euros), entitled „<u>Implementation of UN Convention against corruption in the Republic of Montenegro</u>“ 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, Administration together with UNDP undertook the project »<u>Capacity building of the NGO sector for participation in anticorruption initiatives in Montenegro</u>«. 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, with 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, Administration in cooperation with State Audit institution and Commission for investigation of conflict of interests, prepared Draft project »<u>Prevention and repression of corruption – Implementation of Action plan for implementation of the Program of fight against corruption and organized crime</u>“(1,185.000 euros), which should be financed through IPA 2007, starting with the second part of 2008. In line with the EAR suggestions, from February 2007, the above mentioned proposal for the project will be achieved as a part of incorporated project, performer of which will be Ministry of Interior and Public Administration and which amounts to 3 million euros, and it will relate to implementation of Action plan for implementation of the Program of fight against corruption and organized crime. Project »Capacity building of the NGO sector for participation in anticorruption initiatives in Montenegro«, which was initiated by the Administration 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, Administration 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 <u>Implementation of the United Nations Convention against corruption in Albania, B&H, Montenegro, Macedonia, and Serbia</u>. 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 the course of 2008 and it would last until October of 2008. With the aim of Administration's capacity strengthening, regarding public relations, in period June-August 2007, project proposal have been made and submitted to the Embassy of Netherlands in Belgrade. The Project has been approved in November 2007 and is being realized in cooperation with the Mission OSCE in Montenegro, therefore AIA will be able to organize training for employees in the area of public relations. This is a priority, having in mind, that organization of the AIA has been changed by the Rule Book on internal organization and systematization of the AIA (adopted on 19th of July 2007) and establishing of the promotional and preventive activities Department has been envisaged. In period September – November 2007, Administration, in cooperation with the Ministry of economic development, submitted the proposal of activities which will be realized within the project "Norwegian Assistance"</p> <p>Police Directorate: Prepares the information on priorities for the financial plan for 2008, which is in the <u>Sector for investment</u>, with</p>
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		<p>particular accent on investments in the Department for MTN, Forensic Center in Danilovgrad and IT connection of border crossings with the centre. Since <u>IPA 2007</u> will be realized in second half of 2008 (especially for the Department for fight against organized crime), it is necessary to provide additional resources of external funding of project within on-line contacts with organizations which, so far, gave financial and expert support to Montenegrin police – OSCE Mission in Podgorica, Swedish National Police Board, UNDOC Office in Belgrade, ICITAP, German Embassy MEC Munich etc. Assumption for realization of potential projects of equipment acquisition, space adaptation and additional trainings certainly previous solving of the working space issue.</p> <p>1. <u>Working version of the Strategy of development and functioning of Police for period 2008 – 2013</u> has been made. Strategy will define the priority goals and development directions.</p> <ol style="list-style-type: none"> 1) Defining authorities and responsibilities at all levels as the assumption for establishing new model of organization and functioning of the Police Directorate. 2) Vision - Police Directorate Organizational Model is harmonized with European standards and needs of Montenegro (Planning Department enter into preparation of materials, status introspection and gathering positive experiences and practices of developed countries will be used during project making). <p>2. In reference with moving into modern building of <u>Forensic Centre</u> in Danilovgrad, following <u>project ideas</u> were made</p> <ol style="list-style-type: none"> a. Acquisition of the office and lab furniture and additional equipment; b. Acquisition of the computer with network software; c. Electronic supervision of the Forensic Centre building; <p>3. Project “Police leaded by intelligence activity” supported by Swedish agency (SIDA) for the Special Control Division</p> <p>4. One Project was nominated with the Swedish international development agency (SIDA). Provided resources by SIDA for 1.4 millions of euros are for 2007 – 2008 (DNK Lab).</p> <p>5. One Project was nominated with the OSCE, 123.000 euros are required;</p> <p>6. <u>NCB Interpol Podgorica</u> with the aim of efficient performing duties out of its jurisdiction , recognized the need of fulfilling specific conditions and accomplishing certain goals defined trough following project:</p> <ol style="list-style-type: none"> 1) NCB Interpol Podgorica in cooperation with the General secretariat of Interpol in Lyon initialed the process of launching the <u>MIND project</u>, 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 in the first quarter of 2008. 2) NCB Interpol made the project for acquisition of necessary equipment and infrastructure for <u>electronic data acceptance</u>, management and Interpol case filing, and introduction of the Interpol system I-24/7 in all working units of NBC officials. Project asset is 319.790 €, 174.440 euros of which are missing resources, while the rest is the premises asset provided by police Directorate. The project will be realized after providing necessary financial resources. <p>7. <u>Border Police Sector –Action Plan</u> for implementation of the <u>integrated border management strategy</u> defines following activities – projects:</p> <ol style="list-style-type: none"> 1) Building the Centre for foreigners 2) Building the Centre for asylum 3) Acquisition of IT equipment 4) Opt-electronic connecting of border infrastructure 5) Improving of telecommunication connection status, technical acquisition
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			<p>Ministry of Justice: Ministry of Justice, together with the Commission of European communities and with the <u>AUTOMATION SPA</u> 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. Government adopted Judiciary Reform Strategy 2007-2012, as well as the Action Plan for its implementation, where all necessary projects that must be realized in the framework of judiciary reform, and all necessary resources that beyond planed budgetary resources include the ongoing donation support, were defined. Donation Conference applied to the Strategy Implementation Action Plan is planed for February 2008.</p> <p>Tax Administration:</p> <p>1). Within <u>IPA 2007</u>, the project, entitled „Capacity building for the more efficient and functional work of Tax Administration, in line with European standards”, has been approved. The purpose of this project is to assist Tax Administration 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 Administration.</p> <p>2). During November 2007, <u>IPA Project for 2008</u> was made and nominated. The purpose of project is improvement of following areas within the competency of the Tax Administration:</p> <ul style="list-style-type: none"> • Introducing the Automated Risk management System • Introducing the Automated Assessment and Tax Application Selection System • Creating preconditions for introducing VIES System, as for information exchange with tax systems in region and EU countries • Introducing the taxpayers accountancy record exchange system with Tax Administration, with the aim of conducting accountancy reports and across controls • Automated recording the officers engagements with documents and cases • Record keeping of the case accomplishment level • Tracking and record keeping of appeal procedures upon the Tax Administrations files • Electronic database of the archive files <p>ASSESSMENT: obligation is being continuously realized</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. Ministry of Justice should, prepare the Changes and amendments of the Criminal, in order to provide necessary conditions for the introduction of the institute of expanded confiscation
2. 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
3. General Secretariat to establish the competencies of institutions in proposing the Law on changes and amendments of the Law on Privatization
4. Responsible authorities included in the measure 12 to submit the need analysis and the plan on signing bilateral agreements on international cooperation with the aim of information exchange and organizing mutual operations against organized crime no later than the end of third quarter of 2007.
5. Anticorruption initiative Administration 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.
6. Anticorruption initiative Administration to inform the Government, regarding implementation of the Declaration on ten joint measures for the fight against corruption in the Southeast Europe, within regular reporting procedure. Reports also submit to the National Commission.
7. 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.

8. 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 responsibility of legal entities for criminal acts has been adopted, and entered into force („Official Gazette of RMNE”, No. 2/07), wherewith the **measure 3** is realized.

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".

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 Resources Management Agency

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

⁸ International Criminal Investigative Training Assistance Program (ICITAP).

for State Prosecutors and Police Directorate's authorized servants has been organized, under the project „Preventing of Money Laundering and Financial Investigation“

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, which was realized on 5-9 of March 2007**.

At the same time, the answers to the questionnaire represent the ASSESMENT of the situation in this field, and it was submitted to EC on 26.01.2007. Seven Draft Reports of the Independent experts have been submitted to this Mission, whereon comments of state bodies were prepared and submitted. The final reports are expected by the end of first quarter of 2008.

Secretariat for European Integration, in cooperation with all ministries, prepares twice a year (in June and September) the **progress reports for the EC on stabilization and association process in all sectors**.

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 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. 613 employees have the university degree, 536 with high professional qualifications, 2717 with secondary school professional qualification IV and 1667 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.

Concerning the Supreme State Prosecutor activities on realization of this measure, it is important to note that after staffing condition analysis in basic Prosecution Offices, the initiative

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.

for getting the approval of staff strengthening in the Basic Prosecutor Offices in Bijelo Polje, Pljevlja and Cetinje has been submitted to the Ministry of Justice, due to election one more deputy state prosecutor with the aim of more efficient duty performance in these prosecutor Offices. Procedure for establishing new positions of deputy state prosecutors is in progress, and its appointment is expected very soon. The analysis led to the conclusion that Department for organized crime needs to be strengthened by election of one more deputy state prosecutor. Electing procedure is in progress. Due to missing and required staff analysis, especially after criminal legislation reform when the state prosecutors will take over the investigation, it is still early to make assessments, since it is stipulated with adoption of the Law on criminal Proceedings as with its implementation

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.

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. 01. 2007 and 31. 12. 2007, it submitted criminal complaints to state prosecutors and thus processed **309 criminal acts**, which, according to its legal characteristics, may contain **an element of corruption**. Out of this number, **36 criminal acts** have been submitted to the **Supreme State Prosecutor- Department for the Fight against Organized Crime**. These 36 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 (established in October 2007) consisting of judges, prosecutors and representatives of the Police Directorate. Tripartite Commission has been established with the aim to **create an overall methodology**, as for adequate **statistical data handling for size and dispersion assessment of the criminal acts with elements of corruption and organized crime**. During creation of the methodology it should be taken into account the different criteria that police and prosecution are taking as basic ground for surveillance and proceeding: Analyzing and periodical reporting in criminal complaints for organized crime and corruption, in accordance with the Decree on Commission Performance: and following up joint activities and delivering recommendations for improving institutional cooperation in this area. Due to data submitted from Police Directorate, Prosecution, and Courts, The Commission made statistical review of number of persons against whom the criminal proceeding is in progress due to criminal acts with elements of corruption and organized crime, with comments on undertaken measures and activities of in line institutions. (Table review provided in extension of this report).

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 realized the most of the Annual Education Program for 2007. Centre Working Program includes training of judges and state prosecutors, expert-associates in judicial institutions, as well as training of other authorized persons in state bodies. Preparations of the Training Program for 2008 are in progress – organizing trainings in the area of anticorruption and organized crime, procedural and new laws and implementation and arising problems in newly adopted laws practice</p> <p>Ministry of Interior and Public Administration: 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</p>

		<p>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 Government of Montenegro supported organizing international seminar “Prosecution days”, in November 2007. Required funds- 10.000 euros. In addition, training of prosecutors by the Croatian prosecutors from the Department for Organized Crime and Corruption have been realized, for the purpose of education of state prosecutors of Montenegro from the Department for Organized Crime and authorized officers of the Department for Organized Crime of the Police Directorate, on the application of measures of secret surveillance (their implementation and selection). Approved funds – 5.000 euros. 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 training of both prosecutors and authorized officers of the Police Directorate was held in the scope of Police Academy, within the project “Prevention of money laundering and financial investigation”.</p> <p>Police Directorate: During the reporting period 09.2006. – 31.03.2007. ,5 trainings were organized for 85 officers of the Police Directorate:</p> <ul style="list-style-type: none"> • 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>In the reporting period April –May, 8 trainings were organized for 136 officers of the Police Directorate:</p> <ul style="list-style-type: none"> • Two trainings “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, for 16 officers of Crime Investigation Police Department • 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><u>In the reporting period 01.09.do 30.11.2007, following</u> trainings were organized for officers of the Police Directorate</p> <ul style="list-style-type: none"> • Money laundering – 8 officers; • Conducting the informative interviews -22 officers; • Police negotiator in hostage situation -9 officers; • Trafficking in human beings -10 officers; • Training for trainers - 8 officers; • Crime scene investigation procedure -16 officers; • Police work in the community - 31 officers; • Prevention of narcotics proliferation- 16 officers;
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			<ul style="list-style-type: none"> • Investigation technique -10 officers; • Additional training in basic police education for border police officers - 25; • Additional training in basic police education for Security Sector officers – 25; • Witness protection – 6 officers; • Police work in the community -28 officers; • Implementation of Law on criminal responsibility of legal entities; • Study visit to the Swedish Police Academy – Subject “Juvenile delinquency ” – 3 officers • «Efforts in police duties and healthy nutrition – 3 officers. <p><u>Within the Human Resources Agency trainings for 164 police officers were organized under following areas:</u></p> <ul style="list-style-type: none"> • State administration and state bodies functional system; • Managing in the state bodies; • Financial and budgetary aspects of state bodies performance; • General affairs; • General and related affairs; • Communication within the administration; • Computer literacy; • Administrative acts implementation; • French language course; • German language course; • Montenegro EU accessing preparation; • Managing with the organizational units in the state administration; • Human rights and freedoms protection; • Communication skills with clients; • Financial – accountancy affairs in the state administration bodies; • Book office performance; • Recruitment in the state bodies; • Computer literacy trainings; <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 it provides the education regarding the rights and obligations of judges. CoE gave positive remarks on the Draft Annual Training Program for judges, prosecutors and expert-assistants, but at the end, it was not brought for, since it needs to be approved by Judicial Training Centre Coordination Board, with gotten opinion of the Court and Prosecution Council. Since the Court Council mandate has expired on 2nd of December 2006, and new Council has not jet been established, the necessary opinion couldn't be gotten as well as to adopt the mentioned Program.</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. Police Academy is to continue with the realization of trainings, and it this spirit, it should submit the training program for 2008.</p>
2. Six-month evaluation of the existing conditions, defining standards, evaluation of cases, drafting of joint analysis on	Government of the Republic of Montenegro, Ministry of justice, Ministry	Continuous Immediately following the adoption of the	<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>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,</p>

presentation of evidence in pre-trial and investigative procedure, drafting of recommendations for further work	of foreign affairs, Ministry of foreign economic relations and European integrations, Ministry of interior, competent bodies and institutions	Action plan	<p>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; Seminar on Acquis translation models, 10/09/2007, Brussels and Intellectual property rights protection in the institutions of Montenegro, 04/10/2007, Podgorica. During 2007, 12 TAIEX seminars were held with 238 participants and 53 lecturers.</p> <p>2. TAIEX Mission of independent experts for the assessment of the situation in Montenegro in the following areas: 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, (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. Joint seminars were organized for the West Balkans' countries in the field of JLS: 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 Skopje 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 Skopje. 18/12/2006, seminar on private sector of security in West Balkans was held in Belgrade. Seminar presenting the European legal system was organized in Pristina for lawyers employed in public services (2006).</p> <p>Police Directorate: Police Directorate initiated establishing of the Tripartite Commission on the level of the Police Directorate, Supreme Court and Supreme State Prosecutor. Three parties Commission is obliged to perform following activities: tracing and preparation of the current status assessment in relation to collecting evidence measures in pre-trial and investigative procedure; analyzing of stated statistical data and statistical data handling harmonization; tracing activities up to criminal charges for organized crime and corruptive criminal acts and makes appropriate reports, analyses and recommendations; perform other activities that indicated need rises during its work. Commission has been established in October 2007, and the obligations ensued upon the National Commission Report recommendations were considered at the first working meeting.</p> <p>Supreme State prosecutor: Chairman of the Tripartite Commission, Deputy of Supreme State Prosecutor, previously made table framework, which will be used for complete audit over the case processing from criminal charge applicator, trough state prosecutor actions up to the court procedure, for all criminal act with corruptive elements (chapter XXIII and XXXIV). That is a presumption for efficient work of Tripartite Commission.</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>Parliament: Parliament adopted the Law on the responsibility of legal entities for criminal acts on 27th of December 2007. Law 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 realized the most of the Annual Education Program for 2007. Centre Working Program includes training of judges and state prosecutors, expert-associates in judicial institutions, as well as training of other authorized persons in state bodies. Preparations of the Training Program for 2008 are in progress – organizing trainings in the area of anticorruption and organized crime, procedural and new laws and implementation and arising problems in newly adopted laws practice. In cooperation with USA Embassy, tree seminars were organized on topic of the legal entities responsibility for criminal acts. Round Table with the topic “Law on right to trial in reasonable time” for all the presidents of courts in Montenegro, Supreme Court Judges and Prosecutors: Centre provided the participation of the Supreme court judge at the Conference in Dubrovnik on topic “Criminal</p>

		<p>Proceeding Law in joint Europe". Centre provided the participation of one Supreme court judge and one Deputy Supreme State Prosecutor at the International Conference on anti corruption measures and the judicial role, in Zagreb. This Conference was organized by the Judicial Academy of the Ministry of Justice of Croatia in cooperation with TAIEX. Centre provided the participation of two Montenegrin judges at the seminar organized by the Hungarian Regional Competition Centre and the Judicial Academy, in Budapest. The topic was European principles of competition rights.</p> <p>Police academy: In reporting period, numerous of trainings were realized I at the Police Academy in the frame work of Police Directorate officers training:</p> <ol style="list-style-type: none"> 1) Training on Baser gadgets (JPS)- 8 border police officers; 2) Seminar on juvenile delinquency – 9 officers of the Crime Investigation Police Department; 3) Implementation of the Law on Asylum – 21 officers; 4) Criminal responsibility of the legal entities – 21 attendees; 5) Role of the prosecutor and cooperation with police in pre trial procedure with the aim of brightening all criminal acts – 36 attendees; 6) Cooperation between border and crime investigation police and introduction of the operational service – 36 attendees; 7) Training for mentors- 26 attendees ; 8) Training on visas – 21 attendees; 9) Seminar "Informational interview technique"– 20 officers of the general jurisdiction Sector. <p>Supreme State Prosecutor: Within the Supreme State Prosecutors Office of Montenegro, one deputy state prosecutor achieved the certificate of the trainer for training officers authorized for conducting financial investigations. Training lasted from April 2006 until recent time, and handled within CARDS Police Project (joint project of the Council of Europe and European Commission polarized to development of reliable and functional police systems, improvement of fight against main criminal activities and police forces cooperation – CARPO). The subject of training was "Financial investigations and reprieve of the property gained through criminal activities". 13 prosecutors went trough this training. After project, completing the Rulebook for financial investigation has been published consisted of General and Specific part. Deputy Supreme State Prosecutor participated at drafting of this Rulebook, and it has been distributed to line institutions, and it will be of a great assistance in further work.</p> <p>Montenegro State Prosecutor Representative participated at the "Money laundering prevention and fight against terrorism" seminar in Vienna, on 04.-08. 2007, in the MMF organization. Supreme State Prosecutor, deputy Supreme State Prosecutor and High State Prosecutor participated at the European Prosecutors Conference in Warsaw on 4th and 5th of June 2007 in the CE organization, with the subject "International cooperation in the criminal law area". Deputy Supreme State Prosecutor participated at the meeting named "Financing terrorism with money gained trough criminal activities and criminal act of corruption" in Istanbul on 13th to 15th of June 2007 - as the contact point SEEPAG's member. It is important to note that realization of many education trainings and introducing corruption indicators trainings, nominated by the Montenegro Supreme State Prosecutor Office, has already started by American Government, there for one significant seminar is to be held on 26th to 28th of September 2007to which more than 20 state prosecutors will attend.</p> <p>Education seminars are being held in OSCE organization, for which the state prosecutor experts are nominated to hand over entire legal framework, practice and introspected problems in proving criminal acts with corruption elements. USA Ministry of Justice, trough the American Embassy legal representative in Belgrade, upon the Montenegro Supreme State Prosecutor's initiative, organized significant tree day seminar entitled "Key for successful criminal pursuing of corruption". Seminar was held in Przno on 26th to 29th of September 2007 and 25 state prosecutors, police and customs officers attended. Education has been continued trough round table held in Podgorica on 20th of September 2007, with subject "Improving cooperation between police, prosecutors, and judges in fight against trans national and organized crime". One seminar was held in Herceg Novi with the aim of introducing the European standards for criminal and offence law.</p> <p>- Regional Conference on fight against money laundering and financing terrorism prevention in organization of OSCE was held in</p>
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			<p>Becici on 24th and 25th of September and attended by state prosecutors who also had reports.</p> <ul style="list-style-type: none"> - Supreme State Prosecutor of Montenegro attended at Regional conference in Odessa on 17th to 19th October 2007 and he held up a presentation entitled "Prosecution independency". - High State Prosecutor from Bijelo Polje attended the training - Lustration as the transition justice mechanism – held in Prague on 23rd to 29th September 2007. - State prosecutors took active part in the Conference "Montenegro Legislation Harmonization to the UN Convention against Corruption" in Podgorica, on 11th of October 2007. - in Strasburg on 16th of October 2007, further duration of the CARDS Justice Program in the prosecutors Balkan network in fight against trans national and organized crime was created. - Prosecution representative participated at the Regional seminar entitled "Organized crime and human beings trafficking" in Zagreb on October 18 – 20, 2007. - Supreme State Prosecutor of Montenegro participated at the Cranes Montana Forum form 24th to 27th of October 2007, with the presentation on the subject - trans national crime and corruption. - OSCE Regional project of the cooperation between police, prosecution and judges in the organized crime and human beings trafficking procedures between Albania and Montenegro. The project has started at 20th of September 2007, in Podgorica, continued in Skadar on 14th and 15th of November 2007, and on December the 12, 2007 it will be continued. - State prosecutors participated at the Second Annual Conference and the General Meeting of the International Anticorruption Association (IAACA), in Indonesia on 21st to 24th of November 2007, where the subject was "Efficient preventive measures in fight against corruption". -In the education field, Montenegro Supreme State Prosecutor participated in the Secret Surveillance Measures Training Program, at the Judicial Academy in Zagreb. <p>ASSESSMENT: Obligation is realized. The obligation is realized continuously. RECOMMENDATION: Centre for training of Judges is to initiate the activities on training program realization. Centre is to provide the training program for 2008, harmonized with the AP, not later than the first quarter of 2008. Police academy is to continue with the training implementation and to provide the training program for 2008, 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. 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 council, Police administration	2007.	<p>Police Directorate: At the end of the reporting period, number of employees in the police Directorate totaled 5586, out of which 1046 employed temporarily and 4540 employees concluded permanent working relation. 613 employees have the university degree, 536 with high professional qualifications, 2717 with secondary school professional qualification IV and 1667 with secondary school professional qualification III SSS and with elementary school 53. The postponement procedure in accordance with the Rulebook of Internal Organization and Systematization of the police Directorate is in progress. Due to reorganization and the need</p>

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

			<p>for conforming to the European standards, the social program for overcoming the problem of redundant employees in the Police Directorate is being implemented in this period.</p> <p>Supreme State Prosecutor: After staffing condition analysis in basic Prosecution Offices, the initiative for getting the approval of staff strengthening in the Basic Prosecutor Offices in Bijelo Polje, Pljevlja and Cetinje has been submitted to the Ministry of Justice , due to election one more deputy state prosecutor with the aim of more efficient duty performance in these prosecutor Offices.</p> <p>The analysis brought to the conclusion that Department for organized crime needs to be strengthened by election of one more deputy state prosecutor. Electing procedure is in progress. Due to missing and required staff analysis, especially after criminal legislation reform when the state prosecutors will take over the investigation, it is still early to make assessments, since it is stipulated with adoption of the Law on criminal Proceedings as with its implementation.</p> <p>Supreme State Prosecutors Office capacities are strengthened within election of one more deputies who will deal with corruption indicators, analysis system and final recommendation. The initiative for getting the approval of staff strengthening in the Basic Prosecutor Offices in Bijelo Polje, Pljevlja and Cetinje by appointing new state prosecutors, has been submitted to the Ministry of Justice, after staffing condition analysis in basic Prosecution Offices. Positive response is expected.</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.</p>
6.2. Employment of the missing staff		Continuous	<p>Supreme State Prosecutor: Higher State Prosecutor in Podgorica is supported by the election of two new deputies, Basic State Prosecutor in is supported by the election of the deputy and the Basic state Prosecutor in Podgorica by two deputies.</p> <p>The initiative for getting the approval of staff strengthening in the Basic Prosecutor Offices in Bijelo Polje, Pljevlja and Cetinje, due to election one more deputy state prosecutor with the aim of more efficient duty performance in these prosecutor Offices, has been submitted to the Ministry of Justice. New deputy state prosecutor positions establishment procedure is in progress, and its election is expected very soon.</p> <p>Police Directorate: The Human Recourses Management Agency conducted a procedure for hiring 60 trainees with the university degree. Due to the Human Recourses Management Agency advertisement for the Police Directorate needs, recruiting procedure for 7 trainees with the university degree is completed.</p> <p>ASSESSMENT: The obligation is continuously realized</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, 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	Supreme court, Supreme state prosecutor, Police administration	Continuous	<p>Supreme State Prosecutor: 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> <p>“Our opinion is that criminal acts on bribe giving and taking are the most typical corruptive acts that occurs in practice further more connected with new formation aspects but are also very hard to detect, and it must be admitted that detected acts are of relatively small dangerous. The fact that there is low percentage of person denounced for</p>

society they are committed

these kinds of criminal acts does not mean that there are less in fact, but we did not improve detection mechanisms. Legal possibilities of state prosecutors to fight against corruption which is sprat around, having in mind not only efficient and rigid proscription of disclosed cases but also activities on detecting corruption and appliance of secret surveillance measures (article 239 of the Law on criminal proceedings), are limited by current legal provisions, determined by article 237 of the Law on criminal proceedings. Therefore, prosecutor cannot suggest secret surveillance measures appliance upon all corruptive criminal acts, as the level of proscribed sentence limits him. Due to this limitation the Supreme State Prosecutor of Montenegro submitted the proposal to the Ministry of Justice to fill the article 238 of the Law on criminal proceedings with provision that secret surveillance measures can be applied upon all corruptive criminal acts, where by it would be useful to specify these criminal acts.”

The reason for this is that these criminal acts are regularly undertaken without material evidences, so proving them is extremely difficult. Therefore detection bodies (Police) and pursuing bodies (Prosecution) become only silent observers of corruption activities, which is the reason for the gap between general opinion on wide dispersion and scope of these group of criminal acts and the number of disclosed cases and of course effective sentenced persons in the reporting period.” (Supreme State Prosecutor Report for 2006 Quote, Ju7ne 2007).

Special prosecutor for organized crime initiated criminal proceeding against 113 persons in 2006 (by submitting investigation requests and proposals for direct accusation). One effective sentence have been rendered for organized crime criminal act unauthorized keeping of weapons and explosive substances (article 403 paragraph 3 related to paragraph 2 of the Criminal Code). Problems detected in the organized crime pursuing: In the field of organized crime and corruption prevention, significant role is function of the Parliament of MNE in giving the approval for criminal pursuing of individuals with member immunity, which is not in accordance with the Constitutional Parliament Recommendation (RMNE SU SK No. O1-560/4 on 30th of November 2006).

The Supreme State Prosecutor Annual Report for 2007 will be prepared and submitted to the parliament of MNE within regular activities of the Supreme State Prosecutor.

REPORT OF THE THREEPARTY COMMISSION

CRIMINAL ACTS WITH ELEMENTS OF CORRUPTION			
by criminal claims received within the period from 01.01.2007 to 30.12.2007.			
Police Directorate and other applicants of criminal claims		Number of claims	Number of persons
		274*	435
STATE PROSECUTORS	Prosecutors decisions by claims	Number of cases	Number of persons
	Claims refusal	96	126
	Accusatory suggestion	5	6
	Prosecution without performing investigation –immediate accusation	2	2
	Request for performing the investigation acts	90	136
	Suggestion to perform the investigation acts	10	13
	Claims that upon the termination of certain period have remained in pre-criminal procedure at other organs upon request of the prosecutor to collect the necessary information	71	152
COURTS	Previous procedure – investigation	Number of cases	Number of persons
	Received requests for performing the investigation	90	136
	Decision on performing the investigation	60	85
	Decision on performing the investigation was not brought up	30	51
	Investigation completed and files returned to the prosecutor	24	33
	On going investigation	36	52

STATE PROSECUTORS	Prosecutors decisions in cases by the concluded investigations		Number of cases	Number of persons
	Renunciation of prosecution		3	4
	Charge after the performed investigation		21	29
	Total:		24	33
COURTS	Court accusations		Number of cases	Number of persons
	Received accusations (accusation suggestion, immediate charge and charge after the performed investigation)		28	37
	Main hearing and decision		Number of cases	Number of persons
	Criminal procedure with concluded decision		12	14
	On going criminal procedure		16	23
	Judgment of guilty decision		2	4
	Dismissal decision		----	----
	Suspension of the decision		10	10
	Written elaborated decisions and delivered to the prosecutor		11	13
	Proceedings upon legal remedies		Number of cases	Number of persons
	Prosecutor complaints		11	13
	Proceeding concluded upon complaint		1	1
	Proceedings not concluded upon complaint		10	12
	Complaint accepted		----	----
Complaint refused		1	1	
CRIMINAL ACTS WITH ELEMENTS OF ORGANISED CRIME by criminal claims received within the period from 01.01.2007. do 30.12.2007				
Criminal acts of organised crime (01.01. – 30.11.2007.)			Number of claims	Number of persons
	TOTAL:		11 claims	60
	Requests submitted for performing the investigation		11	60
	Charges brought upon the performed investigation		10	50
	On going investigation procedure		1	10
	Cases with resolved accusations		4	14
Cases with no resolved accusations		6	36	

- *** Remark:** Police Directorate submitted 308 criminal charges with elements of corruption to the State Prosecutor. After pre trial completed the State prosecutor concluded that out of this number of submitted criminal charges do not ensue legal assessment that corruptive act has been done, but some other criminal act, therefore out of mentioned number, in fact, 274 are criminal charges with elements of corruption.

In accordance with the Conclusions and Recommendations of the National Commission from the First Report on realization of measures from the Action Plan, the Tripartite Commission has been established on 10th of October 2007 consisted of representatives of the following institutions: Supreme State Prosecutor, Supreme Court, and Police Directorate. Tripartite Commission has been established with the aim to create an overall methodology, as for adequate statistical data handling for size and dispersion assessment of the criminal acts with elements of corruption and organized crime, having in mind the different criteria that police and prosecution are taking as basic ground for surveillance and proceeding: analyzing and periodical reporting in criminal complaints for organized crime and corruption, in accordance with the Decree on Commission Performance: and following up joint activities and delivering recommendations for improving institutional cooperation in this area. Commission held 11 sessions. On some of these sessions participated representatives of Capacity Development Program CDP(The Government of MNE Program and donors) with the aim of introduction with the work of the Tripartite Commission and providing professional support for developing the program of the unique informational technology of statistical indicators in the field of corruption and organized crime. Due to data submitted from Police Directorate, Prosecution, and Courts, The Commission made statistical review of number of persons against whom the criminal proceeding is in progress due to criminal acts with elements of corruption and organized crime in 2007, in accordance with procedures and measures of prosecution and courts. Tripartite Commission will continue to perform its duties in accordance with the Action Plan. Report for 2006 will be prepared in the first part of 2008, and by the end of January 2009 the cases review for 2008 will be given.

	<p>Police Department: In the period between 01.09.2006 and 31.12.2007, Police Directorate submitted criminal charges to the competent public prosecutors and thus proceeded 308 criminal acts 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.....200 - Unconscious work in service from Art. 417 of the Criminal Code of RMNE..... 46 - Abuse of power in economy from Art. 276 of the Criminal Code of RMNE.....38 - Offering bribe from Art. 424 of the Criminal Code of RMNE..... 13 - Accepting bribe from Art. 423 of the Criminal Code of RMNE..... 6 - Causing false bankruptcy from Art. 274 of the Criminal Code of RMNE..... 1 - 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..... 3 <p>Out of this number of criminal acts(for mentioned period total of 309), total of 36 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 RMNE29 - Accepting bribe from the Art. 423 of Criminal Code of RMNE.....1 - Offering bribe from the Art. 424 of Criminal Code of RMNE.....2 - Unconscious work in service from Art. 417 of Criminal Code of RMNE.....4
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	<p>ASSESSMENT: The obligation has been realized. The obligation is being continuously realized</p>
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RECOMMENDATIONS IN THE AREA OF THE EFFICIENT CRIMINAL PROSECUTION WITH THE OBJECTIVE OF PREVENTING CORRUPTION AND ORGANIZED CRIME

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:

1. Supreme Court, Supreme State Prosecutor, and the Police Directorate to identify characteristic problems related to conducting proving measures in pre trial and investigation procedure and at the main inquest, which impress on efficiency in criminal pursuing and effective sentencing.
2. Centre for the training of judges should intensify activities on the training program realization for 2008.

3. Police academy to continue with trainings and in that sense to submit the training program for 2008 to the National Commission.
4. Prosecutor Council, in cooperation with the Ministry of Finance to prepare staffing condition analysis and missing staff assessment.
5. Ministry of finance to intensify activities on drafting the Law on management of permanently and temporarily 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 36 cases for further acting, while one case waits for the court sentence in order for Committee to take the position, and one case have been returned for updating.

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 13, 16, 17, 18**). With the view of enhancing the capacities in this field, seminar – workshop "Questions and Challenges of Monitoring the Intelligence Activities in Democratic Societies" was organized, at which one officer of the Department participated. Seminar was held in Geneva, Switzerland, in period 10.-12.12.2007, organized by DCAF.

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 is as follows: out of total 751 republic officials, 724 or 96, 4% submitted reports, and out of total 1109 municipalities' officials, 962 or 86, 74% submitted 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 – 18 registered presents valued over 50 €. Regarding updating and monitoring of the public register aimed to ensure transparency of the financial and property conditions of the public office holders, Commission for Investigation of Conflict of Interests, in this reporting period, published five times in media names of those public officials who violate the law. There is still certain number of public officials who don't deliver Report on incomes and property, or continuously violate Article 8 of the Law on Conflict of Interest, so it is necessary to reinforce sanctions and undertake proper measures towards them (procedure, in line of duty, against public officials- Parliament members and Municipality members was started by the Commission, against those who continuously violate Article 8 of the Law on Conflict of Interest. With the view of aforementioned, 29 decisions have been made for the public officials who did not transfer the management right on other person; out of this number, 16 of them transferred management right, while 13 of them still did not complete it. During 2007, 253 decisions have been made, out of which 189 decisions were on violating of the Law (75%), 25 decisions were on previous violating of the law (25%), and 39 on not violating the law (15%). 11 opinions and 3 conclusions for public officials have been adopted. According to the Article 22 of the Law, Commission, during 2006, delivered to the competent authorities 53 requests for releasing from the public function (only one public office holder has been released), while during 2007, Commission delivered 33 requests for releasing from public function.

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, and 27)**, significant progress has been made. According to the report of the competent authorities- MANS, Police Directorate, Customs Directorate, Tax Administration 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 399 reports of corruption in Customs Directorate received 72 calls (7 of which concerning complaints about the work of customs officers), and Tax Administration received 239 calls regarding the complaints about the work of the tax officers. During the reporting period, in Tax Administration – Sector for providing services to the taxpayers and registration, in cooperation with CAFAO, published brochure "Tax Reminder" which is the guidebook for the taxpayers that contains review of the tax regulations and directives so as the deadlines for submitting tax returns. A number of the copies of "Tax Reminder" has been delivered to the Ministry of Tourism, Union of Employers, Montenegro Business Alliance, Secretariats for Economy in Kolasin and Zabljak, Union of hoteliers and restaurants of Montenegro, and to all organization parts of Tax Administration, with enclosed directive to make this brochure available to the taxpayers. At web site www.poreskauprava.vlada.cg.yu, under the link "ANTICORRUPTION", public call was directed to all non-governmental organizations that have in their programs activities and work aimed at fighting against corruption and organized crime, to propose activities that would be carried out during 2008 in field of informing the citizens on harmfulness of corruption and organized crime, and in which representatives of Tax Administration would take part as well. In December 2007, Tax Administration, in cooperation with the Consulting House EU CAFAO, held lecture for 20 entrepreneurs in filed of construction on topic "Taxing in Construction". This lecture was organized by Union of Entrepreneurs as the NGO with which Tax Administration has developed cooperation. In addition to this, Police Directorate prepared material for **Campaign for animating the citizens** to complaint on the police acts and procedures (brochures, cards, posters, and posters for billboards). TV clip has been shot and assembled. Through this campaign, citizens will be informed that they can, 24 hours a day, 7 days a week, complaint to the police, if they consider that a police officer violated or misused own authority, ask for the bribe or received money not to undertake measures in line of duty, or in any other way violated or endangered citizen's rights. After reporting, procedure on confirming of their accusations would be carried out, and citizens would get feedback on it.

The Government of RMNE adopted the Report on realization of the project "Strengthening of the Directorate for Anti-corruption Initiative Institutional Capacities regarding the procedures in cases of reporting the crime cases of corruption" (2007). It was concluded that this project has been realized successfully, especially regarding the intensifying promotion-prevention role of the Directorate. This was especially evident in the act of opening of the phone line for reporting the corruption, and carrying out of the public campaign. In addition to this, Government considered as positive the fact that the Directorate, as the prevention anti-corruption agency, continues to be the mediator between the citizens and competent authorities, which ensured self-sustainability of the project.

Citizens are also provided with the possibility to report doubt of corruption. **Statistics of the Directorate for Anti-Corruption Initiative** shows that during the whole reporting period the following has been prepared: 25 information on reported doubt in the criminal act of abuse of power, 7 information on reported doubt in criminal act of giving/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, 1 information on reported doubt in corruption in the process of public procurement, 1 information on reported doubt in the criminal act of counterfeiting documents and illegal issuance of construction licenses and 1 information on reported doubt in the criminal act of smuggling. Out of the aforementioned information, 26 information were delivered to the Police Directorate, 10 to the Supreme state prosecutor, 5 to the Ombudsman, 7 to the Office for the Reception of Citizens Complaints in Supreme Court, 1 to the Commission for the Control of Public Procurement, 1 to the Ministry of Justice, 1 to the Ministry of Education and Science, 1 to the Customs Directorate, 1 to the Tax Agency, 2 to the Real-Estate Agency, 2 to the Republic Labor Inspection, and 1 to the Republic Health Insurance Fund. In addition, during the reporting period citizens were provided with 28 legal advices that is - feedback information regarding reports of doubts in criminal acts of corruption. Aiming at realization of this measure, ACID intensified cooperation with the Police Directorate regarding the procedures in cases of reporting the corruption by the citizens. The way of delivering feedback information was established, on basis of monthly reports by the Police Directorate on the state of play of delivered complaints. In the framework of the joint project with the UNDP, new brochures and posters have been prepared, in which the procedure for submitting of the reports by the citizens has been promoted. In the same period, Directorate received 2 feedback information from the Real-Estate Agency, 5 feedback information from the Police Directorate, 1 from the Customs Directorate, 1 feedback information from the Ministry of Justice, and 1 feedback information from the Ministry for Health, Labor, and Social Welfare.

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 continuously organize 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; Ministry of Justice and Mol&PA prepared and published Guidebook for access to information in possess of these Ministries; in the reporting period, Human Resource Management Agency continued with realization of the seminars for the authorized officers who work in accordance with the Law on Free Access to Information, in almost all municipalities, while for Podgorica, relevant organizational preparations for realization of the aforementioned seminars are underway. 16 seminars/trainings for 19 municipalities in Montenegro have been carried out, at which in total 275 employees participated, and for 9 representatives of the Commission for Investigation of Conflict of Interests, Directorate for prevention of money laundering, Tax Administration, Secretariat for Development, Veterinary Directorate, NSA (National Security Agency) and Statistics Agency separate seminar on practical implementation of the Law on free access to information has been organized. In addition to this, Customs Administration carried out a number of important trainings and seminars for its employees, generally in field of prevention and education (explained in details under the **measure 29**). MANS established INFO phone line for citizens, where they can ask for the information in possess of the state institutions and agencies. During the reporting period, 7153 requests have been submitted (3207 documents), 1701 complaints (698 documents), 1166 charges (490 documents), out of which – in 1653 cases access to information was allowed, for 73 cases partly allowed, for 93 cases access was rejected – by requested asked for making of the information, 474 institutions replied that it was out of their competence, 198 information were already published, 135 access prohibited – exemption, 1115 institutions are not in possess of the asked information, in 68 cases asked for correction of the request, in 3344 cases – silence of the administration. Round table on conflict of interest was organized in December, so as performances in all Montenegrin municipalities at which promotional material on right on access to information was delivered, all in framework of the campaign “I have right to know”.

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. According to the data delivered from the state institutions, obliged to report according to the Action Plan, efficient implementation of the Law is evident (**measure 33**). In order to implement the Law, Decree on compensation of the costs for access to information was adopted (“Official Journal of MNE”, no 2/07), and it entered into force on 8 November 2007.

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	Ministry of justice, Judicial council,	Continuous	Supreme Court: Supreme Court of MNE, in cooperation with the Secretariat for Development of MNE, prepared the report and certain data were collected – data on current state of play and needs of the courts' information system, which is partly integrated into the Action Plan for implementation of the Judicial Reform Strategy 2007 – 2012.

area	Prosecution council		Ministry of Justice: Action Plan for implementation of the Judicial Reform Strategy envisages providing of adequate working premises for courts and prosecutor's offices. Realization of these measures depends on available financial means as well. ASSESSMENT: Obligation is partly 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 I quarter of 2008.
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%. 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 intensify activities on adopting the Code of Ethics for judges.
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. RECOMMENDATION: This Office is to be promoted in media.
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 38 cases regarding respect of the Code of police Ethics in performance of official duties and it decided to submit 36 to Disciplinary Prosecutor, while for one case court sentence is being waited in order for Committee to take position, and one case has been returned for amending. ASSESSMENT: Obligation realized. Obligation is being realized continuously.
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: In order to define procedure for reporting corruption within the police, it is necessary to create legal basis, by positive regulations, for adopting of sub-legal act, which would, among other things, regulate way of reporting the corruption within the police, performance of authorized police officers according to the received information on corruption, and the way of promoting the procedure for reporting the corruption within the police. As amending of the Law on Police is underway, Police Directorate directed initiative towards Ministry of Interior and Public Administration, which prepares proposal of amendments of this Law, to create legal basis for defining of the procedures for reporting the corruption within the police. After regulating legal basis, activities aiming to adopt sub-legal act shall be undertaken, with special respect to participation of the NGO sector representatives in working group or commission. They would take part in promoting of these procedures, aiming to increase confidence of the citizens in institutions that deal with the fight against corruption and organized crime, and at the same time, they would encourage citizens to report all kinds of the corruption. NGO: There is no information on realization. . ASSESSMENT: Obligation is not realized NOTE: Adoption of the Law on Protection of the Persons who Report Corruption will create legal basis for regulation of the procedures for reporting corruption in certain state institutions.
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: During the reporting period, 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. ASSESSMENT: Obligation is 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 Directorate: During the reporting period, seminar "Reporting and Investigating Corruption within the Police" was organized for all members of this Department. Seminar was held in "Bellevue Iberostar" Hotel in Bečići, in period 10.-12.10.2007, organized by OSCE Mission to Montenegro. Lecturer at this seminar was Senior Inspector in Federal Bureau for Internal Control, Ministry of Interior - Austria. In addition to this, seminar-workshop "Issues and Challenges of Intelligence Work Surveillance in Democratic Societies" was organized, at which one officer from Department participated. Seminar was held in Geneva, Switzerland, in period 10.-12.12.2007, organized by DCAF. ASSESSMENT: Obligation partly realized. RECOMMENDATION: Police academy is to deliver training program for 2008.
18. Acquisition of the necessary equipment for the work of the Department	Police administration	2007-2008.	Police Directorate: Realization of this measure is dependant on adequate solution for working space for the needs of the Department. ASSESSMENT: Obligation is not realized. RECOMMENDATION: Police Directorate is to intensify the activities on realization of this measure.
19. Establish the organization unit for monitoring the work of the Police administration	Ministry of interior	2007.	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. Preconditions for efficient work of this Department still have not been provided due to lack of human resource capacities and technical capacities. ASSESSMENT: Obligation partly realized.
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	Ministry of Interior: During 2006, 10 000 printed copies of the Code of Ethics were distributed to all state authorities. Customs Administration: Code of Ethics of public Servants and Employees were delivered on 20 February 2006 to all organization units of the Customs Administration for implementation. According to the Article 26 of the Code of Ethics, it was put at the notice board of the 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. 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. 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 .

			ASSESSMENT: Obligation realized. Obligation is being realized continuously. RECOMMENDATION: It should also be insisted on reports of local self-government and NGOs.
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	Commission for Investigation of Conflict of Interests: Out of total 751 republic officials, 724 or 96, 4% submitted reports, and out of total 1109 municipalities' officials, 962 or 86, 74% submitted 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 – 18 registered presents valued over 50 €. Regarding updating and monitoring of the public register aimed to ensure transparency of the financial and property conditions of the public office holders, Commission for Investigation of Conflict of Interests, in this reporting period, published five times in media names of those public officials who violate the law. There is still certain number of public officials who don't deliver Report on incomes and property, or continuously violate Article 8 of the Law on Conflict of Interest, so it is necessary to reinforce sanctions and undertake proper measures towards them (procedure, in line of duty, against public officials- Parliament members and Municipality members was started by the Commission, against those who continuously violate Article 8 of the Law on Conflict of Interest. With the view of aforementioned, 29 decisions have been made for the public officials who did not transfer the management right on other person; out of this number, 16 of them transferred management right, while 13 of them still did not complete it. During 2007, 253 decisions have been made, out of which 189 decisions were on violating of the Law (75%), 25 decisions were on previous violating of the law (25%), and 39 on not violating the law (15%). 11 opinions and 3 conclusions for public officials have been adopted. According to the Article 22 of the Law, Commission, during 2006, delivered to the competent authorities 53 requests for releasing from the public function (only one public office holder has been released), while during 2007, Commission delivered 33 requests for releasing from public function. ASSESSMENT: Obligation realized. It is being realized continuously.
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	Commission for Investigation of Conflict of Interests: 18 registered presents, each of them worth more than 50 euros. However, Commission is not in position to hire appropriate expert for confirming of the presents' value. ASSESSMENT: Obligation realized. It is being realized continuously.
23. Updating and monitoring of the public register aimed at ensuring the transparency of financial and property conditions of public office holders	Commission for establishing the conflict of interest	Continuous	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 a like. Comparing to the previous period, progress is evident. For this period, names of the public officials who violate the Law have been published in all media for five times - it is available at the web site of the Commission. All data have been presented transparently and publicly at the internet site of the Commission (www.konfliktinteresa.cg.yu) ASSESSMENT: Obligation realized. It is being realized continuously.
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	Government of the Republic of Montenegro, Parliament of the Republic of Montenegro, competent ministries, in cooperation with non-governmental	2007-2008.	ASSESSMENT 1 and 2: Obligation is not realized. RECOMMENDATION: Working Group for defining of proposal amendments of the Action Plan is to re-consider soundness of this measure.

of possible abuse of discretionary powers	sector		
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	<p>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.</p> <p>Customs Directorate: During the reporting period, EU CAFAO for Montenegro published Guide through the best practice-preliminary procedure for customs control in 60 copies. Copies of the Guide were delivered to competent Sector of the Customs Directorate for distribution to organizational units of the Customs Directorate. Preparing of the Guide for Implementation of TIR Convention is underway.</p> <p>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. In addition to this, at the web site of the TA www.poreskauprava.vlada.cg.yu, next to the «pulsing banner» with the call on reporting of the corruption, two «notifications for the citizens» have been published calling on reporting of the corruption, two have been published, leaflet «Corruption» with instructions and call on reporting of all noticed irregularities and illegal behavior of tax officers, so as of taxpayers regarding violation of the tax regulations. The order of the director of the Tax Administration to the Heads of all organization units was also published as well, in which is specifically emphasized importance of the consistent implementation of control-surveillance activity defined by the Action Plan, in accordance with the job descriptions defined by the Rulebook on organization and systematization of the Tax Administration. Sector for providing services to the taxpayers and registration, in cooperation with CAFAO, published brochure “Tax Reminder”, which is the guidebook for the taxpayers that contains review of the tax regulations and directives so as the deadlines for submitting tax returns. A number of the copies of “Tax Reminder” has been delivered to the Ministry of Tourism, Union of Employers, Montenegro Business Alliance, Secretariats for Economy in Kolasin and Zabljak, Union of hoteliers and restaurants of Montenegro, and to all organization parts of Tax Administration, with enclosed directive to make this brochure available to the taxpayers. At web site www.poreskauprava.vlada.cg.yu, under the link “ANTICORRUPTION”, public call was directed to all non-governmental organizations that have in their programs activities and work aimed at fighting against corruption and organized crime, to propose activities that would be carried out during 2008 in field of informing the citizens on harmfulness of corruption and organized crime, and in which representatives of Tax Administration would take part as well. In December 2007, Tax Administration, in cooperation with the Consulting House EU CAFAO, held lecture for 20 entrepreneurs in filed of construction on topic “Taxing in Construction”. This lecture was organized by Union of Entrepreneurs as the NGO with which Tax Administration has developed cooperation.</p> <p>Police Directorate: on behalf of the Police Directorate, spokesperson prepared 158 public statements, which were delivered to 231 addresses by e-mail. Police Directorate prepared material for Campaign for animating the citizens to complaint on the police acts and procedures (brochures, cards, posters, and posters for billboards). TV clip has been shot and assembled. Through this campaign, citizens will be informed that they can, 24 hours a day, 7 days a week, complaint to the police, if they consider that a police officer violated or misused own authority, ask for the bribe or received money not to undertake measures in line of duty, or in any other way violated or endangered citizen’s rights. After reporting, procedure on confirming of their accusations would be carried out, and citizens would get feedback on it. All the costs of the design, preparations, and publishing of the aforementioned material were paid by the OSCE Mission to Montenegro. Three times more people called the phone for complaints than in previous period, which means that the campaign and the project had impact on the citizens. Police officers have already processed three cases, out of the complaints received via established phone line, to disciplinary prosecutor. Accusations from the rest of the complaints are in the phase of checking and investigating. Aiming to better informing of the target group – citizens, project relating to the broadcasting of the TV clip with the useful information shall be continued.</p>

			<p>ASSESSMENT: Obligation partly realized. Obligation is being realized continuously. RECOMMENDATION: All competent authorities are to initiate the drafting of rules and procedures (brochures, guidelines for protection and realization of citizen's rights) and to publish them on the internet not later than I quarter of 2008.</p>
<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 399 reports of corruption during entire reporting period. The report provides the quantities statistic data.</p> <p>Customs Directorate: Project „Open line” is in progress and it records citizens' complaints made by telephone or in written form (72 calls recorded, 7 were complaints on the work of customs officers). The report provides detailed statistics.</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 Article 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. It is important to underline that Police Directorate, during the reporting period initiated campaign for animating citizens to report unprofessional and irregular acting of police officers. Through this campaign, citizens are being informed about different ways for filing the complaints and objections on the work and performances of the police officers, in cases for which they consider a police officer acted unprofessionally and irregularly.</p> <p>Anti-Corruption Initiative Directorate: In February 2006, the Directorate initiated the realization of the project for <u>improving public relations and promotional and preventive activities</u>. 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 <u>cooperation between state authorities</u> 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. Following the <u>creation of telephone line</u>, in February 2006, Directorate continued with the reception of complaints on doubt in corruption. The Government of RMNE adopted the <u>Report on realization of the project</u> “Strengthening of the Directorate for Anti-corruption Initiative Institutional Capacities regarding the procedures in cases of reporting the crime cases of corruption” (2007). It was concluded that this project has been realized successfully, especially regarding the intensifying promotion-prevention role of the Directorate. This was especially evident in the act of opening of the <u>phone line for reporting the corruption, and carrying out of the public campaign</u>. In addition to this, Government considered as positive the fact that the Directorate, as the prevention anti-corruption agency, continues to be the mediator between the citizens and competent authorities, which ensured self-sustainability of the project. In addition to this, in June 2007, Directorate secured additional support from the <u>OSCE Mission to Montenegro</u> to continue with the informing of the citizens that they can report any doubt in existence of corruption to Directorate. <u>ACID intensified cooperation with the Police Directorate</u> regarding the procedures in cases of reporting the corruption by the citizens. <u>The way of delivering feedback information was established</u>, on basis of monthly reports by the Police Directorate on the state of play of delivered complaints. In the framework of the joint project with <u>the UNDP</u>, <u>new brochures and posters</u> have been prepared, in which the procedure for submitting of the reports by the citizens has been promoted. <u>During the reporting period the following has been prepared:</u> 25 information on reported doubt in the criminal act of abuse of power, 7 information on reported doubt in criminal act of giving/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,</p>

			<p>1 information on reported doubt in corruption in the process of public procurement, 1 information on reported doubt in the criminal act of counterfeiting documents and illegal issuance of construction licenses and 1 information on reported doubt in the criminal act of smuggling. Out of the aforementioned information, 26 information were delivered to the Police Directorate, 10 to the Supreme state prosecutor, 5 to the Ombudsman, 7 to the Office for the Reception of Citizens Complaints in Supreme Court, 1 to the Commission for the Control of Public Procurement, 1 to the Ministry of Justice, 1 to the Ministry of Education and Science, 1 to the Customs Directorate, 1 to the Tax Agency, 2 to the Real-Estate Agency, 2 to the Republic Labor Inspection, and 1 to the Republic Health Insurance Fund. In addition, <u>during the reporting period citizens were provided with 28 legal advices</u> that is - feedback information regarding reports of doubts in criminal acts of corruption. Aiming at realization of this measure, ACID intensified cooperation with the Police Directorate regarding the procedures in cases of reporting the corruption by the citizens. The way of delivering feedback information was established, on basis of monthly reports by the Police Directorate on the state of play of delivered complaints. In the same period, Directorate received two feedback information from the Real-Estate Agency, 5 feedback information from the Police Directorate, 1 from the Customs Directorate, 1 feedback information from the Ministry of Justice, and 1 feedback information from the Ministry for Health, Labor, and Social Welfare.</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. 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. During the reporting period, 239 reports by the citizens have been received via this phone line. All complaints related to the irregularities in the work of the taxpayers. None of the reports contained elements of the corruptive crime cases of the tax officers.</p> <p>Agency for re-structuring of the economy and foreign investments: Agency for re-structuring of the economy and foreign investments has, in accordance with the recommendations from the first report, published in July 2007, defined Procedure for reporting corruption cases in privatization, and established separate phone line for reporting corruption in privatization (081 245-896) and contact person (4 complaints reported until now), and also it defined procedure for filing of the complaints, objections, suggestions, and proposals of the citizens on privatization process, and established separate phone line and contact person (4 complaints reported until now). All aforementioned has been published at the web site of the agency.</p> <p>ASSESSMENT: Obligation partly realized. Obligation is being 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 from the part of NGOs</p>
<p>27. In the annual reports 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>All competent state bodies, bodies of local self-government,</p>	<p>Continuous</p>	<p>Customs Directorate: Customs Directorate prepares also monthly reports that include financial indicators, offences, disciplinary procedures etc. In order to strengthen control functions and to secure correct implementation of the customs regulations, and in accordance with the obligations stemming from the Action Plan for implementation of the program for fight against corruption and organized crime of the MNE Government, with aim to protect customs area, customs officers integrity and charging of the budgetary incomes, director of the Customs Directorate established, on 20 June 2007, Joined Control Team whose task is to carry out "ad hoc" controls that would enable unique functioning of the customs service and proper implementation of the regulations. Having in mind aforementioned, data from the Customs Information System on carried out activities in customhouses are being analyzed on daily basis. Following this, controls of certain customs payers and submitters of customs declarations are commissioned in order to have checked regularity and legality of performed activities, which are verified by competent customs organizational units. Controls are specially underlined in carrying out of the operative policy regarding inspection of goods, determining of customs value, quantity, origin, and proper classifying of goods, prompt and accurate performance of customs officers. Priority controls relates directly to prevention of smuggling of agriculture products, prevention of cigarette smuggling, so as revealing and combating of corruption. <u>61 controls were carried out in total, and 21 customs violations were revealed. Value of the goods in revealed offences is app 21.000,00 €.</u></p>

			<p>Police Directorate: According to the Working program of the MNE Government, Police Directorate regularly submits Annual Report on work. These reports provides detailed review of total PD activities, with special view to total economic crime, underlining reporting, investigating, and processing of the crime case with the elements of corruption, activities that are being carried out in field of revealing organized crime elements, and in field of international cooperation in this field. Annual Report for 2007 shall be prepared until the end of February 2007.</p> <p>Tax Directorate: The Report of Work of the Tax Directorate, in the part of ASSESSMENT 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 – available at the web site of the Tax Administration.</p> <p>Ministry of Interior: Report of Work of the ministry of interior for 2006, which includes the work report of the Human Recourses Management Authority and the Police Directorate, contains the measures related to the prevention of corruption. Preparation of the report for 2007 is underway.</p> <p>Agency for Anti- Corruption Initiative Agency for Anti- Corruption Initiative submitted report on work for 2006. Report for 2007 is delivered to Ministry of Finance.</p> <p>ASSESSMENT: Obligation partly realized. Obligation is being realized continuously</p> <p>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>
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	Public servants agency, Ministry of culture and media	2006.	<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</p> <p>Human Recourse Management Authority: Team of educators (8 educators/trainers) 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.</p> <p>ASSESSMENT: Obligation realized.</p>
29. Training of public servants and state employees	Public servants agency, Ministry of culture and media	2006-2007.	<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.</p> <p>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. In December 2007, representatives of Ministry of Culture, Sports, and Media held seminar “Implementation of law on Free Access to Information” for municipality officials in Danilovgrad.</p> <p>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 on free access to information.)</p> <p>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. In addition to this, seminars have been realized in Bar, Bijelo Polje, Berane, Andrijevica, Rozaje, Pluzine, Savnik, Ulcinj, Zabljak, and Tivat. So, during the reporting period, <u>16 trainings/seminars have been realized for 19 municipalities in Montenegro, at which participated in total 275 employees.</u> On 25.10.2007, training of the state employees was carried out on Practical Implementation of the Law on Free Access to information, at which 9 employees participated from the Commission for Prevention of Conflict of Interest, Directorate for prevention of money laundering, Tax</p>

		<p>Administration, Secretariat for Development, Veterinary Directorate, Agency for National Security, and Statistics Agency. On 12 December 2007, training “Practical Implementation of the Law on Free Access to Information” was held for all interested in this field / 15 employees from different state institutions took part at this training /. Human Resources Management Agency, with financial support of OSCE Mission, organized one-day seminar “Practical Implementation of the Law on Free Access to Information” in Danilovgrad, for 25 participants from the local administration.</p> <p>Customs Directorate: Customs Directorate employees participated during the reporting period in following trainings:</p> <ul style="list-style-type: none"> ▪ Training -“Vessels Control” in period 28 May-01 June 2007, in Bar, organized by CAFAO, for the officers of the Customhouse Bar and for officers from the Department for Combating of Smuggling of the Customs Directorate- 10 participants ▪ Seminar -“General Administrative Procedure”, on 01 June 2007, in Podgorica, organized by Human Resources Management Agency, in the framework of Professional Upgrading Program for 2007 - 2 participants ▪ Seminar - “Processing of Complaints on first and second instance”, on 04 June 2007, in Podgorica, organized by Human Resources Management Agency, in the framework of Professional Upgrading Program for 2007 - 1 participants ▪ IV Course – Lecture on topic “Smuggling of goods, drugs, vehicles, art crafts, cultural and historical treasure over the state border, forging of travel documents, and illegal migrations”, in period 04 – 08 June 2007, in Danilovgrad, organized Police Academy– lecturer Radusinović Zoran ▪ Seminar “Execution of Administration Acts”, on 05 June 2007, in Podgorica, organized by Human Resources Management Agency, in the framework of Professional Upgrading Program for 2007 - 2 participants ▪ Seminar “Combating of Money Laundering and Financing of Terrorism”, in period 06-08 June 2007, in Kolasin, organized by OSCE Mission, 2 participants ▪ Seminar -“Institutions and way of making decisions in European Union”, on 12 June 2007, in Podgorica, organized by Human Resources Management Agency, in the framework of Professional Upgrading Program for 2007 - 1 participants ▪ Seminar -“Preparations of Montenegro for Accession to European Union”, on 13 June 2007, in Podgorica, organized by Human Resources Management Agency, in the framework of Professional Upgrading Program for 2007 - 2 participants ▪ Seminar “Advanced Seminar on Money Laundering”, on 18 and 19 June 2007, organized by Office for Technical Support of USA Ministry of Finance– 4 participants ▪ Seminar - “Suspicious Transactions”, on 21 and 22 June 2007, in Igalo, organized but Directorate for Prevention of Money Laundering in cooperation with the UNDP Montenegro – 2 participants ▪ Seminar “European Union”, on 26 June 2007, in Podgorica, organized by Human Resources Management Agency, in the framework of Professional Upgrading Program for 2007 - 3 participants ▪ Seminar “Nomo Technique in process of Implementation of the Law and other regulations”, on 28 June 2007, in Podgorica, organized by Human Resources Management Agency, in the framework of Professional Upgrading Program for 2007 - 3 participants ▪ Seminar “System of Government Employees and Civil Servants”, on 29 June 2007, in Podgorica, organized by Human Resources Management Agency, in the framework of Professional Upgrading Program for 2007 - 2 participants ▪ Training -“Control in Railway Transport”, for officers from Customhouse Bar, and Customhouse Podgorica, in period 02 - 04 July 2007, in Belgrade – organized by CAFAO Mission to Montenegro and CAFAO Mission to Serbia – 2 participants ▪ Seminar “Legal System and Legal Acts of the European Union”, on 4 July 2007, in the framework of Professional Upgrading Program for 2007 - 2 participants ▪ Seminar “Corruption in Public Administration”, organized by Human Resources Management Agency, MNE Ministry of Justice, and OSCE, held on 13 September 2007, in premises of Human Resources Management Agency - 2 participants ▪ Seminar “Preparations of the Action Plan-National Program for Integration of Montenegro in EU (NPI)”, organized by Secretariat for European Integration in cooperation with experts from Twinning, CDP project, and Human Resources Management Agency, held on 11 September 2007 – 2 participants ▪ Seminar “Rules of Origin and Values”, organized by Customs Directorate in cooperation with TAIEX (Department of EU DG
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			<p>Enlargement), held on 17 September 2007, in Bar – 28 participants;</p> <ul style="list-style-type: none"> ▪ Seminar “Rules of Origin and Values”, organized by Customs Directorate in cooperation with TAIEX, held on 18 September 2007, in Mojkovac – 32 participants; ▪ Seminar “Rules of Origin and Values”, organized by Customs Directorate in cooperation with TAIEX, held on 19 September 2007, in Podgorica – 25 participants; ▪ Seminar “INFOFEST 2007”, organized by Secretariat for Development of Montenegro, in cooperation with consultant company »Biznis Link«, held in period 23-29 September 2007, in Budva - 3 participants; ▪ Seminar- Workshop »E-Customs, e-management and e-education«, organized by Stability Pact for SEE, supported by USAID, held on 25 and 26 September 2007, in Skopje – 1 participant; ▪ Seminar “Key for successful criminal prosecution of corruption”, organized by USA Ministry of Justice, Legal Advisor Office, held on 26-29 September 2007, in premises of Human Resources Management Agency – 2 participants; ▪ Seminar “Intellectual property”, organized by TAIEX, held in Podgorica, on 04-05 October 2007 – 5 participants; ▪ Training for trainers-instructors in Police Academy Danilovgrad, organized by OSCE Mission and Police Academy, in cooperation with CAFAO Mission, for members of Customs Directorate and Police Directorate, held in period 08 October-08 November 2007 – 1 participant (invited by Customs Directorate, CAFAO took part as advisory body). ▪ Workshop on issues relating to statistics on foreign trade, in framework of “CARDS 2003 Program”, organized by Artemis Information Management, held in Skopje, on 08-10 October 2007 – 1 participant; ▪ Training “Fight against corruption”, organized by CAFAO, held in Conference Room in Customs Directorate, in period 09-11 October 2007- 20 participants; ▪ VII Regional Seminar for customs officers, organized by CLDP, held in Brussels in period 10 – 12 October 2007 – 3 participants; ▪ Regional workshop “Professionalism and de-policing of State services”, organized by Human Resources Management Agency, in cooperation with the UNDP Montenegro, and in partnership with Ministry of Interior and Public Administration of Montenegro, regional office of UNDP for Europe and Independent States Community, and in cooperation with the Practical Community in field of human resources management in public administration in Western Balkans, held in Budva, in period 11-12 October 2007, director of the Customs Directorate participated at it; ▪ Training in field of fight against organized crime, organized by French Customs Office, in framework of technical bilateral cooperation between France and Montenegro, held in premises of Customs Directorate, in period 15-18 October 2007 – 15 participants; ▪ Seminar “System of Government Employees and Civil Servants”, organized by Human Resources Management Agency, held on 17 October 2007, held in premises of Human Resources Management Agency – 1 participant; ▪ Seminar “Management-Handling with Organizational Units within Directorate”, organized by Human Resources Management Agency, held on 16 October 2007, in premises of Human Resources Management Agency in Bijelo Polje – 6 participants; ▪ Seminar “Nomo Technique in process of Implementation of the Law and other regulations”, organized by Human Resources Management Agency, held on 18 October 2007, held in premises of Human Resources Management Agency – 1 participant; ▪ Seminar “Processing of Complaints on first and second instance”, organized by Human Resources Management Agency, held on 31 October 2007, held in premises of Human Resources Management Agency – 1 participant; ▪ Seminar “Communication Skills in relation with parties”, organized by Human Resources Management Agency, held on 5-6 November 2007, held in premises of Human Resources Management Agency – 2 participant; ▪ Round Table “Needs and Importance of Professional Upgrading in Reform and European Integration Process in field of Internal Affairs and Professional Standards”, organized by Human Resources Management Agency, held on 6 November 2007, held in premises of Human Resources Management Agency – 1 participant; ▪ Presentation “Preventing Corruption”, organized by Senior Managers of the Revenue and Customs HM of Great Britain (HMRC), held in “Podgorica” Hotel, on 07 November 2007– 16 participants;
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			<p>on 18 December 2007 – 1 participant;</p> <ul style="list-style-type: none"> ▪ Seminar »Financial and accounting affairs in public administration«, organized by Human Resources Management Agency, held on 17 December 2007, held in premises of Human Resources Management Agency in Podgorica and Bijelo Polje – 5 participants; ▪ Seminar »Business communication and protocol for personal assistants«, organized by Human Resources Management Agency, held on 13 December 2007, held in premises of Human Resources Management Agency – 4 participants; ▪ Seminar » Processing of Complaints on first and second instance«, organized by Human Resources Management Agency, held on 14 December 2007, held in premises of Human Resources Management Agency in Bijelo Polje – 3 participants; ▪ Seminar »Public Finances System and State Budget«, organized by Human Resources Management Agency, held on 6 and 7 December 2007, held in premises of Human Resources Management Agency in Bijelo Polje – 1 participant; ▪ Seminar » General Administrative Procedure«, organized by Human Resources Management Agency, held on 18 and 19 December 2007, held in premises of Human Resources Management Agency – 2 participants; ▪ Seminar » System of Government Employees and Civil Servants«, organized by Human Resources Management Agency, held on 10 December 2007, held in premises of Human Resources Management Agency – 1 participant; <p>Public Procurement Directorate: In cooperation with the Ministry of Culture, Sports, and Media, seminar for employees of Public Procurement Directorate was held in December, with regard to more qualitative implementation of the Law on Free Access to Information.</p> <p>ASSESSMENT: Obligation realized.</p>
30 Education of citizens and NGOs on the implementation of the Law on free access to information	NGO	Continuous	<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: "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>During the reporting period, 7153 requests have been submitted (3207 documents), 1701 complaints (698 documents), 1166 charges (490 documents), out of which – in 1653 cases access to information was allowed, for 73 cases partly allowed, for 93 cases access was rejected – by requested asked for making of the information, 474 institutions replied that it was out of their competence, 198 information were already published, 135 access prohibited – exemption, 1115 institutions are not in possess of the asked information, in 68 cases asked for correction of the request, in 3344 cases – silence of the administration. Round table on conflict of interest was organized in December, so as performances in all Montenegrin municipalities at which promotional material on right on access to information was delivered, all in framework of the campaign "I have right to know". Preparation of the new proposal of the Law on Conflict of Interest is underway, by working group, which consists of representatives of different parliamentary parties. Monitoring of transparency of local self-governments work in Podgorica and Budva is in progress, in field of spatial planning.</p> <p>IM: 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. 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. 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</p>

			<p>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 partly realized.</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. It is available on web 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: Ministry of Interior published Guide for the free access to information on its web site.</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 to 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, Tivat, Cetinje, Kotor, Plav, Zabljak, Mojkovac, and Rozaje. The urgent letter was 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>Ministry of Justice: Ministry of Justice provides access to information that possesses in accordance with the Law on Free Access to Information. In addition to this, Guide for the free access to information owned by this Ministry has been prepared.</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 I quarter of 2008.</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: Preparation of the Manual for public servants and state employees for implementation of the Law on Free access to information has been completed. In December 2007, provided publishing by Fund Open Society Institute.</p> <p>ASSESSMENT: Obligation partly realized</p>
33. Enable free access to information, in accordance with the Law	All state bodies	Continuous	<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 39 requests 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. There were no objections and complaints on delivered information by submitters.</p> <p>SEI: During the reporting period, 4 requests for free access to information have been submitted to Secretariat for EU integration;</p> <p>Ministry of Interior: During the reporting period, the Ministry adopted 233 decisions on free access to information.</p> <p>UAI: During the reporting period, the Directorate adopted 82 decisions on free access to information.</p> <p>Commercial Court in Podgorica: During the reporting period, 15 requests for free access to information owned by the court were processed. Duly response followed 12 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 Administration: During the reporting period, 72 requests for free access to information have been submitted to Tax Administration, and decisions on all have been duly adopted. Periodical reports on processing of the requests on free access to</p>

		<p>information are regularly published by Tax Administration, on its web site www.poreskauprava.vlada.cg.yu.</p> <p>Police Directorate: In accordance with the obligations stemming from the Action Plan for implementation of the program for fight against corruption and organized crime, all of the requests on free access to information that PD received relate to the aforementioned Action Plan, and they have been delivered by MANS, so 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 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 four 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>Responses on 25 requests for access to information have been delivered – data from the previous report.</p> <p>Ministry of Culture, Sports and Media: Directive on paying of costs in process of accessing to information was adopted by the MNE Government on 11 October 2007 (“Official Journal of Montenegro”, no 2/07), and it entered into force on 8 November 2007.</p> <p>Commission for Prevention of Conflict of Interest: During the reporting period, 65 requests for access to information were delivered to the Commission. Commission duly made decisions on these requests, and gave insight into 222 documents.</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, as well as through nominating projects to donors and international organizations;
2. Ministry of Interior is to establish legal preconditions for reporting corruption within police, and in cooperation with NGOs to promote it, 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, in accordance with the Police Academy Work Program;
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. 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 is envisaged 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, 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. **Anti-Corruption Initiative Directorate**, in cooperation with the UNDP, initiated activities in field of preparing the plan of campaign for awareness raise on negative impact of the corruption. In framework of the lectures held in high education institutions, informative material (posters, brochures, etc) was distributed – to the University of Montenegro, and to Faculty of Philosophy in Niksic. At the same time, poll has been carried out on positions of students regarding recognizing of corruption and the ways for combating it. Results of this poll are available at www.antikorup.vlada.cg.yu (in section “Surveys and Reports”), with the translated version into English. Anticorruption campaign included pupils and students when lodging into the pupils’ and students’ dormitories in Podgorica, Niksic, Cetinje, Kotor, Pluzine, and Bar. During the Academy year 2007/08, Directorate has continued with the lectures in high education institutions on fight against corruption: “Mediterranean” University – Law Faculty, Faculty for Business Management in Bar, Police Academy in Danilovgrad. On occasion of 9 December, International Anti-Corruption day, Anti-Corruption Initiative Directorate, in cooperation with the UNDP and OSCE Mission to Montenegro, organized press conference. In framework of preventive activities, Anti-Corruption Initiative Directorate, in cooperation with the UNDP and Nansen Dialogue Center, organized lecture “Corruption in Judiciary”. This lecture is the first in line of a number of lectures to be held towards planned surveys on specimens, manifests, and consequences of the corruption in judiciary, education, and local self-government. Representatives of the Directorate, in cooperation with the Commission for Determining of the Conflict of Interest, held 8 lectures on public officials, media representatives, and civil sector. Directorate, in framework of the project with UNDP, in November 2007, prepared brochure “On corruption-Anti-Corruptive Measures and Activities” and posters “Corruption may not be exit” – **measure 34**.

Customs Directorate continued with reporting in media on customs service work. During September, October, and November, a number of offences have been recorded at the territory of Montenegro, on which all media were informed. On 18 October, Customs Directorate organized press conference on occasion of Customs Service Day, when all of the results of the Customs work were presented to media. These results stand for the period of the first 9 months of 2007. In this period, Directorate was present in all media on occasion of opening of the customhouse Rozaje, ratification of Agreement between Government of Montenegro and Republic of Slovenia on mutual assistance in customs affairs, beginning of reconstruction of the cross border point Bozaj.

Tax Administration, during the reporting period, realized 81 appearances in media. Tax regulations have been promoted during in course of all activities, and 21 thematically encompassed fight against corruption, inviting the citizens to report it.

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. For the time being, Directorate is the only institution that plans and carries out activities in this field. Three fields that would be included in surveys have been defined in cooperation with the UNDP and Ministry of Finance (justice, local self-government, and education).

Expert support will be provided by UN Office for fight against drugs and crime (UNODC). Analysis of results of the survey on forms, courses, and mechanisms of the corruption emergence shall be presented to public. Initiating of carrying out the survey in judiciary is expected in February 2008.

Regarding the initiatives undertaken by private sector, Union of Employers of Montenegro, in framework of realization of **measure 37**, carried out **two** polls among Montenegrin entrepreneurs: a) in June 2007 regarding impact of business environment and work of municipalities on work of enterprises; b) in September regarding impact of the inspection services work on enterprises'. 298 enterprises answered on these polls, which are members of the UEMNE, on basis of "random sample" method.

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 May 2007, 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 were published in July on the Agency site: www.antikorup.vlada.cg.yu). Cooperation between Directorate and Ministry of Education and Science has continued in this reporting period by holding two lectures, one at the University of Montenegro, and one at the Philosophy Faculty. In new academic year, Directorate has continued with the lectures in high education institutions on fight against corruption: "Mediterranean" University – Law Faculty, Faculty for Business Management in Bar, Police Academy in Danilovgrad. In addition to this, with aim to realize this measure, **Ministry of Education and Science**, in cooperation with NGO "CEPRIM"- Center for Education, partnership of parents and youth, from Podgorica, prepared plan of activities for fighting corruption for school 2007/2008 year, in all educational institutions, including high education. In contacts with NGO "CERIM", it was agreed to prepare intensive plan of activities, which will especially include: a) surveys on corruption in education, which would be basis for defining of measures in fight against corruption, b) campaign for public awareness raise on corruption, especially among professors, teachers, pupils, and students, and c) preparation of codes of ethics for employed in education, and for pupils and students. First draft of this document has been prepared and its realization is expected for the second semester of the school 2007/2008 year – February 2008. NGO "CERIM" and NGO "Office for protection of the rights of pupils and students" – Cetinje are in charge for realization of planned activities.

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. In that sense, Ministry for Economic Development proposed, and, on 11 October 2007, MNE Government adopted Program »Eliminating of obstacles for enterprise development in MNE«. In part of this program, under the chapter »Grey Economy and disloyal competition«, fair and concrete enterprise was analyzed. Preparation of the operative plan for eliminating of business obstacles is underway, which will include this topic as well.

With the view of upgrading transparency of business operations (**measure 43**), during the reporting period, Ministry of Justice established Working Group for preparation of sub-legal act, which would lay down content of the Registry, so as communication between Central Register of Enterprises in Commercial Court in Podgorica and other courts for these crime cases and competent state institutions that own these information, or to which data from the sentence evidence should be delivered, on their request or in line of duty. Working version of this sub-legal act has been prepared. Activities on realization of mentioned are underway.

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	All public administration bodies, NGO sector, Media	Continuous	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

<p>citizens in the fight against corruption and organized crime</p>		<p>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. In period <u>June-August</u>, Customs Directorate held an exam for gaining of the license for representing in front of the customs service bodies. During the reporting period, activities of the customs services at the cross border points during the tourist season were presented in media, so as application of the Decision on determined conditions in import of used vehicles. It was continued with media reporting on work of customs services. During <u>September, October, and November</u>, a number of offences have been registered at the territory of Montenegro, and all media were informed about it. On 18 October, Customs Services organized press conference on occasion of Customs Service Day, when the results of the work of this Directorate for the first 9 months of 2007 have been presented. During the reporting period, Directorate was present in media on occasion of opening of customhouse Rozaje, ratification of Agreement between Government of Montenegro and Republic of Slovenia on mutual assistance in customs affairs, beginning of reconstruction of the cross border point Bozaj. In October, representative of the Directorate was the guest in TV show "Open". During this period, <u>48 positive, 17 neutral, and 6 negative</u> information were published.</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. Members of the Department for fight against organized crime, on 20 September 2007, held meeting with the Director of Anti-Corruption Initiative Directorate, on which the role of the members of the Department for fight against corruption and organized crime was defined – Group for fight against corruption in carrying out of the measures in awareness raising campaign on problem of corruption and forms of fight against it. Anti-Corruption Initiative Directorate plans to publish brochures on "harmfulness" of corruption, and members of Department will take part in its preparation. Directorate also plans to hold public debate on mentioned topic.</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. Anti-Corruption Initiative Directorate, in cooperation with the UNDP, initiated activities in field of preparing the plan of campaign for awareness raise on negative impact of the corruption. These activities resulted with tender for election of organization/agency, which will perform requested services and publish new posters and brochures. In framework of the lectures held in high education institutions, informative material (posters, brochures, etc) was distributed – to the University of Montenegro, and to Faculty of Philosophy in Niksic. During this reporting period, 50 students participated at these lectures and education material have been delivered to them, and at that time students took part in anonymous polls on problem of corruption, and results of this poll shall be used in future anti-corruption activities. At the same time, poll has been carried out on positions of students regarding recognizing of corruption and the ways for combating it. Results of this poll are available at www.antikorup.vlada.cg.yu (in section "Surveys and Reports"), with the translated version into English. Results of this survey also direct to anti-corruption measures that are to be undertaken in future, and</p>
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		<p>which are adjusted to high education sector. Anticorruption campaign included pupils and students when lodging into the pupils' and students' dormitories in Podgorica, Niksic, Cetinje, Kotor, Pluzine, and Bar. During the Academy year 2007/08, Directorate has continued with the lectures in high education institutions on fight against corruption: "Mediterranean" University – Law Faculty, Faculty for Business Management in Bar, Police Academy in Danilovgrad. On occasion of 9 December, International Anti-Corruption day, Anti-Corruption Initiative Directorate, in cooperation with the UNDP and OSCE Mission to Montenegro, organized press conference. In framework of preventive activities, Anti-Corruption Initiative Directorate, in cooperation with the UNDP and Nansen Dialogue Center, organized lecture "Corruption in Judiciary". This lecture is the first in line of a number of lecturers to be held towards planned surveys on specimens, manifests, and consequences of the corruption in judiciary, education, and local self-government. Representatives of the Directorate, in cooperation with the Commission for Determining of the Conflict of Interest, held 8 lectures on public officials, media representatives, and civil sector. Directorate, in framework of the project with UNDP, in November 2007, prepared brochure "On corruption-Anti-Corruptive Measures and Activities" and posters "Corruption may not be exit". 330 copies of brochures and 30 posters have been delivered to the Police directorate.</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 Administration: 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 delivered to citizens also through the Tax Directorate web site. The citizens are also informed about the function of telephone line 9707 on web site of the Tax Administration and in that way call on reporting corruption are continuously open, together with the call made by the representatives of Tax Administration through media in which they promote importance of abiding to tax regulations. During the reporting period, representatives of Tax Administration had 81 appearances in media. Tax regulations have been promoted in all activities, and 21 thematically encompassed fight against corruption, inviting the citizens to report it.</p> <p>Ministry of Education and Science: with aim to realize this measure, Ministry of Education and Science, in cooperation with NGO "CEPRIM"- Center for Education, partnership of parents and youth, from Podgorica, prepared plan of activities for fighting corruption for school 2007/2008 year, in all educational institutions, including high education. In contacts with NGO "CERIM", it was agreed to prepare intensive plan of activities, which will especially include: a) surveys on corruption in education, which would be basis for defining of measures in fight against corruption, b) campaign for public awareness raise on corruption, especially among professors, teachers, pupils, and students, and c) preparation of codes of ethics for employed in education, and for pupils and students.</p> <p>Supreme State Prosecutor: with aim to inform Montenegrin public regularly and precisely, as one of very important activities of the Supreme State Prosecutor Office, on 15 November 2007, Supreme State Prosecutor held press conference. More precisely, SSP of Montenegro informed media and public on crime state of play in Montenegro.</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, aiming to, with support of public, stop smuggling of goods, drugs, weapons, humans, and all other kinds of customs frauds, so as revealing of individuals who violate regulations. Campaign includes promotional posters, informative leaflets, using of advertisement spaces in daily newspapers, putting the sign of "open line" on billboards at the territory of Montenegro., and especially at cross border points. On traffic places, boxes with informative leaflets were put. Posters were put in enterprises, banks, public institutions, airports, hotels, supermarkets, and other public places. The part of the campaign was marketing in radio and TV programs of Montenegro as well.</p> <p>Police Directorate: Measure is realized in cooperation with the Agency for Anti- Corruption.</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>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. 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, in cooperation with donors or MNE Government. Directorate, in framework of the project with UNDP, in November 2007, prepared brochure “On corruption-Anti-Corruptive Measures and Activities” and posters “Corruption may not be exit”. 330 copies of brochures and 30 posters have been delivered to the Police directorate. During December, Directorate published, in public campaign framework, in daily newspapers “Vijesti”, published two advertisements, which calls on citizens to report corruption and actively participate in combating it.</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: 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. Customs Directorate continuously undertakes activities on implementation of AP for Integrity Development in Customs Service. Revising of this AP is planned to carry out, based on achieved results, in order to define the areas on which should be focused, and to introduce new initiatives.</p> <p>ASSESSMENT: Obligation partly realized</p> <p>RECOMMENDATION: Ministry of Interior is to undertake preparing of General Plan for State Institutions Integrity and to determine deadline for its preparation. Realization of this measure is to be followed continuously.</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 2008 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. Selection of UNODC experts is underway as well as defining methodology of research and segments to be treated. Three fields that would be included in surveys have been defined in cooperation with the UNDP and Ministry of Finance (justice, local self-government, and education). 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. During December 2007, Directorate held, in cooperation with UNDP and Center for Entrepreneurs and Economic Development that will carry out planned surveys in field, a number of meetings with the representatives of judiciary, prosecution, and The Bar, in order to prepare carrying out of surveys in judiciary, which is planned for beginning of February 2008.</p> <p>Union of Employers of Montenegro: carried out two polls among Montenegrin entrepreneurs: a) in June 2007 regarding impact of business environment and work of municipalities on work of enterprises; b) in September regarding impact of the inspection services work on enterprises’. Total 298 enterprises answered on these polls, which are members of the UEMNE, on basis of “random sample” method. UEMNE delivered results of the polls carried out among Montenegrin entrepreneurs with following conclusions: municipal services and bodies, in opinion of employers and entrepreneurs, are not organized well nor they function well, especially regarding issuing of the licenses or prompt informing of the municipal taxpayers. In addition to this, employers have</p>

			<p>many remarks on corrupted municipal employees. In addition to this, based on the poll results, UEMNE concluded that certain forms of business-barriers may be recognized through following: 1) complicated procedures and a lot of documentation which one is obliged to have in order to initiate business at the territory of a municipality; 2) vagueness and non-completeness of regulations, and especially vague differences between tax instruments and paying off instruments, which increase initiative costs of the business bearers due to additional hiring of the experts for interpretation and application of these regulations; 3) copying and doubling of certain municipal taxes and costs, especially in field of construction. For instance, 8 different municipal taxes, fees and costs, based on the area of territory or object, and for using of municipal property, are paid, so as local municipal fees and administrative fees; 4) forms of discretionary decisions, which without arguments stimulate or de-stimulate certain economic activities; 5) implementation of a number of regulations, evidently old and opposite to new systematic solutions and standards of EU (for instance, Law on Traffic of Goods was adopted in original text in 1978 and last amendments were in 1980); 6) fulfilling of one condition for acquiring the license, or approval, is very often, without any ground, directly related to fulfilling of other condition or conditions, which are not mutually connected, but the bearer of such conditions treats them, out of own scope of work, in that way.</p> <p>ASSESSMENT: Obligation partly realized. Obligation is being realized continuously.</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 I quarter of 2008.</p> <p>RECOMMENDATION: UEMNE is to introduce the poll results to Ministry for Economic Development, and to initiate activities for overcoming of administrative barriers in business («one stop shop»).</p>
38. Change and amendment of the Ordinance on the 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	Government of the Republic of Montenegro, Ministry of finance (Anti-corruption initiative directorate)	2007.	<p>Anti-Corruption Initiative Directorate: Directorate, in cooperation with Ministry of Interior and Public Administration, prepared proposal of amendments on Decree on Organization and Manner of Public Administration Work – Article 25 of the Decree. MNE Government adopted on 6 December 2007 aforementioned amendment of the Decree (“Official Journal of MNE”, no. 16/7).</p> <p>ASSESSMENT: Obligation realized.</p>
39. Periodical lectures in high schools and faculties on corruption and organized crime	Ministry of education and science and other line ministries NGOs	Continuous	<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. In further activities, Ministry organized lecture “Corruption in Education” at the University of Montenegro. On this lecture, students were informed about forms of corruptions, and measures against it, and with the activities of the University aiming to prevent corruption in high-education and they were informed about the students’ rights in this field. As part of continued cooperation between Anti-Corruption Initiative Directorate and Ministry of Education and Science, forth lecture on corruption in high</p>

			<p>education was held at the Philosophy Faculty in Niksic. Students of this faculty, just as the students of other faculties, were informed about the meaning of corruption, and measures that should be undertaken to prevent it, so as with the tasks of students in fight against corruption. Ministry of Education and Science, in cooperation with NGO "CEPRIM"- Center for Education, partnership of parents and youth, from Podgorica, prepared plan of activities for fighting corruption for school 2007/2008 year, in all educational institutions, including high education. In contacts with NGO "CERIM", it was agreed to prepare intensive plan of activities, which will especially include: a) surveys on corruption in education, which would be basis for defining of measures in fight against corruption, b) campaign for public awareness raise on corruption, especially among professors, teachers, pupils, and students, and c) preparation of codes of ethics for employed in education, and for pupils and students. First draft of this document has been prepared and its realization is expected for the second semester of the school 2007/2008 year – February 2008. NGO "CERIM" and NGO "Office for protection of the rights of pupils and students" – Cetinje are in charge for realization of planned activities.</p> <p>Anti-Corruption Initiative Directorate and Ministry of Education and Science: Based on the mutual interest for prevention and fighting the corruption, the <u>Agreement on Cooperation</u> between the Agency for Anti-Corruption Initiative and the University „Mediterranean“ from Podgorica. 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. In the framework of mutual activities that the Directorate is realizing in cooperation with the ministry of Education and Science, at the <u>University „Mediterranean“</u> the lecture on the subject „<u>Corruption in education</u>“ was delivered. 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 „<u>Corruption in education</u>“ 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 to citizens for prevention of corruptive conduct.</p> <p>Agency for Anti-Corruption initiative initiated organizing of periodical lectures on corruption that are to be organized in high education institutions in Montenegro. Cooperation between Directorate and Ministry of Education and Science has continued by holding <u>two lectures, one at the University of Montenegro</u> (Podgorica, 5. June), and the other at the <u>Philosophy Faculty</u> (Nikšić, 6. July), and these lectures completed activities for school 2007/2008 year. At the same time, poll has been carried out on <u>positions of students</u> regarding recognizing of corruption and the ways for combating it. Results of this poll are available at <u>www.antikorup.vlada.cg.yu</u> (in section "Surveys and Reports"), with the translated version into English. Results of this survey directs to anti-corruption measures that are to be undertaken in future, and which are adjusted to high education sector. In September 2007, Directorate has continued with the lectures in high education institutions on fight against corruption: "Mediterranean" University – Law Faculty, Faculty for Business Management in Bar, Police Academy in Danilovgrad. In framework of the campaign "Choose the right way – report corruption!" the second lecture on corruption was held in <u>Police Academy in Danilovgrad</u>. Lecture: "What is corruption? Consequences of corruptive acts and mechanisms for fighting corruption" was held as the part of the additional course in basic police education. Participants were members of PD who were acquainted with the basic meaning and forms of corruption emergence, so as with the mechanisms and authorities competent for prevention and fight against corruptive conduct.</p>
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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. Media Institute, supported by USAID/ORT organized five day training entitled »Reporting on economy and business for radio and television« (06.-10. November 2006) 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. 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. Three 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. 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 in the field of printed media has been prepared. Government Work Program provides for the Draft Law on Unauthorized Media Concentration to be adopted in I quarter 2008. We underline that this field has already been regulated by the Law on Competition Protection, which is in force since 2006.</p> <p>ASSESSMENT: Obligation partly realized.</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 private sector	Following the adoption of the Action plan	<p>Union of Employers of Montenegro: UE delivered conclusions from SME International Conference “Micro financing in Montenegro”, so as conclusions 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. Proposed by MER, MNE Government adopted on 11 October 2007 Program “Eliminating of barriers for enterprise development in Montenegro”. In part of this program, under the chapter »Grey Economy and disloyal competition«, fair and concrete enterprise was analyzed. Preparation of the operative plan for eliminating of business obstacles is underway, which will include this topic as well.</p> <p>ASSESSMENT: Obligation partly realized. The obligation is being realized continuously.</p>
43. In cooperation with the Central register of the Commercial Court and other competent institutions, initiate the	Commercial court, Chamber of Commerce of the Republic of Montenegro, in	2008.	<p>Commercial court: During the reporting period, 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. Ministry of Justice established in October 2007 Working group for preparing of sub-legal act that will lay down content of the Register, and to define method of communication between the Central Register and these organs regarding collection of data from the penalty register of commercial societies in Commercial Court in Podgorica and other courts for crime cases of this kind, and competent authorities which possess these information, or to which data from the register of penalties must be delivered, on their request or in line of duty.</p>

project of compiling and publishing «black» list of companies, convicted for criminal acts with the elements of corruption	cooperation with competent bodies and private sector	Working version of the mentioned sub-legal act has been prepared. Activities on realization are underway. ASSESSMENT: Obligation not realized RECOMMENDATION: Commercial Court and Ministry of Justice are to intensify activities on preparation of penalty register (“black list”) of companies and responsible persons for criminal acts with the element of corruption.
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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. Commercial Court and Ministry of Justice are to intensify activities on preparation of penalty register (“black list”) of companies and responsible persons for criminal acts with the element of corruption.
3. Union of Employers of MNE is to introduce the poll results on forms, causes, and mechanisms of corruption emergence to Ministry for Economic Development, aiming to adopt as soon as possible operative plan for eliminating of business barriers.

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.

Ministry of Interior (sector for local self-government), during the reporting period, coordinated activities on preparations of Program and Action Plan: working group prepared draft **Program for fight against corruption and organized crime at the local level and Action Plan of measures for preventing and combating corruption in local self-government**. This document is currently at expert assessment in Council of Europe. Three meetings were held with the CoE experts, and the Project is run by Directorate for Cooperation and for local and regional democracy, Directorate General for Legal Affairs in Council of Europe. It is necessary to include Union of Employers of MNE in future implementation of the aforementioned documents. UEMNE is interested in joint development of the social dialogue model at local level, which would encourage activities in field of anti-corruption policy and preparations of 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.	Municipality Community , in 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. Ministry of Interior: working group was established on decision of Ministry of Justice. Members of this group are representatives of government, non-government sector, and municipality community. Working group prepared draft Program for fight against corruption and organized crime at the local level and Action Plan of measures for preventing and combating corruption in local self-government. This document is currently at expert assessment in Council of Europe. Three meetings were held with the CoE experts, and the Project is run by Directorate for Cooperation and for local and regional democracy, Directorate General for Legal Affairs in Council of Europe. Experts of the General Directorate for democracy and political affairs gave certain suggestions,

			<p>summarized in document "Revision of program for fight against corruption and organized crime in local self-government". Members of the working group and experts of Council of Europe at the meeting, chaired by Ministry of Interior and Public Administration, held on 19 September 2007, in Podgorica, agreed to continue work on this program and action plan, and to include directly in it Montenegrin experts and CoE experts. Following that, on 18-19 October 2007, in Strasbourg, II joint meeting of the Members of the working group and experts of Council of Europe was held. At that meeting, a number of questions at issue have been solved. These questions related mainly at the content of aforementioned documents and its finalization, in cooperation with the Council of Europe. Model of Program for fight against corruption and organized crime, and Action Plan of measures for preventing and combating corruption at local level have been prepared. According to the Working Program of Government for 2008, it will be adopted in I quarter and delivered to all local self-governments.</p> <p>ASSESSMENT: Obligation partly realized</p>
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RECOMMENDATIONS IN THE AREA OF LOCAL SELF- GOVERNMENT:

1. Ministry of Interior is to, through the Sector for local self government, deliver as soon as possible model of Program for fight against corruption and organized crime at the local level and Action Plan of measures for preventing and combating corruption in local self-government; Model is to be delivered to all local self- communities on discussion and adopted at the Municipality Community and local self-governments level.
2. 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

GENERAL ASSESSMENTS

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 that sense, in period June-August, capacities of State Prosecutor's Office of MNE are strengthened by appointing one more deputy who will deal with the indicators necessary for recognizing of corruption, analysis system, and final recommendations. In order to implement **measure 2**, 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. This Law provided the increase of the salaries for 30 % for the judges in courts, president and judges of the Constitutional Court of the Republic of Montenegro, state prosecutors and their deputies.

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 (64 trainings in total). This review included seminars, specializations, study visits, and consultations in the country and abroad. 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, assembles 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 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 (**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.

SSP Office in cooperation with the Secretariat for Development prepared project for establishing of the information system in prosecutor's office, in order to provide better communication in process of exchange of information, exchange of data with the prosecutors in neighboring countries, and professional upgrading. Project for establishing of the database is delivered to the USA Ministry of Justice, and discussion on accepting of the project is ongoing (**measure 6**). 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.

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, and State Prosecutor's Office of Macedonia, and via Interpol even with criminal prosecution agencies of some EU states (**measure 11**); On 6.12.2007, Supreme State Prosecutor signed Agreement on Technical Cooperation with the ICTY. Agreement will provide using of the ICTY database and in that way facilitate for the Prosecutor's Office collecting of the data in the war crime cases that are already in the court procedure.

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 one more deputy of the High State Prosecutor who will deal with the indicators necessary for recognizing of corruption, analysis system, and final recommendations. 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). 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. 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 Parliament adopted the Law on salaries of judges and state prosecutors, with the percentage of the salary increase.</p> <p>ASSESSMENT: Obligation realized.</p>
<p>3. Implementing further training program for prosecutors</p> <p>1) Informing the prosecutors about international criminal law and obligations of the state in the fight against corruption and organized crime</p> <p>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 Procedure Code)</p> <p>3) Implement the program of education for criminal offences fRMNE Chapter XXIII of the Criminal Code and Chapter XXVIII of the Criminal Code</p> <p>2.3.4. Strategy of efficient</p>	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 (65 trainings in total). This includes seminars, specialized trainings, study visits, and consulting trips in the country and abroad. SSP delivered detailed report on the topics and the participants of the aforementioned variety of trainings.</p> <p>1) Referring to point 1, 22 trainings held. 2) Referring to point 2, 9 trainings held. 3) Referring to point 3, one training held. 4) Referring to point 4, 12 trainings held. 5) Referring to point 5, 16 trainings held. 6) Referring to point 6, 5 trainings held.</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 experiences from the American practice. In period September-November, Center organized Round Table "Protection of the right on the trial in reasonable period of time".</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>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>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. The obligation is being realized continuously.</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>1) 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>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 on project for establishing of the information system and database are completed, funded by the American Government, and technically supported by RMNE Secretariat for development. This database shall enable state prosecutors to have better communication in field of exchanging the information, exchange of the data with the prosecutors in region, and professional upgrading. The project candidated at the USA Ministry of Justice is still active, regarding the establishment of the database, but it is necessary to re-candidate this project again. State Prosecutor is Office, in cooperation with the Secretariat for Development, has completed the Project for connecting of all computers, in possession of state prosecutors, to the internet. It also has created e-mail addresses, in order to enable prosecutors to have better communication, professional upgrading, and exchange of data with the prosecutors from the region.</p> <p>ASSESSMENT: Obligation partly realized. The obligation is being realized continuously.</p>
<p>7. Specialized training of prosecutors in the Department for the fights against organized crime for criminal prosecution in criminal offenses with elements of corruption and organized crime</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 of the Supreme Court.</p> <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).</p> <p>ASSESSMENT: Obligation partly realized.</p>

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 partly 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. On 31 October 2007, in Podgorica, Memorandum on Agreement in realization and enhancing of cooperation in fight against all kinds of major crimes was signed between Supreme State Prosecutor of Montenegro and Acting Public Prosecutor of Republic of Serbia. At the same day, Memorandum on Cooperation in Criminal Prosecution of perpetrators of crimes against humanity and other goods protected by the international law was signed as well. This Memorandum signed Supreme State Prosecutor of Montenegro and Prosecutor for War Crimes of Republic of Serbia. We underline that the Supreme State Prosecutor of Montenegro signed, on 6 December 2007, in Hague, Agreement on Technical Cooperation with the ICTY. Agreement will provide using of the ICTY database and in that way facilitate for the Prosecutor's Office collecting of the data in the war crime cases that are already in the court procedure. 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.
2. State Prosecutor's Office should reorganize prosecutor's office – Department for combating organized crime in accordance with the proposed amendments of the law on Courts.

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 I quarter of 2008.

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); 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: Rulebook on internal organization and systematization adopted on 28.12.2006. 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 and Public Administration: Government of MNE adopted Rulebook on use of police authority in December 2007; and it is published in the "Official Journal of MNE". ASSESSMENT: Obligation realized.
15. Training the police in the sense of legally prescribed measures in the protection of all persons who report criminal offences of corruption and		Continuous	Police Directorate: In the reporting period, the trainings of the police in sense of legally prescribed measures for protection of all persons who report criminal offences of corruption and organized crime were not organized. 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. In order to define procedure for reporting corruption within police, it is necessary to establish legal basis for adoption of the sub-legal act that would regulate, among other things, the manner of reporting the corruption within police, acting of the authorized police officers after received information on corruption, and the manner of promoting procedure of reporting the

<p>organized crime 1) Improvement and promotion of procedures for the protection of identity of the persons reporting corruption</p>			<p>corruption within police. In addition to this, this sub-legal act would regulate specific issues relating to the protection of the persons who report corruption within police, having in mind that this protection is necessary and it is directly connected to the abovementioned issues.</p> <p>Carriers of the activities for the realization of the mentioned measure, launched initiative towards Ministry of Interior and Public Administration, which is in phase of drafting the Law on protection of the persons who report corruption, to create legal basis for defining of the procedures for reporting the corruption within police. After regulation of the legal basis, activities on adoption of the sub-legal act shall be carried out, having regard to participation of the NGO sector in the Working group or in the commission which will work on drafting of that sub-legal act, and finally, adopted procedures shall be promoted together with the NGO sector in order to create stronger confidence of the citizens into the institutions that deal with the fight against corruption and organized crime, and at the same time to encourage citizens to report every type of the corruption.</p> <p>Mol&PA: Activities on realization of this measure have been started. Minister of Interior and Public Administration established the Working group, which shall draft Proposal of this Law. The members of this WG are representatives of the Ministry of Interior and Public Administration, Anti-corruption Directorate, and of Ministry of Health, Labor, and Social Welfare. Proposal of the Law shall be prepared with the consultant and expert assistance of the UNDP, together with the defining of the planned joint activities.</p> <p>ASSESSMENT: Obligation partly realized. The obligation is being realized continuously.</p> <p>RECOMMENDATION: Mol&PA to prepare Proposal Law on protection of the persons who report corruption, and in accordance with that Law, to propose Amendments to the Law on Police, in order to create legal basis for adoption of the sub-legal acts in this field. To deliver information to the NC to the end of I quarter 2008 the latest.</p>
<p>16. Improvement of mechanisms and institutes of protection of all officers who are involved in the fight against corruption and organized crime</p>		<p>2006, Continuous</p>	<p>Police Directorate: Mechanisms of protection are not legally regulated.</p> <p>ASSESSMENT: Obligation is not realized.</p> <p>RECOMMENDATION: Mol&PA and Police Directorate to determine plan of activities for improving of mechanisms of protection for all officers involved in the fight against corruption and organized crime. Mol&PA to intensify activities on preparing amendments to the Law on Police, in other words – to create legal basis for adoption of the acts on protection of all officers involved in fight against corruption and organized crime. Activities on amending the Law on Police to be realized to the end of I quarter 2008 the latest.</p>
<p>17. Creation of network of informants and definition of rules for the recruiting of the informants</p>		<p>Continuous</p>	<p>Police Directorate: established Working Group has realized the task; “Instructions on Informant Handling” has been adopted.</p> <p>ASSESSMENT: Obligation realized.</p>
<p>18. Establishment of the organizational unit that will deal with investigation in criminal offences of corruption</p>	<p>Police Directorate</p>	<p>2007.</p>	<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 should consider increase of the number of officers who follow and investigate corruption cases, after completing analysis of the situation.</p>

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 preparing and adopting of legislation that regulates police organization and systematization as one of the basic preconditions for the police work. Comparing to the previous report, progress is evident in field of launching the initiative from the side of expert team of Police Directorate towards Mol&PA regarding amending of the Law on Police in field of protection of the persons who report corruption and in field of protection of the officers involved in fight against corruption and organized crime.

Recommendations:

1. Mol&PA to prepare Proposal Law on protection of the persons who report corruption, and in accordance with that Law to propose amendments to the Law on Police, in order to create legal basis for adoption of the sub-legal acts in this field. This information should be delivered to the NC to the end of I quarter 2008.
2. Mol&PA and Police Directorate to define the plan of activities for improving of the Mechanisms of protection of all officers involved in the fight against corruption and organized crime, according to the proposals that shall be defined by the new Law on protection of the persons who report corruption.
3. Police Directorate should consider increase of the number of officers who follow and investigate corruption cases, after completing analysis of the corruption situation in the State (for 2007).
4. Police Directorate should take into consideration possibility of providing external sources of financing, through expert and technical support of the international organizations that are interested in realization 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 establish the organizational unit for the issues of money laundering</p>	Police Directorate	2007.	<p>Police Directorate: The Rulebook on systematization of job positions within Police Directorate was adopted in 2007, which established the groups for financial, general crime, and corruption. Within the Group for fight against financial crime, a position for fight against money laundering is established which is already staff full and this group deals only with the crime cases with elements of organized crime. Department for fight against organized crime and corruption is organized in accordance with the Rulebook on systematization of job positions within Police Directorate in three groups, whose level of employment is increased from 50% to 80%.</p> <p>1. Group for combating general organized crime through four working lines:</p> <ul style="list-style-type: none"> • Serious crimes against life and body-(homicide, sexual assaults etc.), abduction/kidnapping, blackmailing, and robberies • Smuggling of the vehicles, weapons, dangerous materials, and artworks • Illegal migration, organized smuggling and trafficking of humans • Terrorism and international terrorism <p><u>Current level of employment:</u> Working line – fully employed:</p> <ul style="list-style-type: none"> - working line of the head of the group for combating general organized crime. - working line of illegal migration and organized smuggling and trafficking of humans. - smuggling of the vehicles, weapons, dangerous materials, and artworks. <p>2. Group for combating economic organized crime through four working lines:</p> <ul style="list-style-type: none"> • Money laundering and financial investigations • Misuse of the official position, tax evasions, smuggling of accise and other goods • Counterfeiting of money and other payment means and forging of documents • Cyber crime and misuse of copyrights <p><u>Current level of employment:</u> Working line – fully employed:</p> <ul style="list-style-type: none"> - working line of the head of the group for combating economic organized crime, - working line for combating money laundering , - financial investigations, - cyber crime and misuse of copyrights. <p>3.Group for combating corruption through two working lines:</p> <ul style="list-style-type: none"> • Corruption in state and private sector <p><u>Current level of the employment is 100%:</u> through two working lines and two employees fro corruption in the state and private sector</p>

			<p>This kind of organization of the Department for fight against organized crime and corruption envisages 15 employees.</p> <p>ASSESSMENT 1 and 2: Obligation realized.</p> <p>RECOMMENDATION: Police Directorate should periodically carry out analysis on necessity for new organizational units and for increase of number of employees.</p>
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.</p> <p>RECOMMENDATION: Police Directorate should provide and secure adequate and functional working space for existing Department for the prevention and fight against organized crime, as soon as possible.</p>
21. Provision of continuous training of officers in the field of corruption and organized crime	Police Directorate	Continuous	<p>Police Directorate:</p> <ul style="list-style-type: none"> ▪ On 20 April 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. ▪ On 11 May 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. ▪ In the period 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. ▪ In period 29.05. - 01.06.2007, in Athens, organized by the Greek police, the second seminar in the framework of project »LAEIRA«-fight against trafficking in human beings in South- Eastern Europe was held. ▪ 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. ▪ 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. ▪ 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. ▪ 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. ▪ On 29.05. and 30.05.2007, in hotel »Podgorica«, organized by TAIEX, the seminar on freezing and confiscation of illegally acquired revenues was held, and a police officer from Department participated on it. ▪ In period 24 - 29.06.2007, two officers from the Department participated in the specialized training »Organized Crime Investigations«, held in Budva, and organized by international network OCTN. At this seminar participated representatives of the police forces from the SEE countries that work in the field of fight against corruption and organized crime. Engaged experts processed following topics: under cover investigators handling, informant-associate handling, interviewing the suspect, and special investigations, controlled delivery and protected witness. ▪ In period 07-09.06.2007, in Kolašin, two officers from the Department participated in the seminar on money laundering, organized by the OSCE. On this seminar also participated, apart from our officers, employees from tax Administration,

			<p>Customs Administration, Central Bank, Money Laundering Prevention Directorate, so as the employees from all business banks, broker companies, and privatization-investment funds from the territory of Republic of Montenegro.</p> <ul style="list-style-type: none"> ▪ On 11.06.2007, in cooperation with the Department for combating general crime in Sector of Crime Police, seminar “Analysis of the major criminal offences state in last 15 years, with emphasize to unsolved homicides in RMNE” was held in the Police Academy in Danilovgrad. At this seminar participated the heads of the crime police and homicide departments from the Regional Security Centers and outposts of the Police Directorate. The aim of this seminar was analysis of the current state of the unsolved cases of homicide, human resources potential, and other possibilities for further planning of the measures and activities in order to solve major criminal offences against the life and body. ▪ On 30.06.2007, at the Police Academy in Danilovgrad, in regular education framework of the Academy’s students, four classes with the topic “Organized crime through criminal offence of human trafficking” were held. ▪ On 5-6.07.2007, in Kolašin, in organization of Office of National Coordinator for fight against human trafficking and DG for human rights and legal affairs of the Council of Europe, seminar on topic “Victims protection and criminal prosecution of the human traffickants and CoE Convention on human trafficking” was held. ▪ On 20.07.2007, in organization of Centre for Migration Policy Development (CMPD) and Office of National Coordinator for fight against human trafficking, one-day seminar for the Governmental and NGO representatives was held in Bijelo Polje on topic „Improvement of the traditional referent mechanisms for human trafficking victims in SEE” ▪ In period 03.-07.09.2007, two officers from this Department participated at the seminar »Investigating organized crime«, held in Ohrid, organized by OCTN. Certificates on completed specialized training have been delivered, and detailed report on this seminar has been prepared (delivered to the Department for Development Planning and Analysis). ▪ In period 11.-13.09.2007, two officers from the Department participated at the seminar »Corruption in Public Administration«, organized by the Human Resources Agency of RMNE. Lecturers – instructors at this seminar were members of the National Commission for fight against corruption of the Republic Slovenia, and at this seminar participated representatives of all state institutions, NGO sector, Association of young journalists. Representative of the Department was the lecturer at the topic »Problems in fight against corruption in RMNE«. ▪ In period 26.-28.09.2007, head of the Department and two officers participated at the expert seminar »Key of the successful criminal prosecution of the corruption«, organized by the USA Ministry of Justice, OBDAT, and ICITAP, at which 12 more officers from the Crime Police Sector participated so as 15 representatives of the Prosecution Office, and NGO sector representatives. ▪ On 13.09.2007, two officers from the Department participated at the Round Table, organized by NGO MANS in cooperation with the USA Embassy in Podgorica, at which Mr. Wallace, ex judge of the Appeal Court in USA, talked about USA experiences in fighting corruption in the judicial bodies. ▪ On 25.-26.09.2007, in Sarajevo, the meeting of the countries signatures of the “Hill” Agreement was held, with the topic “Smuggling of vehicles”, at which one officer of the Department participated, detailed report on this seminar has been prepared. ▪ On 12.09.2007, Head of the Department attended meeting organized by MANS in cooperation with the USA Embassy in Podgorica, at which Mr. Wallace, ex judge of the Appeal Court in USA, talked about current state of fighting corruption RMNE. ▪ On 24.-25.09.2007, Regional Conference was held in Budva, organized by OSCE, with the topic “Fight against money laundering and prevention of terrorism financing”. At this seminar participated the Head of the Department and the Head of the Group for fight against economic organized crime. ▪ In period 09.-11.10.2007, seminar was organized by the OSCE and the Anti-Terrorism Unit, with the topic “Negotiating team in kidnapping cases”. ▪ In period 22.-26.10.2007, EU Mission CAFAO organized study trip to the police units for investigation of the money laundering in Finland and Sweden. Head of the Department for fight against organized crime and corruption took part at this study trip. ▪ On 10. 10. 2007, Head of the Department attended meeting with the UNMIK Kosovo representatives regarding establishing cooperation at the police level.
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22. Establishment of operative database in the field of organized crime	Police Directorate	Continuous	Police Directorate: Police Directorate intensively works 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). Working group for enhancing the computer system of the Police Directorate established, within the framework of the project "Strengthening of the police capacities led by intelligence work" ASSESSMENT: Obligation partly realized. The obligation is being realized continuously.
23. Purchase of technical and communication equipment	Police Directorate	2006. (2007-08)	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. ASSESSMENT: Obligation is not realized. RECOMMENDATION: Police Directorate, after adequate and functional working space is found, should intensify the activities on implementation of this measure.

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 I Q of 2008, to recruit the staff for the vacant job positions, in accordance with the new systematization.
2. Until the end of I Q of 2008, 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 I Q of 2008, 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 continue with carrying out of the trainings in field of investigations of the corruption and organized crime.

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	Police Directorate	2007.	Police Directorate: On 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. ASSESSMENT: Obligation realized.

economic crime, which will deal with the issues of money laundering and 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, should 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: In the period 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); 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. In Podgorica, 18-19 June, organized by the USA Ministry of Finance – Office for the technical support, seminar "MONEY LAUNDERING AND FINANCIAL INVESTIGATIONS" was held. 15 officers of the Police Directorate – working line for combating economic crime participated. In Belgrade, 18-20 June 2007, Regional Conference of the CARPO project was held – "EXCHANGE OF INFORMATION ON IDENTIFYING, FREEZING, AND CONFISCATION OF THE INCOMES FROM CRIMINAL ACTIVITIES", where scope of application and carrying out of the financial investigations was analyzed. On the second day of this conference, Memorandum of Understanding was signed by Director of the Police Directorate regarding the financial investigations. Two officers from the Police Directorate participated at it. In Podgorica, 11-13.09.2007, seminar, "CORRUPTION IN PUBLIC ADMINISTRATION" was held, organized by Human Resources Agency and OSCE; one officer participated – line for fight against economic crime; In Budva- Bečići, 24.- 25.09.2007, seminar „MONEY LAUNDERING" was held, organized by the OSCE and Directorate for prevention of money laundering, two officers participated – line for fight against economic crime; In Budva –Pržno, 26-28.09.2007, seminar „KEY OF THE SUCCESSFUL CRIMINAL PROSECUTION OF THE CORRUPTION" was held, organized by the USA Ministry of Justice, ten officers participated – line for fight against economic crime; In Finland, 23.10. -26.10.2007, study trip to Finish and Swedish police – problems in preventing money laundering, confiscation of the property, etc. One officer participated – line for fight against economic crime. ASSESSMENT 1 and 2: Obligation realized. Obligation is being realized continuously.
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. Project " Department for fight against Economic Crime Capacity Strengthening " has been prepared for donation by IOM (International Organization for Migration) in total amount of 10 000 euros .

		ASSESSMENT: Obligation partly realized. RECOMMENDATION: Police Directorate should continue with the activities on implementation of this measure.
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GENERAL ASSESMENT / RECOMMENDATIONS FOR DEPARTMENT FOR FIGHT AGAINST ECONOMIC CRIME

General Assessment: 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. In addition to this, progress regarding carrying out of the trainings in the fields of financial investigations and prevention of money laundering. The problem of providing adequate and functional premises for the officers of this organizational unit is identified.

Recommendations:

1. Until the end of I Q of 2008, to recruit the staff for the vacant job positions, in accordance with the new systematization.
2. Until the end of I Q of 2008, 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 I Q of 2008, 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. Continue with carrying out of the trainings in the field of investigating the crime cases of corruption, and financial investigations.

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.	Police Directorate: Realized. 28. 12. 2006. Rulebook on systematization and organization adopted, existing structure was changed. Organizational level defined. 11. 01. 2007. Rulebook came into force. ASSESSMENT: Obligation realized. RECOMMENDATION: To conduct analysis periodically on the needs of the new organizational units and increase of the number of staff.
29. Improving operations through the establishment of the units for: <ul style="list-style-type: none"> • SSM application • Operative analysis 	Police Directorate	2007.	Police Directorate: Establishing of the unit realized. Engagement of the staff for the vacant job positions and technical equipping ongoing. According to the Rulebook on organization and systematization, within the Special Verification Unit, four organizational units/groups are formed: <ul style="list-style-type: none"> - for application of SSM: Group for monitoring and exploitation; Group for observation and documenting; Group for operative technique; - for operative analysis: Group for criminal-intelligence analysis. ASSESSMENT: Obligation realized.
30. Providing new and reconstructing the existing space	Police Directorate	2006-2007.	Police Directorate: Special Verification Unit initiated solving of the issue of the necessary working space for newly established four groups. 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. 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. Police Directorate does not have determined resources in the budget for this purpose. In October 2007, activities on adaptation and furniture existing working space for one group of the Special Verification Unit have been launched. This group is competent for the realization of the SSM. ASSESSMENT: Obligation is not realized. RECOMMENDATION: Police Directorate, as soon as possible, to provide adequate and functional working space
31. Recruitment and training of necessary staff	Police Directorate	2007. Continuous	Police Directorate: Recruiting model developed. The number of employed staff achieved: 54%. Number of trained officers: 16. Number of courses realized: 1 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. One of the limiting factors in the recruitment process is 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. ASSESSMENT: Obligation partly realized. RECOMMENDATION: To continue with the recruitment and training of the necessary personnel.
32. Implementation of: 1) Basic training 2) Specialized training for newly recruited and old staff	Police Directorate	8) 2006/07 9) Continuous	Police Directorate: 1) Basic training program: In the field of surveillance methods (observation and documenting) - two weeks training held for 16 officers in the RMNE 2) Specialized training program: In November realized course „Training for trainers” for two participants. 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. 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. 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. ASSESSMENT 1: Obligation partly realized. Obligation is being realized continuously. ASSESSMENT 2: Obligation partly realized. Obligation is being realized continuously. RECOMMENDATION: To continue with the realization of specialized trainings.
33. Purchase of technical equipment for the application of SSM	Police Directorate	2007. Continuous	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. Preconditions for enhancing of the capacities for telecommunication surveillance are moving to the new working premises and determined means in the budget. 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. ASSESSMENT: Obligation partly realized. RECOMMENDATION: Police Directorate to intensify the acquisition of technical equipment.
34. Establishment of unified database of operative	Police Directorate	2006-2007.	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

intelligence data			<p>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). Working group for upgrading of the computer system established. In September 2007, with the assistance of the Swedish experts, analyzed current state and received recommendations and guidelines for the development during 2008. Three licenses of the network analytical system for the access to central operative database from the regional centers have been ordered.</p> <p>ASSESSMENT: Obligation partly realized. RECOMMENDATION: Police Directorate should 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 be achieved through realization of activities defined by the project "Police Capacity Building regarding intelligence work in Montenegro". Internal acts in this field have been adopted: Instructions on Informant Handling.</p> <p>ASSESSMENT: Obligation partly realized. 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:</p> <ul style="list-style-type: none"> ▪ Agreement with the Tax Administration - signed; ▪ Agreement with the Customs Directorate – Proposal prepared, activities on preparing of signing in progress; ▪ Agreement with the one telecommunication service provider - signed; Activities on preparations of the agreement with the other two telecommunication services providers in progress. <p>ASSESSMENT: Obligation partly realized. 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: Activities on preparations of the signing the Agreement with the Police Directorate in progress. Working group within the Police Directorate for preparation of the Agreement with the Central Bank of MNE was formed at the end of the October this year. In addition to this, Working group that will work on activities relating to the establishing of the operative fund within the Police budget was proposed, or signing of the Agreement with the CBMNE in order to provide financial means necessary for implementation of the SSM.</p> <p>ASSESSMENT: Obligation partly realized.</p>

GENERAL ASSESMENT / RECOMMENDATIONS FOR SPECIAL VERIFICATION UNIT

General assessments: Police Directorate achieved significant 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. Preparations of the Draft Agreement are in progress.

Recommendations:

1. Until the end of I Q of 2008, 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 I Q of 2008, 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 I Q of 2008, 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 Criminal Code Procedure and by the Law on Police.

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 3) Establishment of Teams for fight against trafficking in human	Police Directorate Office of national coordinator for fight against trafficking in human beings	1) 2007	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. 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. On 18.10.2007, Agreement on mutual cooperation in prevention, criminal prosecution, education, and protection of the human trafficking victims was signed between Police Directorate, Supreme State Prosecutor, ministry of Health, Labor and Social Welfare,

<p>beings in all territorial organizational units</p> <p>4) Provision and reconstruction of working space</p> <p>5) Establishment of database within the Special team in order to collect all data at one place and to centralize it</p> <p>6) Purchase of technical equipment</p> <p>7) Implementation of specialized training</p> <p>8) 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>9) Establishment of bilateral cooperation between these departments in the region</p>		<p>2) 2007.</p> <p>3) 2007.</p> <p>4) 2007.</p> <p>5) 2007. i 2008.</p> <p>6) 2007.</p> <p>7) Continuous</p>	<p>Ministry of Education and Science, and NGOs (“Montenegrin female lobby”, “Safe Women House”, and “Center Plus”).</p> <p>ASSESSMENT 1: Obligation realized. ASSESSMENT 2: Obligation is not realized. ASSESSMENT 3: Obligation partly realized. ASSESSMENT 4: Obligation is not realized. ASSESSMENT 5: Obligation realized. Obligation is being realized continuously. ASSESSMENT 6: Obligation realized. Obligation is being realized continuously. ASSESSMENT 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>NAPOMENA: - The rest of the measures, appointed to the Special team for fight against trafficking in human beings, have been analyzed and treated through implementation of measures of the Department for fight against organized crime and corruption, where this working line actually belongs according to Rulebook on systematization and organization. - 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. - Activities described in measures 38.5 and 38.6 are reported via measure 21.</p> <p>-activities described in this measure are reported via measure 13</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 I Q of 2008, 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 I Q of 2008, 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)	ASSESSMENT / RECOMMENDATION FOR EACH MEASURE INDIVIDUALLY FOR DEPARTMENT FOR FIGHT AGAINST DRUGS AND SMUGGLING
40. Reorganization of the Center for the fight against drugs in the sense of defining organizational level and scope of action	Police Directorate	2007.	<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>ASSESSMENT: Obligation realized.</p> <p>RECOMMENDATION: To conduct periodically analysis on the needs of the new organizational units and increase of the number of staff.</p>
41. Adoption of the National strategy for the fight against drugs and prevention of drug use, with annual action plans	Police Directorate	2007.	<p>Mol&PA and Police Directorate: During June 2007, Police Directorate launched initiative for preparation of the Strategy. Inter-department working group for preparation of the Strategy has been established in July, and the first meeting was held, at which the concrete obligations have been precise. Working group carries out the activities on preparation of the Draft Strategy and soon the final Draft shall be ready, so as the Action Plan in I Q 2008.</p> <p>ASSESSMENT: Obligation partly realized.</p> <p>RECOMMENDATION: To intensify the activities on preparation and adoption of National Strategy.</p>
42. Implementation of specialized trainings for the officers in the Center for fight against drugs	Police Directorate	2007. i 2008.	<p>Police Directorate: Police Directorate carried out a number of the trainings for the officers of this Department: 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.</p> <ul style="list-style-type: none"> ▪ In May 2007, five officers dealing with the issues of combating the drugs participated at aforementioned training for undercover investigator. ▪ Two officers participated at the international seminar organized by the European Commission, on 8 and 9 May 2007, in Dubrovnik, on topic " Synthetic drugs and precursors in SE Europe". ▪ In coordination with the police of the Republic of Sweden – "SIDA" project, the training "Combating of the narcotics" was organized, lasting 15 days for 16 officers of SKP – regional units for fight against drugs and smuggling. ▪ One officer participated at the training at International Police Academy TADOC – Ankara, organized by UNODC, on topic "Prevention of blood transmitted diseases related to drug addiction". ▪ One officer completed the 15-days training for participation in peace missions organized by Mol of the Republic of Croatia. ▪ Project „LEXPPO" has been launched, organized by UNODC, regarding the training of the police and customs officers in fight against drugs, through system of workshops, and exchange of officers in duration of one month with the adequate agencies of the Western Balkans countries. The first meeting was held on 11 December in Ankara, and the project shall be realized during 2008 and 2009. <p>ASSESSMENT: Obligation realized. Obligation is being realized continuously.</p> <p>RECOMMENDATION: To continue with the continuous training of the officers in this field, in accordance with the priorities that the Crime Police Department sets out.</p>

43. Implementation of trainings and education of police officers about the procedure in the fight against drugs	Police Directorate	Continuous	<p>Police Directorate: In the framework of the training organized for the officers from the General Affairs Department, following basic trainings have been organized:</p> <ul style="list-style-type: none"> ▪ 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. ▪ In cooperation with the NGO «Juventas» SKP – Department for fight against drugs and smuggling, two-days training “Professional risks in relation to blood transmitted diseases” for 23 officers of the Crime Police was organized. <p>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 out.</p>
44. Purchase of equipment	Police Directorate	2007.	<p>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.</p>
45. Provision and reconstruction of working space	Police Directorate	(2006.) 2007	<p>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.</p>

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. Comparing to the previous report, some progress has been achieved regarding the adoption of the National Strategy and Action Plan for fight against drugs and prevention of drug addiction, through establishment of the Inter-ministerial Working group, which became operative. The problem of providing adequate and functional premises for the officers of this organizational unit is also evident.

Recommendations:

1. Until the end of I Q of 2008, to recruit the staff for the vacant job positions, in accordance with the new systematization.
2. Until the end of I Q of 2008, 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 I Q of 2008, to adopt National strategy and Action Plan for fight against drugs and prevention of drug addiction.
4. Until the end of I Q of 2008, 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. <ul style="list-style-type: none"> ▪ In period 05.-08.11.2007, in the premises of the Police Academy Danilovgrad, seminar «Witness Protection» was held. Lecturers were experts Wolfgang Job and Klaus Mits, chief inspectors of the Federal Crime Police Austria. Seminar attended 6 officers from this Unit, who after completed training received certificates from the aforementioned lecturers. 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 out.
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. ASSESSMENT: Obligation is not realized. RECOMMENDATION: To prepare the plan of trainings and to carry them out 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
<p>52. Technical equipping of the Centre for criminal technique</p> <p>1) Reorganization of forensic unit 2) Staff training 3) Purchase of modern laboratory and other equipment</p>	<p>Police Directorate</p>	<p>2006-2007, continuous</p>	<p>Police Directorate:</p> <p>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. Recruiting of the staff for OKTV is in progress. The proposal of the new organization of the job positions in the OKTV (future Forensic Center of the Police Directorate) has been prepared.</p> <p>ASSESSMENT 1: 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:</p> <ul style="list-style-type: none"> ▪ Training on usage of microscopes and equipment (LEICA and MIDEA brand), organized in the premises of Forensic Centre by ICITAP-American Ministry of Justice. Participating on the seminar in field of identification of documents, explosive and traces on vehicles, organized by the firm MRG and Vienna. Participating in the Montenegrin Court Forensic Experts Assembly on which participated international experts as well. ▪ Working meeting with the delegation of Norwegian Parliament and Embassy. Implemented donation analyzed so as technical capabilities of our Centre. Working meeting with the MRG representative and Austrian expert in order to prepare the project and introduce the processes of DNA analysis. ▪ Active participations of the officers from the OKTV at the V Congress of the Balkan Academy for Forensic Sciences, held in Ohrid; ▪ Study visit and getting familiar with the organization, methods of work, and available technique in Forensic Centre of the Ministry of Interior of the Republic of Macedonia, in Skopje. ▪ Visit of the expert for DNA analysis from the Forensic Center of MoI Slovenia to the OKTV. This visit was organized by OSCE. ▪ Visit of the officers from OKTV to the Forensic Laboratory in Sweden, organized by OSCE. ▪ Working meeting with the representatives of the USA Embassy from Belgrade held in the OKTV premises. Topic of this meeting was organizing of the seminar <i>Combating of mass destruction weapons</i>, which will be held in 2008. ▪ Working meeting with the representatives of the OSCE (held in the premises of the OSCE in POdgorica) regarding realization of the project for acquiring of the photo processors and vehicles for crime scene investigations, with the additional equipment. ▪ Active participation of the OKTV officers at the seminar regarding the DNA analysis, organized by the County Court in u Valjevu. ▪ Participation at the presentation of the BVDA equipment for sampling of the fingerprints and shoeprints. Presentation was held in Belgrade. ▪ Participation at the presentation of the contemporary instrumental methods of the <i>Shimadzu</i> brand, held in Podgorica. <p>ASSESSMENT 2: Obligation realized. Obligation is being realized continuously.</p> <p>Measure 3) collecting of the information and preparing of the project for DNA laboratory, , visit of the experts from Austria, Croatia, and Serbia. Working meeting held with the representatives of the OSCE regarding:</p> <ol style="list-style-type: none"> a) engagement of an expert from abroad as consultant for preparation of the public call documentation regarding equipping of the DNA laboratory, b) study visit of the experts from Crime Technique Centre to DNA laboratory in Sweden, c) visit to the International Congress of the Court Forensic Experts in Croatia,

			<p>d) holding of the workshop on firearms traces.</p> <p>Acquired equipment:</p> <ol style="list-style-type: none"> 1. ICITAP donated ION –SCAN machine, which is used for investigating of the explosive micro traces. Equipment for crime scene investigations acquired, which was ordered via public call last (2006) year. 2. Acquired chambers for lifting fingerprints (19 chambers, out of which 14 will be distributed to the crime techniques in the field). 3. Two cameras for microscopes acquired. 4. Four metal detectors were acquired. 5. Software programs for microscopes LEICA (three in total) were acquired and installed). 6. Through realization of the Swedish project for modernization of the Crime Technique, equipment for crime scene investigation was acquired and distributed to the Regional Centers in Herceg Novi, Bijelo Polje, Berane and Pljevlja, so as to their outposts. 7. Through realization of the Public call number 112/06 of the Mol, equipment for operative crime technique in the field was acquired. <p>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>
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O 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>6) for IED operations (elimination of danger from improvised explosive devices)</p> <p>7) for PAS (protection against sabotage)</p> <p>8) 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. ▪ «police negotiator in the hostage situations», course under auspicious of International Centre for training from Budapest and Police Academy Danilovgrad. Course was carried out in October in Police Academy Danilovgrad, in duration of five days, and four officers from SAU participated at it. Course is certified. ▪ «Negotiating techniques», course under auspicious of the OSCE. Lecturers – representatives of the negotiating team from the SAU Police of Norway. Course was carried out in October in the SAU cam of Montenegro, in duration of 3 working days, and 14 officers from the Police Directorate participate dta it (8 officers from SAU, 2 officers from the Special Police unit, and 4 officers from crime police). Course is certified ▪ «police investigations of terrorism», course organized by STATE DEPARTMENT, USA, lecturers – FBI representatives. Course was carried out in November, , in duration of 6 working days, in Vrnjačka Banja, and two officers form the crime police who deal with the investigations of terrorism participated at it. Course is certified. ▪ «anti – terrorist tactics», course organized by Mol of the Republic of Serbia – anti-terrorist unit. Course was carried out in November, , in duration of 12 working days, in Kula camp, and two officers of the SAU participated

			<p>at it. Course is certified.</p> <ul style="list-style-type: none"> ▪ «Tactics of special acts», course organized by the USA Government, lecturers – instructors of the American military forces and police for special acts. Course started on 23.11.2007 in America and lasted for a month. 13 officers from SAU participated at this course. <p>ASSESSMENT 1, 2, 3: Obligation realized. Obligation is being realized continuously. RECOMMENDATION: To continue carrying out of advanced trainings.</p>
55. Purchase of equipment	Police Directorate	2007 - 2008.	<p>Police Directorate: In period September – December, for purposes of technical equipping for the working line of combating terrorism, project “Technical equipping and education of the working line for combating of the crime offences in field of terrorism and protection from explosion fires and damages in Crime Police Sector” has been prepared. On the basis of International Police Cooperation, this project has been offered to the Dutch Police for realization. Dutch Police was interested in financing of this project – acquiring equipment. This project indicates necessary technical means that should enhance level of solving of the crime cases in field of terrorism. According to the SAU needs, a number of thousand bullets of different calibers, depending on the type of weapons, were acquired as necessary renewing of spent means and reserves.</p> <p>ASSESSMENT: Obligation is not realized. RECOMMENDATION: To continue with the activities on implementation of this measure.</p>
56. Functionality of the organizational unit (improved horizontal and vertical connection between all working lines)	Police Directorate	2007.	<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> <p>ASSESSMENT: Obligation realized.</p>
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	<p>Police Directorate: 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. During the reporting period, 25 police officers have been sent to Police Academy Danilovgrad on basic police training.</p> <p>ASSESSMENT 1 and 2: Obligation partly realized. Obligation is being realized continuously. RECOMMENDATION: To prepare the training program for 2008 and deliver it to the NC.</p>

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. More 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.	<p>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:</p> <ol style="list-style-type: none"> 1) Department for Border Surveillance; 2) Border Crossing Control Department; 3) Department for Operative Work (Intelligence); 4) Department for Aliens and Illegal Migrations. <p>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".</p> <p>ASSESSMENT: Obligation realized.</p>
59. Organization of continuous training for the officers in this Department	Police Directorate, Police Academy	Continuous	<p>Police Academy:</p> <ul style="list-style-type: none"> ▪ 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 Police Directorate: 10 officers from Border Police Sector and 13 officers from the Crime Police Department. 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). ▪ The training "Stolen vehicles identification and control of vehicles" was organized and realized by the OSCE in PA Danilovgrad for 10 Heads of the Border Police; ▪ The 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 PA Danilovgrad for 30 officers from the Border Police. ▪ The additional police training for 19 police officers in PA Danilovgrad was completed, and all of them successfully completed it; ▪ With assistance of DCAF, two workshops for the countries from region were realized in Petrovac, on topics "Border Police Management" and "Scheming of the legal regulation state in Border Police. 5 Heads of the Police Directorate participated at these workshops. With assistance of DCAF, one workshop for the countries from region was realized in Albania, on topic "legal regulations in Border Police". 3 Heads of the Police Directorate participated at this workshop. ▪ One-day course "Usage and maintaining of the equipment donated by the USA to the Border Police of Montenegro" was carried out for the 8 heads at the PA Danilovgrad. This course has been realized by the USA experts. In addition to this, the training has been organized also in PA Danilovgrad for 13 members of the Border Police who would be mentors for PA students for their practical training at the field. ▪ 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. The rest of the trainings for the Border Police members will be carried out in the second half of 2007 (report from May). <p>ASSESSMENT: Obligation realized. Obligation is being realized continuously.</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: In <u>November</u>, CT liaison system for Border Police has been installed on six locations: Podgorica, H.Novi, Nikšić, Pljevlja, B.Polje and Berane, while installing on the seventh location in Bar is in progress. Donation in technical equipment of value app. 150.000 \$ was received from the USA Embassy from Belgrade. Equipment is intended for the control of the passengers at the border cross points, and for the patrols that monitors green and blue border. Border police received from German Embassy in Montenegro as a donation four cross arm brace country vehicles of »Uaz« type.</p> <p>ASSESSMENT: Obligation partly realized. 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 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. <u>In December 2007</u>, it was preceded with the activities on implementation of this measure. We still wait for the Albanian side to deliver their opinion on prepared agreement and protocol on cross-border cooperation and joint patrols. During the reporting period, three meetings were held with the UNMIK police from Kosovo and with the Kosovo Police Service in charge for surveillance of Kosovo border.</p> <p>ASSESSMENT: Obligation partly realized. Obligation is being realized continuously. 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)	ASSESMENT / 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. 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.	<p>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.</p>
64. Training of officers who will perform duties	Police Directorate	Continuous	<p>Police Directorate: In reporting period, following trainings of the NCB Interpol officers were carried out:</p>

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			<ul style="list-style-type: none"> ▪ the training on usage of the information system of Police Directorate was carried out, ▪ the trainings on usage of Interpol system I-24/7. In the reporting period, advanced training for usage of Interpol system I-24/7 was carried out for three officers of NCB Interpol Podgorica. The training, financed by the General Secretariat of Interpol, was held in Osijek, Croatia on 19-22 November 2007. Therefore, concluding with 31.12.2007, all officers of NCB Interpol completed advanced Interpol trainings so as those for I-24/7 usage. ▪ 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. <p><u>Additional information on trainings:</u></p> <ol style="list-style-type: none"> 1) Training for using of the Central Information System and Databases has been carried out for 14 officers (databases of the citizens, demanded records, crime records, databases of the registered vehicles) 2) 5 trainings on usage of I – 24/7 system have been carried out for 11 officers <ol style="list-style-type: none"> a) One training in the Interpol Secretariat General in Lyon in field of I – 24/7 using – 2 officers (2006); b) One training in Interpol Belgrade in field of Interpol functioning, and I – 24/7system – 3 officers (2006); c) One training in Podgorica by trainers from Interpol Zagreb in field of functioning of I – 24/7 – 10 officers (2007); d) One training in Interpol Ljubljana in field of Interpol functioning, and I – 24/7system – 4 officers (2007); e) One training in field of Interpol functioning (advanced training, training for I-24/7), in Croatia – 3 officers (2007); 3) One training has been carried out on I-2 for one officer from NCB Interpol (2007). <p>ASSESSMENT 1, 2, 4: Obligation realized. Obligation is being realized continuously ASSESSMENT 3: Obligation partly realized. Obligation is being realized continuously. RECOMMENDATION: Police Directorate to intensify the activities on implementation of this measure.</p>
65. Purchase of the necessary equipment for work	Police Directorate	2007, continuous	<p>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 planned. ASSESSMENT: Obligation partly realized. RECOMMENDATION: Police Directorate to intensify the activities on plan of acquisition of the equipment needed.</p>
66. Securing functional working space for this organizational unit	Police Directorate		<p>Police Directorate: Adequate and functional working premises still are not provided. Procedure on providing of adequate premises is in progress. Offices for NCB Interpol are found. Equipping of them, in accordance with the Interpol standards and needs, is in progress. ASSESSMENT: Obligation partly realized. RECOMMENDATION: Police Directorate to intensify the activities on implementation of this measure.</p>
<p>GENERAL ASSESMENT / RECOMMENDATIONS FOR NATIONAL CENTRAL BUREAU OF INTERPOL</p> <p>General Assessments: NCB Interpol achieved significant 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.</p> <p>Recommendations:</p> <ol style="list-style-type: none"> 1) To complete staff recruitment, in accordance with the adopted Rulebook on systematization. 2) Until the end of I quarter of 2008, 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. 3) 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.

Action Plan envisages regular and continuous inspection of the court administration in accordance with the Law on Courts (**measure 67.1**). According to the 2007 Annual Report, inspection was carried out in 11 basic and 2 higher courts. Inspection was carried out over the cases – execution of the criminal sanctions for period 2000-2006. It was acted on 197 complaints in 2007.

In order to strengthen court capacities, measure of strengthening the independence of the courts through establishing independent judiciary budget was created (**measure 68**). In that sense, it is necessary for 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**).

Judicial Training Center realized significant number of different programs for training and specialization of judges. (**Measures 69 and 71**).

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. 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 Directorate is in progress. In the reporting period, ACI Directorate intensified cooperation with the Police Directorate regarding procedures in cases of reporting corruption by citizens. Procedure of feedback informing was established which consists of monthly reporting form Police Directorate on status of received reports and complaints. A preparation of the ACI Directorate internal act on procedures relating to reports and complaints received from citizens is ongoing. In addition to this, Cooperation with the Police Academy in Danilovgrad has been established, and lectures for students of first and second generation and for professors at the Police Academy, was held. It is also planned to give a lecture for participants of three-month courses, which are organized within Police Academy. Courts, so as the rest of the state institutions involved in the fight against crime, should intensify activities in this field as mentioned in the previous example.

MEASURE	COMPETENT INSTITUTION	TIME FRAME (starting from the moment of adoption of the AP)	ASSESSMENT / RECOMMENDATION FOR EACH MEASURE INDIVIDUALLY
67. Apply consistently the principle of random allocation of cases through the introduction of	Court President	Continuous	Supreme Court: In cooperation with the Secretariat for Development of the MNE, 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

<p>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>1) Ministry of Justice</p> <p>2) Judicial Council</p>		<p>principle is being applied in all courts without exception and without any kinds of misusage 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 <u>quality of the application of the principle of random allocation of cases depends on the degree of implementation of this measure.</u></p> <p>Audio-video recording system was established in the High Court in Podgorica, so as audio recording in basic courts in Cetinje and Kotor. In addition to this, High Court in Podgorica has possibility of trial via video-link, and that procedure is already in use (via video-link, interrogation of the witness who was in New York was completed).</p> <p>Pilot project with the Basic Court in Zabljak, as one of the smaller courts, is underway, and if it shows as successful and if means are provided, than this pilot project will be widened to all courts in Montenegro.</p> <p>ASSESSMENT: Obligation partly realized. Obligation is being realized continuously. 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.</p> <p>1) Ministry of Justice: Ministry of Justice regularly performs inspections of court administration over its authorized officers pursuant to the Law on Courts. <u>In 2007, according to the data from the Annual Report</u>, inspection was performed in 11 basic and 2 high courts. Inspected cases were those relating to the execution of the court sentences for period 2000-2006. <u>197 complaints have been processed in 2007.</u></p> <p>ASSESSMENT: Obligation realized. Obligation is being realized continuously.</p> <p>2)) Ministry of Justice: according to the proposed Law on Judicial Council and Law on Courts that is in force, all conditions for implementation of this measure have been fulfilled. ASSESSMENT 2: Obligation is not realized.</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: After adoption of the Constitution, amending of the Law on Courts has started, working text of the Law has been prepared, and it would be delivered to the MNE Government for adoption. MNE Government adopted Law on Judicial Council and it was delivered to the parliament for adoption. MNE Parliament adopted Law on Wages and other Incomes of the judges, which is in force since 01 September 2007.</p> <p>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: 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 (26 of them) of this training. In the reporting period <u>Jun – August</u>, Center carried out following activities: placing of the ad for initial training; Entrance examination for the candidates who applied after application deadline; First module of the initial education – in the framework of the first module the civil dispute issues have been practically processed; Second module of the initial education - in the framework of the second module criminal law affairs have been practically processed; Third module of the initial education - in the framework of the third module practical processing of the criminal law affairs have been continued; In the following reporting period (<u>September – November</u>) education programs have been continued: Fourth module of the initial education - in the framework of the fourth-common module, civil and criminal law affairs have been practically processed; Fifth module of the initial education - in the framework of the fifth module civil affairs have been processed; Sixth module of the initial education - in the framework of the sixth module criminal law affairs have been practically processed; Seventh module of the initial</p>

			<p>education – in the framework of the seventh module, which was joint module and at the same time final one, civil and criminal law affairs have been practically processed. Number of participants - 17. Placing of the ads for initial education for 2008 is underway. Final exam for the participants of the initial education in 2007 was organized in Centre. All of the participants, who got right on taking of the final exam, took written exam in both civil processing law and criminal processing law. In addition to this, before taking an exam, all of the participants delivered their seminar papers for both of the processed fields. <u>December 2007</u>. – Entrance examination was held for all participants interested in initial education in 2008. Out of total 38 applied candidates, 26 of them took an entrance exam. Results of the final and of the entrance exam shall be announced in the January 2008, when delivery of the certificates to the candidates who pass exam shall be organized.</p> <p>ASSESSMENT: Obligation partly realized. Obligation is being realized continuously</p>
70. Define the criteria and establish the procedures for the election of judges	Judicial Council	(2006.) 2007	<p>Ministry of Justice: The Government adopted proposal of the Law on Judicial Council at the session held on 27 December 2007. In accordance with the Constitution and constitutional regulation of basic principles for regulation of judicial power, this Proposal Law regulates procedure of election of Judicial Council members among judges, their acquitting, termination of the function, procedure of election and of acquitting, termination of the function of the judges and of the judges-jurors, so as disciplinary procedures. In addition to this, Law lays down general criteria that should be taken into consideration in process of judge election, in order to strengthen independence and autonomy of the judiciary.</p> <p>Supreme Court: After adoption of the Constitution, amending of the Law on Courts has started, working text of the Law has been prepared, and it would be delivered to the MNE Government for adoption. MNE Government adopted Law on Judicial Council and it was delivered to the parliament for adoption.</p> <p>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 will realize these activities in accordance with the Working Program for 2008.</p> <p>ASSESSMENT: Obligation is not realized.</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>N December 2007, State Supreme Prosecutor signed Agreement on Mutual Cooperation in field of forests protection in Montenegro (signatories of this Agreement are OSCE, a number of Ministries, Police Directorate and State Supreme Prosecutor of Montenegro). Annex of this Agreement includes criminal offences in this field with the elements of the corruption, the manner of communication with the rest of the signatories of this Agreement is defined, so as the contact person.</p> <p>Mol&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, Directorate intensified cooperation with the Police Directorate relating the procedures in cases of reporting corruption by citizens. Procedure of feedback informing was established which consists of monthly reporting form Police Directorate on status of received reports and</p>

			<p>complaints. A preparation of the ACI Directorate internal act on procedures relating to reports and complaints received from citizens is ongoing. In addition to this, Cooperation with the Police Academy in Danilovgrad has been established, and lectures for students of first and second generation and for professors at the Police Academy, was held. It is also planned to give a lecture for participants of three-month courses, which are organized within Police Academy.</p> <p>Supreme Court: According to the conclusion adopted at the session of the MNE Government on 19 July 2007, Supreme Court, Supreme State Prosecutor, and Police Directorate established <u>Three-party Commission</u> whose aim is to analyze cases in field of organized crime and corruption, and to report and prepare unique methodology for statistical indicators in field of organized crime and corruption. Commission held a number of sessions, at which they defined methodology of work, and collected data from the police, prosecutor's office, and courts regarding the aforementioned crime offences. After sublimation of the received data and analyzing them, the First Report was prepared and delivered to the National Commission. NC will analyze received report as soon as possible.</p> <p>ASSESSMENT: Obligation partly realized. Obligation is being realized continuously</p>
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RECOMMENDATIONS FOR JUDICIARY:

1. Supreme Court should 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 Montenegro.
2. Ministry of Justice should intensify carrying out court administration inspections.
3. Judge Training Centre should regularly plan trainings on corruption and organized crime, in accordance with the recommendations from AP.

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, 74 – 78**). Analyzing reports of these two institutions, it could be concluded that the measures are enforced continually. **The State Auditors Institution** regularly submits to the Parliament the annual report on audit of the final budgetary account of the Republic of Montenegro – in accordance with the Law SAI, have completed the audit of the final budgetary account of the Republic of Montenegro for 2006, in October 2007 the report on this audit have been submitted to the parliament of MNE (available at <http://www.dri.cg.yu>); Individual audits of the final budgetary account of the municipalities are done continuously (until 1st of July 2007 three individual audits have been completed: Municipality of Ulcinj for 2005, Municipality of Kolašin for 2006 and the Republic Health Fund for 2006, and also, according to the Audit Plan for 2007, the audit of the Ministry of culture, sport and media have been completed, whose report is available at <http://www.dri.cg.yu> . The internal audit affairs are performed by the Internal Audit Sector of the Ministry of Finance, in accordance with the Instruction on the manner and procedure of the internal audit, the Rulebook for the internal audit and the Charter of the Internal Audit. From establishment of the Internal Audit Sector, so from the 2004, sixty-six audits of the budgetary users have been enforced, at that: eight in the 2004, sixteen in the 2005, twenty-one in the 2006 and twenty one in the 2007. Every year, an annual audit plan is being fastened, on whose realization the report are being ordinarily submitted to the Government of Montenegro. In December 2007 the Internal Financial Audit Development Strategy has also been adopted, for the period 2008-12, in accordance with the EU recommendations related to appliance of the PIFC/ Public Internal Financial Control / that envisages the internal audit decentralization, meaning establishing the internal audit units at budgetary users.

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, trough numerous

seminars, trainings and study trips (detail data are given in the table). 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. Therefore, the State Audit Institution, in cooperation with GTZ, have successfully the management and state auditors training with the aim of creating better and more efficient appliance of the IDEA software program, designed for the audit. Also in cooperation with GTZ, the State Auditors Institution has published the Commentary of the Law on the State Auditors Institution, where all legal aspects of budgetary spending audit are explained. The Commentary of the Law on the State Auditors Institution has been 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. In the reporting period, SAI has adopted the new Rulebook on systematization, whereby envisaged the position of Higher Adviser III for international cooperation, relations with the Parliament, the Government – PR of the Institution, for fully implementation of **measure 78**.

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 have completed an audit of the final budgetary account of the Republic of Montenegro for 2006, the report has been submitted to the Parliament of MNE in the end of October 2007, and after that published on the official site of the State Auditors Institution www.dri.cg.yu. Ni the context of approving the draft Law on final budgetary account of MNE for 2006, The Parliament supported the recommendations of SAI from the Annual report.</p> <p>ASSESSMENT: Obligation realized</p>
74. Internal audit of budgetary spending by budgetary beneficiaries	Ministry of Finance - Internal Audit Sector	Ongoing	<p>The Ministry of Finance: The internal audit affairs are performed by the Internal Audit Sector of the Ministry of Finance, in accordance with the Instruction on the manner and procedure of the internal audit, the Rulebook for the internal audit and the Charter of the Internal Audit. From establishment of the Internal Audit Sector, so from the 2004, sixty-six audits of the budgetary users have been enforced, at that: eight in the 2004, sixteen in the 2005, twenty-one in the 2006, and twenty-one in the 2007. Every year, an annual audit plan is being fastened, on whose realization the report are being ordinarily submitted to the Government of Montenegro. In December 2007 the Internal Financial Audit Development Strategy has also been adopted, for the period 2008-12, in accordance with the EU recommendations related to appliance of the PIFC/ Public Internal Financial Control / that envisages the internal audit decentralization, meaning establishing the internal audit units at budgetary users.</p> <p>ASSESSMENT: The obligation is being realized continuously.</p>
75. Audit of budgetary spending	State Auditors Institution	Ongoing	<p>SAI: In the reporting period, following individual audits have been completed: 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, the audit of the Republic Health Fund for 2006 and the audit of the Ministry of culture, sport and media for 2006. All reports are available at http:// www.dri.cg.yu</p> <p>ASSESSMENT: Obligation realized. The obligation is being realized continuously.</p>
76 Training of persons in charge of budget management and allocation	State Auditors Institution and Human Resources Agency in cooperation with NGOs	Ongoing	<p>Human Recourses Agency: In October 2007, the Human Resources Agency organized seminar with topic "Planning and realization of the State budget dedicated to the responsible persons in charge of budgetary management and allocation". The seminar has been envisaged by Professional Improvement Program for 2007, and attended by 11 participants from the Maritime Security Directorate, Ministry of Defense, General Secretariat of Government, Tax Administration, and Weather Bureau. Also, in November 2007 two following seminars for education of the responsible persons in charge of budgetary management and allocation have been organized: Public Financial System and Financial accountant affairs in state bodies. There were 32 participants on both seminars and the participant's structure analysis shows that most of the participants were employees from the State Audit Institution, Ministry of Defense, Tax Administration, European Integrations Secretariat, Police Directorate. Another Seminar with the topic " Financial accountant affairs" have been organized in December 2007 (18 participants), in accordance with the training Program for period September – December, and participants were responsible persons in charge of budgetary management and</p>

			<p>allocation.</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 MNE. With the aim of creating a professional and competent staff, the State Auditors Institution continues with trainings for state auditors; therefore, in reporting period, was 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 Agency hired three members of the Senate of the State Auditors Institution to give lectures on the seminars envisaged in the Professional Improvement Program for the first half of 2007 (on the following seminars:” Financial Accounting Work in Public Administration Bodies”,” State Finance System and State Budget“, and the seminar” Planning and Enforcement of the State Budget“. 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). 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 further training program realization many seminars envisaged in the Professional Improvement Program for 2007 were conducted:” Financial Accounting Work in Public Administration Bodies” – on 5th of October and 27th of November 2007; ”State Finance System and State Budget“ – with realization period on 1st and 2nd of October and 14th and 15th of November 2007 and the seminar” Planning and Enforcement of the State Budget” - with realization period on 22nd and 23rd of October and 26th and 27th of November 2007. ”State Finance System and State Budget” with above mentioned realization periods. Also in the scope of the Professional Improvement Program of the Human Resources Agency, in the reporting period, most of the state auditors participated on the seminars related to budgetary management and allocation.</p> <p>The State Auditors Institution has brought a Rulebook on taking exams for becoming a state auditor (Official Gazette, No. 23/07). The members of the Commission for examinations for acquiring a state auditor title have been elected, and publishing the manuals for taking subject exams is in progress, wherewith the conditions for further education of employees responsible for of budgetary management have been provided. In cooperation with GTZ, many trainings and workshops for education of employees responsible for of budgetary management and allocation were organized, with following topics: Audit intersection (16th and 17th October); Municipalities Audit (24th and 25th October); Medium-term working plan (29th to 31st October).</p> <p>In September 2007, five SAI state auditors have been in study visit to the Supreme Audit Institution of Poland and in that scope many workshops were organized with the topic of enterprise privatization audit and identifying corruption. In the period from 2nd to9th of December 2007, the president and the members of the Senate and the Secretary of the Institution have been in study visit to Germany upon the invitation of Federal Accountant Court in Bon, Hansen Accountant Court in Darmstadt and the Hansen Ministry of Finance in Wiesbaden. The matter of this study visit was exchange of experiences on introducing the budgetary programming, annual and medium-term planning, donation and European funds audit, cooperation with Parliament, planning and performing of audits as well as training and education concept of employees in the SAI.</p> <p>ASSESSMENT: The obligation is realized. The obligation is being realized continuously</p>
77. Raising public awareness regarding the supervision of budgetary	State Auditors Institution in cooperation with	Ongoing	<p>SAI: The Commentary of the Law on SAI has been published with the aim of educating public for better understanding tasks related to budgetary spending control. It explains all legal aspects of audit of budgetary spending. The author of the Commentary is Mr.G.K. Bauer, the member of the German Federal Accountant Court Senate. The Commentary of the Law on SAI is available on official site of SAI www.dri.cq.yu. Upon publishing the Commentary, in April 2007, the presentation and press conference have been held.</p>

spending through the development and dissemination of a guide and a media campaign	the media and the NGOs		<p>On April 2007, SAI has confirmed the <u>Code of Ethics</u> of state servants and employees. In the chapter "Public relations" it is stipulated that public informing on SAI work is being realized through public announcement, interviews, press conferences and other media ways, which performs the president of SAI Senate or the person accredited by the President.</p> <p>ASSESSMENT: The obligation is partly realized. The obligation is being realized continuously 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: When it comes to the timely information on budgetary spending, 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 adopted, and it includes the position of PR – public relation servant, considering that this working position is not envisaged by the present systematization. The public announcement procedure for above-mentioned position, which the Human Resources Agency conducts for the needs of SAI, is in progress.</p> <p>ASSESSMENT: The obligation has not been realized. RECOMMENDATION: SAI should intensify the activities on enforcement of this measure and submit information on it by the end of the first quarter of 2008.</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, in accordance with the European Commission recommendations must prepare the draft Law on internal financial control in public sector, which will prescribe further criteria and internal control establishing procedure among budgetary users 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 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, sets 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 have been 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 MNE are in preparation; furthermore, the Privatization Council has hired counselors for the investment control (ex: Aluminum Plant Podgorica – the Economy Faculty). In previous period the public tender for selection of legal and financial adviser in the “Dr Simo Milosevic” stock company in Igalo privatization process has been denounced, and the councilor consortium of the “Raiffeisen investment” AG – Vienna and the “Howath Consulting” – Zagreb has been elected, as for the National Commission was informed about. In the reporting period, Agency for Economic Restructuring and Foreign Investments has informed in details the National Commission about the carried tenders, the bidding calibration criteria, as well as about the denounced public calls for selection of legal and financial adviser in the “Dr Simo Milosevic” stock company in Igalo privatization process.

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...

In the reporting period, The Agency and the Council enter into the preparations for making new project assignment (**measure 85**) “Effects of the previous privatization in Montenegro” considered by the Privatization Council on the Session October the 1st 2007, and that is the fundament for international public call, upon which the expert institution will be selected and hired for the purpose of preparation quality analysis of the established investment control system and its realization, and review of the previous privatizations. The above-mentioned public notification has been published in daily press on 7th of December 2007.

Regarding reports of possible corruption in privatization (**measure 87**), there is an information that, so far, there were 4 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 of MNE.

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 (in November 2007 The Agency and the Newspaper publishing Organization “Pobjeda” have agreed to provide, through the mentioned Organization, to rise up the questions about anything that concerns them regarding the privatization, and the Agency continuously supplies them with its answers and explanations): according to the Government decision on 10th of May 2007 the composite working body – The Commission for dealing with citizen's and other's reprimands, proposals and suggestions regarding the privatization process. The Agency has set up the procedure for reporting cases of corruption in privatization process, provided a special phone line and contact person for reporting corruption in privatization process (so far there were 4 reports), and also established the procedure for citizen's reprimands, proposals and suggestions regarding the privatization process and provided a special phone line and contact person for this purpose (so far 4 there were 4 reports) all available on the WEB site of the Agency.

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	<p>ARFI: The procedure for reporting conflict of interests has been established through the measure 90. According to present regulations; there are no obstacles for reporting conflict of interest in privatization process. In case there is a need of citizen to report anything in this area, those reports or reprimands can be, thought the procedure covered by measure 90, can be submitted as a request, to the composite working body where it will be elaborated and as for inform the concerned citizen about it.</p> <p>NGOs: NGOs have not submitted information on enforcement of this measure.</p> <p>ASSESSMENT: The obligation partly realized.</p>

			RECOMMENDATION: NGO should submit information on enforcement of this measure.
80. Setting up the website of the Privatization Council	Privatization Council	(2006.) Ongoing	ARFI: Since ARFI performs all the consultant and administrative-technical activities for the needs of the Council, and according to Decision on framework and structure of the Privatization Council, therefore the <u>site of the ARFI is also the site of the Privatization Council</u> , where one can systematically approach to all the necessary information about the Council work. On the site of the Agency for Reconstruction and Foreign Investment all tenders and materials connected to privatization within the jurisdiction of the Privatization Council are published. ASSESSMENT: The obligation realized. Obligation is being realized continuously
81. Establish procedures and provide for publicity and transparency in the selection of advisors – renowned consultancy agencies	Privatization Council	2006. Ongoing	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 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. In previous period the public tender for selection of legal and financial adviser in the “Dr Simo Milosevic” stock company in Igalo privatization process has been denounced and the councilor consortium of the “Raiffeisen investment” AG – Vienna and the “Howath Consulting” – Zagreb has been elected. Also, in previous period the public notification for selection of legal and financial adviser for privatization of the “Tobacco Plant” Stock Company Podgorica and the public notification for selection of legal and adviser for EI “Obod” Stock Company Cetinje have been denounced. ASSESSMENT: The obligation realized. Obligation is being realized continuously 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 regularly implements all decisions of competent courts. ASSESSMENT: The Obligation realized. Obligation is being realized continuously
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 for the respective enterprises. ASSESSMENT: The obligation partly 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. For example, for Aluminum Plant Podgorica – Faculty of Economy 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. In period June-August 2007 the Agency and the Privatization Council enter into the preparations for making new project assignment “Effects of the previous privatization in Montenegro” considered by the Privatization Council on the Session October the 1 st 2007, and that is the fundament for international public call, upon which the expert institution will be selected and hired for the purpose of preparation quality analysis of the established investment control system and its realization, and review of the previous privatizations. The above-mentioned public notification has been published in daily press on 7 th of December 2007. ASSESSMENT: The obligation partly realized. The obligation is being realized continuously.
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 partly realized. The obligation is being realized continuously. RECOMMENDATION: To intensify the participation of minor stockholders in privatization decisions making.
87. Quarterly reports on corruption and privatization	Anticorruption Initiative Administration (AIA), Privatization Council	2006, Ongoing	ARFI: After the first report on realization the measures from the AP, the Agency has set up the procedure for reporting cases of corruption in privatization process, provided a special phone line and contact person for reporting corruption in privatization process (so far there were 4 reports). The Agency submitted the mentioned reports to the competent state body – Anticorruption Administration, due to its authority to deliver those reports to the responsible institutions for further procedure. In other words, AIA makes periodical reports on corruption, including the part related to corruption in privatization process. The report on privatization is submitted to the Government of MNE. ASSESSMENT: The obligation is being realized continuously.
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 Agency, in cooperation with the specialized marketing agency PRA from Belgrade regularly informs citizens and employees about their rights to participate in decision-making and monitoring of the privatization process. In future period this activity will be realized more effectively and more intensively, for in November 2007, The Agency and the Newspaper publishing Organization “Pobjeda” have agreed to provide, through the mentioned Organization, to rise up the questions about anything that concerns them regarding privatization, and the Agency continuously supplies them with its answers and explanations. This activity is being performed continuously and the interest of the citizens for this kind of communication has already been enounced. ASSESSMENT: The obligation partly realized. The obligation is being realized continuously. RECOMMENDATION: To submit the indicators (quantity data) on realization of this measure.
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: The Agency has completely realized this activity, i.e. right after getting the above mentioned Conclusions of the Government from 12 th of July 2007, , the Agency has set up the procedure for reporting cases of corruption in privatisation process, provided a special phone line(081 245-896) and contact person for reporting corruption in privatisation process (so far there were 4 reports), and also established the procedure for citizen's reprimands, proposals and suggestions regarding the privatisation process and provided a special phone line and contact person for this purpose (so far there were 4 reports), all available on the WEB site of the Agency. ASSESSMENT: The obligation realized.
90. Establish a mixed working body to deal with cases, suggestions and	Government of the RMNE	2006, Ongoing	ARFI: The Agency – Council submitted to the Government of MNE a proposal for forming a working body. The Government of MNE has formed special” Working body for reporting citizens’ objections on the process of privatization” by the Decision No. 03-2979/3 from 10 th of May 2007. The above-mentioned objections are realized on time/ the applicators are informed in time.

complaints of the public on privatization process			Police Directorate: The representative of the Police Directorate in this body has been appointed. ASSESSMENT: The obligation realized. Obligation is being realized continuously RECOMMENDATION: The report on work of this working body should be submitted to the National Commission as well.
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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 continue with implementation of the Regulation on stock and property sales via public tender, which in a public and transparent manner proscribes the counselors election procedure and therefore inform the National Commission.
3. The Privatization Council should continue with the activities on hiring an expert institution 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 ADMINISTRATION

GENERAL ASSESSMENT:

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. New Law on money laundering prevention and financing of terrorism came on force in December 2007, which will provide intensifying the activities on drafting new Rulebook on systematization, on personnel recruitment, as well as extending the jurisdiction and establishing the Department for reporting entities control.

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 MNE, Administration for Prevention of Money Laundering	2007.	APML: New Law on prevention of money laundering and financing of terrorism, has been published in the Official Gazette of Montenegro No. 14/07 on 21 of December 2007 and came on force on 29 of December 2007. Administration for Prevention of Money Laundering made the draft Rulebook on internal organization and systematization and it is within the Government adoption procedure. ASSESSMENT: The obligation partly realized.
92. Establishment of the Department for the Supervision of reporting entities	Government of the MNE Administration for Prevention of Money Laundering	2007.	APML: Forming of the Department for reporting entities control as specific organizational unit, has been envisaged by the draft Rulebook on internal organization and systematization. Namely, the context of the new Law on prevention of money laundering and financing of terrorism envisages the extension of Administration jurisdiction in a sense of acquiring control function, performed through an inspection audit of specific entities category. After the adoption of the new Law on prevention of money laundering and financing of terrorism, it is necessary to adopt the Administration internal organization and systematization readjust to new obligations, envisaged by Law, by forming the specific organizational unit for reporting entities control. ASSESSMENT: The obligation not realized.
93. Recruiting personnel as			APML: After adopting the new Law on prevention of money laundering and financing of terrorism and the Rulebook on

per the Regulations on Internal Organization and Systematization and training	Administration for Prevention of Money Laundering	2007.	<p>systematization and organization, suitable staff recruitment will be carried out.</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>Seminars:</p> <ul style="list-style-type: none"> • Seminar on the topic "Prevention of spreading of mass destruction weapons"(April 16-19, 2007). • 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. • 18-19. June – Seminar on the topic Prevention of money laundering in organization of the Office for technical assistance of the USA Government. • 05-07. June –participation on the MONEYVAL – SE Prevention of money laundering Working body • 27 – 31 August 2007 Vienna, Austria – Seminar on Informational technology in <u>FOS</u>, in organization of the International Monetary Fond and Egmont Group • 30 – 31 .October 2007 Bečići - Seminar on money laundering typologies: Topics: 1 – Usage of the valuable papers in the money laundering networks; and 2 –Money laundering and falsification of products and goods /commercial frauds, in organization of the MONEYVAL and the Administration for Prevention of Money Laundering of Montenegro. • 20 – 21 November 2007 Bečići, Seminar for Balkan countries on the topic Prevention of money laundering, in organization of the European Bank for Revival and Development (EBRD). <p>Conferences:</p> <ul style="list-style-type: none"> • 24 – 25 September 2007 Bečići –Regional Conference on fight against money laundering and prevention financing of terrorism prevention, in organization of the OECD Secretariat, OEBS Mission in Montenegro and the UN Office for fight against drugs (UNODC). • 11– 12 October 2007 Budva – Regional Workshop on state administration structure reform, in organization of the Human Resources Agency of Montenegro, the UN Office for fight against drugs (UNODC) in Montenegro in cooperation with the Regional Office UNDP in Bratislava and the Ministry of interior of Montenegro. The workshop topic: "The state Administration Professionalisation and Depolitization". • 15 – 16 November 2007 <u>Warsaw</u>, Poland – International Regional Conference of the financial intelligence services from the Region. • 10 – 14 September 2007 Strasbourg, France - 24th plenary Session of the MONEYVAL. • 24 – 26 October 2007 Monte Carlo, Monaco - , Crans Montana Forum on the transnational criminal" in organization of the Crans Montana. • 13 -16 December 2007 Skopje – Regional Conference on quality of information exchange between financial intelligence services from the South East Europe, in organization of the <u>GTZ</u> and <u>FOS</u> of Macedonia. • 03 -07 December 2007 SE, Strasburg, France - Plenary Session of the MONEYVAL (Committee for evaluation of the measures on prevention of money laundering). <p>ASSESSMENT: The obligation realized. It is being realized continuously.</p>
95. Participation of the	Administration		APML: Representatives of the Administration have participated in two meetings of working groups of the Egmont Group.

representatives of the Administration in the working groups of the Egmont Group	for Prevention of Money Laundering	Ongoing	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. 16.10. – 17.10.2007 Kiev, Ukraine - Egmont Group, meetings of the working groups. Administration for Prevention of Money Laundering has its representatives in the Operational-working group and in the group for the admission of new members. ASSESSMENT: The obligation realized. It is being realized continuously.
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	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. CBom: The measure realized by APML. Administration for Prevention of Money Laundering have realised measures without previous consultations and participation of the Central Bank of Montenegro. The banks have been familiarized with the extended list and the Sector for control continuously audits its appliance. ASSESSMENT: The obligation realized. It is being realized continuously. RECOMMENDATION: In accordance with the article 35 of 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).
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. In accordance with the article 35 of the Law on prevention of money laundering, the Administration will continuously, within the recognized needs, experiences and suggestions expected from the reporting entities and the supervising bodies, adjust the list of indicators to the new appearing forms of money laundering and terrorism financing. 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: On June 21 st and 22 nd 2007 in Igalo, the Administration for Prevention of Money Laundering in cooperation with the UNDP organized the seminars for authorized persons of reporting entities and the employees who have direct contact with clients, in the context of adoption of new set of indicators of suspicious transactions related to money laundering. ASSESSMENT: The obligation partly realized. It is being realized continuously.
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. In the period <u>June – August</u> 2007, the Administration for Prevention of Money Laundering organized the counseling with authorized brokers and the Central Depository Agency (CDA) for the purpose of upgrading the amended list of indicators of suspicious transactions, and considering its usage in the international practice. ASSESSMENT: The obligation partly realized. It is being realized continuously. RECOMMENDATION: APML should prepare the plan of seminars and submit information on it by the end of the first quarter of 2008.
100. Innovate individual cooperation agreements with FIU from the region and entering into new agreements.	Administration for Prevention of Money Laundering	2007.	APML: On 7 th of September 2007, in Podgorica the APML have signed the Agreement on cooperation with FIU of the Russian Federation. On 15 th of November 2007 in Warsaw the APML have signed the Agreement on cooperation with FIU of Poland. ASSESSMENT: The obligation partly realized.
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 Centre UNMIK Kosovo. The meeting between the representatives of the Administration for Prevention of Money Laundering and the Director of the Administration for Prevention of Money Laundering in Serbia was held on 19 th of September 2007 in Belgrade ASSESSMENT: The obligation partly realized. The obligation is being realized continuously. RECOMMENDATION: APML should continue with the implementation of this measure.
	Administration		APML: The Agreements on cooperation which the Administration signed with other authorized state institutions and organizations

102. Innovate individual cooperation agreements with other authorized public bodies and organizations and entering into new agreements	for Prevention of Money Laundering and other supervisory bodies (Police Directorate, Tax Administration, Customs Administration, Securities Commission, Central Bank), and ministries	Ongoing	<p>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. In period June – August 2007 APML has signed the Agreement on cooperation with the Financial Intelligence Service of Portugal.</p> <p>CBoM: The Agreement on Cooperation between CBoM and APML is concluded.</p> <p>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.)</p> <p>ASSESSMENT: The obligation realized. It is being realized continuously.</p> <p>RECOMMENDATION: APML should continue submitting information on enforcement of this measure.</p>
103. Strengthening inter-institutional professional cooperation of the competent bodies regarding the implementation of the Law on Prevention of Money Laundering and Financing Terrorism	Administration for Prevention of Money Laundering and other supervisory bodies (Police Directorate, Tax Administration, Customs Administration, Securities Commission, Central Bank), and ministries	Ongoing	<p>APML: In cooperation with other institutions, 51 subjects were processed (the Police Directorate - 30; State Prosecutor – 6; Tax Administration – 11; Customs Administration - 4). In period June – August 2007, in cooperation with other institutions, 13 subjects were processed (The Police Directorate – 10; Supreme State Prosecutor – 1; Customs Administration 1; High Court 1). Throughout the trans-international expert cooperation with other institutions on implementation plan of the Law on prevention of money laundering and according to the previously signed Agreements on cooperation, in this reporting period 33 subjects were processed. In December 2007, throughout the trans-international expert cooperation with other institutions 6 subjects were processed.</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.</p> <p>CBoM: The Agreement on Cooperation between CBoM and APML is concluded.</p> <p>Tax Administration: The established cooperation with APML is realized continuously. According to this, in the reporting period 64 requests for verification as for data submitting have been delivered to the Tax Administration. On that basis 30 orders for implementation of the inspection audit, out of which 8 have been completed so far. Tax Administration has submitted two sales contracts of real estates to the APML, in purpose of eventually undertaking measures within its competences. Throughout the trans-international cooperation, two inspections were conducted, by the request of the Development Fond of Montenegro and the Ministry of economical development. In purpose of strengthening the legality and the corruption prevention, an agreement with Customs Administration has been reinstated for monthly submitting the customs data in electronically form to the Tax Administration on serving in inspection procedure. Tax Administration submitted the proposal to the Anticorruption Initiative Administration to suggest the administration institutions certain modalities and guidelines for realization the activities related to the cooperation with the NGO in the area of the fight against corruption and organized crime.</p> <p>ASSESSMENT: The obligation realized. Obligation is being realized continuously</p>
RECOMMENDATIONS FOR THE AREA: MONEY LAUNDERING PREVENTION DIRECTORATE			<ol style="list-style-type: none"> 1) Continue with organizing of program trainings for the employees of APML and reporting entities. 2) 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, particularly because the Public Procurement Directorate, as competent institution in this area established no sooner then on the 1st of July 2007, therefore the activities on systematization and organization of this institution have continued until the end of September. 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 assessment of bidding which were attended by 200 officers authorized for public procure procedure. Within the training realization plan for the period September – December 2007, Human Resource Agency have organized seminars with the topic of public procurement , which attended 43 participants from different state administration institutions (**measure 104**); Sub legal act for the implementation of the Law on Public Procurement have been adopted (**measure 105**). (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), and developing an electronic register (in progress) (**measure 111**). The phone line for reporting the irregularities with the elements of corruption in public procurement procedure have been set up, and the Guide book on access to information have been made. (All available on the Commission's site, as well as on the announcement table).

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 110**), and the Secretariat for development is authorized for realization of this project.

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.	<p>Human Resource Agency: Within the training realization plan for the period September – December 2007, Human Resource Agency have organized seminars with the topic of public procurement, which attended 43 participants from different state administration institutions.</p> <p>Public Procurement Directorate: In April 2007 the 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 in Bijelo Polje, Nikšić and Budva. Trainings were attended by 200 participants from the mentioned institutions.</p> <p>Since the Public Procurement Directorate has been established on the 1st of July 2007, and the activities on systematization and organization of this institution have continued until the end of September, therefore the Directorate activity plan has been adopted in October 2007. According with the article 17 of the Law, the consultations with the eminent international organizations have been carried out. In cooperation with the SIGME/OECD and EAR experts, the Directorate organized one-day-training programs for staff for public procurement and members of the Directorate. Trainings attended around 50 servants for public procurement. As it is defined by the Training Action Plan, the Directorate is planning to organize training program for public procurement servants, members of the Commission for opening and assessment of bidding, bidders, and media.</p> <p>ASSESSMENT: Obligation partly realized</p>

105. Drafting by-laws	Public Procurement Directorate Commission for Public Procurement Control	2007.	Public Procurement Directorate: 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	Commission for Public Procurement Control Public Procurement Directorate	(2006.) 2007	Public Procurement Directorate: The Public Procurement Manual will be realized as a part of IPA 2007. 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.
107. Develop comparative analysis on the protection of the rights of bidders in the Western Balkan countries	Commission for Public Procurement Control Public Procurement Directorate	2007.	Public Procurement Directorate: The cooperation with the Administrations, Agencies, and Directorates of the Western Balkan countries has been established. Establishing the cooperation with international institutions as well, with the aim of providing information and exchange of experiences for the full implementation of this measure is in plan. ASSESSMENT: Obligation not realized. RECOMMENDATION: Intensify the activities on making the analysis and submit the information on it by I quarter of 2008.
108. Set up a phone line for reporting irregularities in public procurement (with the elements of corruption)	Commission for Public Procurement Control Public Procurement Directorate	(2006.) 2007	Public Procurement Directorate: Based on the state administration regulations and current legislation of Montenegro as well as the Law on free access to information, the phone line 081/665-749 has been set up, for reporting irregularities in the public procurement process and the contact person has been appointed. The Guidebook on access to information has been available on the Commission's site, as well as on the announcement table of the Directorate.). ASSESSMENT: Obligation realized.
109. Inform the competent bodies on established irregularities with the elements of corruption in the public procurement procedures	Commission for Public Procurement Control Public Procurement Directorate	Ongoing	Public Procurement Directorate: From the moment of establishing, the Directorate did not have any case wit the elements of corruption. ASSESSMENT: Obligation partly realized. Obligation is being realized continuously
110. Providing conditions for the implementation of the Public Procurement Law regarding the electronic public procurement system	Commission for Public Procurement Control Public Procurement Directorate	2007.	Public Procurement Directorate: The Rulebook on the content and procedure of performing the public procurement in electronically form has not jet been brought. The project on implementation of the public procurement system has been started up. According to the article 80 of the Law, the Directorate has started up the initiative of signing the further content and procedure of performing the public procurement in electronically forms. Secretariat for development is in charge with drafting the regulations. ASSESSMENT: Obligation not realized. RECOMMENDATION: Secretariat for development in cooperation with the Public Procurement Directorate should intensify the activities on realization of this measure.

111. Creation of the electronic register book	Commission for Public Procurement Control Public Procurement Directorate	2008.	<p>Public Procurement Directorate: Public Procurement Directorate informed relevant international institutions about the necessity of installing such software solution - Creation of the electronic register book. On that occasion the financing and supporting model has been proposed related to the experts in this area, with the aim of more comprehensive and better performance during realisation of this measure.</p> <p>ASSESSMENT: Obligation not realized. (Although it is planned for 2008).</p>
112. IT training for public procurement officers and bidders	Commission for Public Procurement Control Public Procurement Directorate	2008.	<p>Public Procurement Directorate: Within the project, "Strengthening the capacities of the Commission for Public Procurement Control" financed by Fineuropa and trough IPA support it is planned this measure to be realized during 2008.</p> <p>ASSESSMENT: Obligation not realized (although it is planned for 2008).</p>
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	Commission for Public Procurement Control Public Procurement Directorate	2008.	<p>Public Procurement Directorate: Gathering information for preparing the report is in progress. The report will be submitted to the Ministry of Finance as to the Government by the end of 2008.</p> <p>ASSESSMENT: Obligation not realized. (Although it is planned for 2008).</p>
114. Human resources development	Parliament of MNE Commission for Public Procurement Control Public Procurement Directorate	2006, Ongoing	<p>MF: Public Procurement Directorate and Commission for Public Procurement Control are users of the budget. The level of the budgetary means, which is available to these agencies, is defined by the Law on Budget for 2008. 196.470,91 € was granted to Commission, and 256.012,74 € was granted to the Directorate.</p> <p><u>Number of employees:</u> - Public Procurement Directorate: Rulebook on internal systematization and organization envisages 15 job positions in this Directorate. Directorate currently has 12 employees. - Commission for Public Procurement Control: Commission has: president, 2 members, and secretary. Expert service has 3 employees. Preparation of the new Rulebook on internal systematization and organization is underway, which will envisage more job positions in expert service of the Commission. Financial means are provided in budget of Commission.</p> <p>Public Procurement Directorate: Trainings are organized for the representatives of the Directorate; the staff recruitment process is completed.</p> <p>ASSESSMENT: Obligation realized. Obligation is being realized continuously.</p>
115. Intensify training of staff	Public Procurement Directorate, Commission for Public Procurement Control	Ongoing	<p>MF: Representatives of the Directorate and Commission, in framework of CARDS 2006 project „Strengthening of the Public Procurement Commission Capacities“, had study visit, in September 2007, to EC institutions in Brussels and Luxembourg. CARDS 2006 envisages expert assistance to the employees in Commission and Direction. <u>Guidebook on Bidder Rights Protection</u> was prepared in framework of this project, which provides comparative analysis of the procedures of bidder rights protection in Western Balkans, review of the European Court of Justice, the most important sentences of that court, and relevant Directives. Representatives of Directorate and Commission attended RESPA seminar in Torino (2007). Directorate, with assistance of SIGMA/OECD, in December 2007, organized training in HRMA premises.</p>

			<p>HRMA <u>monthly</u> organizes trainings in field of public procurement, so as trainings in field of fight against corruption and organized crime, where one of the topics is public procurement. HRMA prepared <u>Guidebook on Public Procurement</u>, which will be published in February 2008.</p> <p>Public Procurement Directorate: Employees of the Commission are participating in training programs, particularly since establishing the Directorate these programs presents the ongoing activity of the Directorate.</p> <p>ASSESSMENT: Obligation partly realized. The obligation is realized continuously. RECOMMENDATION: Public Procurement Directorate should report on realized programs and levels of training, by the end of I quarter of 2008.</p>
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RECOMMENDATIONS FOR THE AREA OF PUBLIC PROCUREMENT:

1. Public Procurement Directorate should take steps to Intensify the activities on making the Western Balkan countries bidder rights protection comparative analysis and submit the information on it to the National Commission by I quarter of 2008.
2. Public Procurement Directorate should take steps to Intensify the activities on making the Public Procurement Manual and submit the information on it to the National Commission by I quarter of 2008.

F. COMMISSION FOR DETERMINING OF 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. In that sense, according to the Government Conclusions, Ministry of internal affairs and Public Administration prepared the draft Law on Prevention of Conflict of interest in performing public function, in consonance with UN Convention against corruption requests and standards and the GRECO recommendations. It is expected that this Law to be confirmed in second quartile of 2008 in accordance with the Government Program.

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: according to the present law the Commission only publicly announce the data, so each citizen and legal person can submit an appeal/initiative for false report of assets. In 2007, most of the reports came from NGO MANS, against 76 public officials or 28%.

Commission initiated and realized 127 decisions or 64% and other subjects initiated 21 appeals or 28%. 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 five public officials. All of the mentioned data are available on the Commission's web page: www.konfliktinteresa.cg.yu.

Moreover, with the aim of strengthening the cooperation and exchange of experiences from its competences, the representatives of the Commission have signed the bilateral Agreements on cooperation with Bosnia & Herzegovina, Macedonia and Albania and signing Agreements on cooperation with Serbia, Slovenia, Croatia and Romania is in progress. Furthermore, in the part related to the training of all subjects involved in the implementation of the Law, during 2006, in cooperation with Centre for Monitoring (CEMI), the Commission realized 9 seminars for 200 officials and for 2007 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. In the Budget Proposal for 2008, The Commission also planned a part of financial resources for this purpose. During 2007 the Commission delivered 9 educational seminars for republic and local public officers, representatives of the NGO's and media.

MEASURE	COMPETENT INSTITUTION	TIME FRAME (starting from the moment of the adoption of AP)	ASSESSMENT / RECOMMENDATION FOR EACH MEASURE INDIVIDUALLY
116. Adoption of the new Law on Conflict of Interests	Parliament of MNE in cooperation with the Commission for Establishing the Conflict of Interests	(2006.) 2007	<p>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) and the Parliament has adopted it. The Commission actively participated in preparation of the draft law on prevention of conflict of interest in performing public function, which was proposed by the Ministry of internal Affairs and Public Administration.</p> <p>Ministry of internal Affairs and Public Administration: The Ministry in cooperation with the Commission made the draft law on prevention of conflict of interest in performing public function, which was delivered to the Anticorruption Initiative Administration and the Secretariat for legislation for giving opinions. At the end of December the activities on making Draft Law in order to be delivered to the Government for discussion and adoption in second quarter of 2008.</p> <p>AIA: AIA submitted to the Ministry of internal Affairs and Public Administration the collaterally legal statements (GRECO members) as well as the expert opinion of UNDC significant for drafting the Law.</p> <p>ASSESSMENT: Obligation partly realized.</p>
117. Harmonize the definition of public officials with UN Convention against Corruption (art.2 of the Convention)	Parliament of MNE in cooperation with the Commission for Establishing the Conflict of Interests and Ministry of internal Affairs and Public Administration	2007	<p>Parliament of MNE: Harmonization of the definition of the public officer with the UN Convention against corruption determination (art.2 of the Convention) will be defined in the new Law on prevention of conflict of interest in performing public function.</p> <p>ASSESSMENT: Obligation not realized.</p>
118 Introduction of efficient and proportional punishments, leading even to dismissal	Parliament of MNE in cooperation with the Commission for Establishing the Conflict of	2007	<p>Parliament of MNE: Introduction of efficient and proportional punishments, leading even to dismissal will be defined in the new Law on prevention of conflict of interest in performing public function.</p> <p>Commission for Establishing the Conflict of Interests: In accordance with the Article 22 of the Law, 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. During 2007, and 32 requests for dismissal from the public office were submitted.</p>

	Interests and Ministry of internal Affairs and Public Administration		ASSESSMENT: Obligation not realized. REMARK: According to the present legislation, the Commission does not have established mechanism for performing punishment and dismissal procedure.
119. Envisage sanctions for false declaration of income and assets	Parliament of MNE in cooperation with the Commission for Establishing the Conflict of Interests and Ministry of internal Affairs and Public Administration	2007	Parliament, Commission, Ministry: Introduction of efficient and proportional punishments, leading even to dismissal will be defined in the new Law on prevention of conflict of interest in performing public function. ASSESSMENT: Obligation not realized. REMARK: According to the present legislation, the Commission does not have established mechanism for performing punishment and dismissal procedure.
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 MNE in cooperation with the Commission for Establishing the Conflict of Interests	(2006.) 2007	Parliament: The obligation of the Commission to verify and determine the accuracy of data on income and assets will be defined in the new Law on prevention of conflict of interest in performing public function. 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. During 2007, most of the reports came from NGO MANS – against 76 public officers or 28%. Commission initiated and realized 127 decisions or 64% and other subjects initiated 21 appeals or 28%. Within its official obligation, Commission has also initiated the procedure against public officials who break the current Law on conflict of interest. ASSESSMENT: Obligation not realized.
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: Commission for Establishing the Conflict of Interests submitted to the State Prosecutor an initiative for determining the origin of assets of 5 public officials. These data can be found on the site of the Commission, (data link-information to the State Prosecutor) and they consider the following officials: a member of the Parliament, two Vice-presidents 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: During 2007, in cooperation with Centre for monitoring (CEMI) nine seminars for 200 public officers have been delivered. 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. Within the rebalance of the Budget for 2007, the Commission have been approved an extra 24.700 € for realization several programs (education of the public officials, the media and NGO's; TV spots; regional cooperation). So far nine seminars for 200 public officers have been delivered in the following cities: Bar, Bijelo Polje, Niksic and Herceg Novi for local public officials and twice in Podgorica for the republic public officers and the representatives of NGO and the media. The following seminar have been delivered on 6 th of December 2007, in Podgorica for republic and local public officers from the municipality of Podgorica, city municipalities of Tuzi, Kolasin and Savnik. Anticorruption Initiative Administration and the NGO CEMI take active part in educations, as well as lecturers from similar institutions of the regional countries. Preparation activities for implementation of the survey with the topic "Law on conflict of interest" and appropriate TV spot are in progress. Financial resources for this purpose have been composed in the Commission Budget Proposal for 2008. ASSESSMENT: Obligation partially realized. The obligation is realized continuously.

123. Training for NGO representatives		2006, Ongoing	<p>Commission for Establishing the Conflict of Interests: 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. Financial resources for this purpose have also been composed in the Commission Budget Proposal for 2008. In the reporting period for 2007, in Podgorica have been delivered two presentments for republic public officers and NGO representatives.</p> <p>ASSESSMENT: Obligation partially realized. The obligation is realized continuously</p>
124. Training for journalists		2006, Ongoing	<p>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. Financial resources for this purpose have also been composed in the Commission Budget Proposal for 2008. In the reporting period September – November 2007, in Podgorica have been delivered two presentments for republic public officers and media representatives.</p> <p>ASSESSMENT: Obligation partially realized. The obligation is realized continuously</p> <p>RECOMMENDATION: The Commission should submit information on the plan of training for media representatives by the end of I quarter of 2008.</p>

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 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 ADMINISTRATION

GENERAL ASSESMENT:

Tax 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, 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). With the aim of full implementation of the measure related to exchange of information from data base with Police Directorate, in this period, a draft amendment of the agreement on cooperation with Police Directorate is being delivered, with the proposal to place the Tax Administration Informational system on central register of taxpayers at Police Directorate's disposal in electronically form, periodically, in time intervals in accordance with the Police directorate preposition.

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 different 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. 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 for reporting corruption in Tax Directorate and making six-month reports	Tax Directorate	2006. Ongoing	<p>Tax Administration: 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. On web site there is also a «flashing banner» with a call for reporting corruption on 9707. During the reporting period, all the irregularities reported 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> <ul style="list-style-type: none"> • During the first six months of 2007, (January - June) 331 citizens called the Tax Administration Call Center (phone line 9707). All calls/reports were related to breaching tax legislation, and there were no reports of the activities with elements of corruption of tax servants. In this period, there were no complaints with elements of corruption of citizen through boxes for complaints. • In the six months, period (July – December 2007) 408 citizens called the Tax Administration Call Center (phone line 9707). All calls/reports were related to breaching tax legislation. In this period, there were no complaints with elements of corruption of citizen through boxes for complaints. <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 Administration	Tax Administration	Ongoing	<p>Tax Administration: Researches on the existing circumstances, forms, causes and methods of appearance of corruption in Tax Administration are provided by the organizational structure of the Tax Administration, 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><u>Results of the six-question survey</u> 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. From the aspect of the internal control, it is important to point out that in the Tax Administration there is an assessment 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>- In July 2007, a set of questions related to corruption were put on the web site of the Tax Administration. Results of the question survey are following:</p> <ol style="list-style-type: none"> 1) Are you ready to report, eventually registered, corrupt activities of the tax officers on the phone line 9707? On this question, positive answer gave 75% and negative 25% of questioned. 2) Would you feel responsible if you do not report to the authorized state body, eventually registered, corrupt activities of the tax officers? On this question, positive answer gave 50% and negative 50% of questioned. 3) Do you think that present mechanisms are adequate guaranty for prevention of corruption in Tax Administration? All questioned (100%) gave positive answer on this question. 4) Do you consider positive the measures that Tax Administration undertakes in order to preserve its reputation and strength the tax discipline? All questioned (100%) gave positive answer on this question. <p>- In period September - November 2007, a survey among citizens was conducted, by set of four question that were put on the web site of the Tax Administration. Results of the question survey are following:</p> <ol style="list-style-type: none"> 1. Question: Do you consider tax officers behavior with taxpayers as ethical? Answer: 80% answered with “Yes” and 20% with “No”. 2. Question: Are you familiar with the implemented measures of the Tax Administration related to activities from the Action Plan for

			<p>Implementation of Program for Fight against corruption and organized crime? Answer: 16, 7% answered with "Yes", 50% with "No" and 33,3% answered "Partially".</p> <p>3. Question: Do you know that bribe giving or bribe taking considers as felony? Answer: 66, 7 % answered with "Yes" and 33, 3% with "No".</p> <p>4. Question: Do you accept the invitation by Tax Administration to report, eventually registered, corruptive activities of the tax officers by phone line 9707? Answer: 75% answered with "Yes" and 25% with "No".</p> <p>- In December 2007, a survey among citizens was conducted, by set of three questions that were put on the web site of the Tax Administration. Results of the question survey are following:</p> <p>1) Question: Do you accept the cite of the Tax Administration to participate in fight against corruption and organized crime, suggesting your business associates to report such behavior on phone line 9707? All questioned (100%) gave positive answer on this question.</p> <p>2) Question: Are you familiar with the fact that Tax Administration informs the public about its activities in fight against corruption, also through its web site? Answer: 66, 7% answered with "Yes" and 33, 3% with "No".</p> <p>3) Question: Are you reminding your business associates on harmfulness and consequences of bribe giving and taking or other forms of corruptive behavior? All questioned (100%) gave positive answer on this question.</p> <p>ASSESSMENT: Obligation partly realized. The obligation is realized continuously.</p>
<p>127. Strengthening the Internal Control Department of the Tax Administration</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 Administration	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. 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) Within these trainings, it should be signed out:</p> <ul style="list-style-type: none"> • One-day presentation held by the Experts of the Her Majesty Revenue and Customs Administration in Great Britain, for 20 managers and authorized servants, in organization of Consulting Office EU CAFAO. The topic of presentation was "Corruption Prevention". • In same organization and with same topic a tree-day training was held for tax inspectors and Internal control Department officers, 12 • Employees participated. • In organization of the Human Resource Agency, a three-day seminar was held with the topic "Corruption in public administration-repressive and preventive character", two tax inspectors attended. • 26 external trainings on the territory of Montenegro were held, where 36 employees attended. Each training had thematically elements of ethical and anti corruptive performances. • 6 external training abroad were held, 6 employees attended. These trainings also had thematically elements of ethical and anti corruptive performances. • 3 "General and Specialized trainings" were conducted, attended by 143 employees (138 tax inspectors and 5 officers of the Informational System Sector)related to VAT, direct taxes, building activities control and the Coordination Team of the Tax Administration. • Tree trainings of employees were held, related to direct taxes control, particularly to profit and income taxes as well as to

			<p>treatment and control of the large taxpayers.</p> <ul style="list-style-type: none"> • Two trainings were held. One related to procedure and registration for VAT. The other one was in the framework of “General and Specialized trainings” with topic “Code of conduct during taxation of business activity”, and the lecturers were representatives of the EU CAFAO. • 5 “External trainings on the territory of Montenegro” were held (lecturers were persons not employed in the Tax Administration) attended by four employed, and one training abroad attended by three employed. <p>Each training had thematically elements of ethical and anti corruptive performances. ASSESSMENT: Obligation partly 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. ASSESSMENT: Obligation realized.</p> <p>3) Six-month report on internal control</p> <ul style="list-style-type: none"> ▪ <u>In the first half of 2007</u>, 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>During the reporting period, there were 558 inspections (controls and checks), 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> <ul style="list-style-type: none"> ▪ <u>In the period from June to August 2007</u> there were 1964 internal controls of inspection regularities within district units conducted by heads of district units and inspectors-controllers of quality. <p>The controls discovered and provided indications of no acts with the elements of corruption of tax inspectors, servants, and employees. There were also no reports of corruptive behavior in the complaint boxes for citizens. On the basis of one taxpayer statement, in the forced charging procedure, that tax inspector took money from him, Tax Administration denounced it to Police Directorate and competent Basic State Prosecutor. During tourist season the Sector for monitoring of the implementation of tax regulations, the inspection surveillance, and administrative procedure conducted a detour of district units, particularly on the coast, due to extended business activities of taxpayers. Certain inspection procedures have been examined, with necessary consultation, and special emphasis has been raised upon professional, responsible, and expert relationship towards taxpayers. Also certain taxation procedure controls of physical persons involved in building investment have been conducted, where, in some cases, repeating of control procedure were instructed, in the part of fortification duties on the basis of VAT. Sector for charge conducting, within its competency, conducted five controls in district units, which discovered no irregularities with the elements of corruption of servants, in charging divisions. The internal control Department, acting within its competencies, during reporting period discovered and provided indications of no acts with the elements of corruption of tax inspectors.</p> <ul style="list-style-type: none"> ▪ During the reporting period <u>September – November 2007</u> there were 1.333 internal inspection-control procedures of the regularity within district units conducted by heads of district units and inspectors-controllers of quality, which discovered and provided indications of no acts with the elements of corruption of tax inspectors, servants, and employees. In the reporting period there were also no reports of corruptive behavior in the complaint boxes for citizens. ▪ Internal Control Department, acting within its competencies defined in the Rule Book on internal organization and systematization of the Tax Administration, during reporting period, conducted report analysis on work of the Tax Administration for
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<p>128. Strengthening external control through: 1) appointing an authorized officer to supervise the operation of the Tax Administration 2) six-month reporting on supervision and their posting on the websites of the Ministry of Finance and the Tax Administration</p>	Ministry of Finance	2007.	<p>Ministry of Finance: 1) Ministry of Finance -Sector for tax and customs system continuously realizes the administrative monitoring of work of the Tax Administration. This sector is a second instance body of the Ministry of Finance, which manages complaints of parties.</p> <p>Ministry of Finance: 2) Report on work for the period 01.01 – 31.06.2007 has been submitted.</p> <p>ASSESSMENT 1: Obligation realized. ASSESSMENT 2: Obligation not realized.</p> <p>RECOMMENDATION: The Ministry of Finance should submit information on drafting of the six-month report on supervision (second instance procedure), by the end of the first quarter of 2008.</p>
<p>129. Rotation of employees in Tax Administration (Financial Police)</p>	Tax Administration	Ongoing	<p>Tax Administration: 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.</p> <p>Tax Administration 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, <u>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.</u></p> <p>ASSESSMENT: Obligation partially realized. The obligation is realized continuously.</p> <p>RECOMMENDATION: In coordination with the Ministry of Finance to reconsider the existing legal solutions for including the rotation of employees in the Tax Administration.</p>
<p>130. Development of a Code of Ethics for public servants within the Tax Administration</p>	Tax Administration	2007.	<p>Tax Administration: 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 Administration. According to all indicators, there was no discovery or indication of acts with elements of corruption and organized crime in tax inspectors, servants, and employees and eventual phenomenal aspects are negligible.</p> <p>ASSESSMENT: Obligation realized.</p>
<p>131. Introduction of IT system with a unique database</p>	Tax Administration	2007-2008.	<p>Tax Administration: The Tax Administration 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 Administration. The system provides an input, change, update and searching of data, the report creation, issuing of documents, along with the suitable training of employees. The Proposal on Amending the Agreement</p>

			on cooperation with the Police Directorate, where it is proposed to put in disposal the TA Informational System of taxpayer's central register to the Police Directorate in electronically form, periodically in time spacing according to the Police Directorate proposal. The System is consisted of: taxpayers TIN (tax identification number), name, address of the main place of business, residence place and address with phone number e.t.c. Submitting the data from tax accountants for the purpose of brightening the criminal cases, are being performed upon emergency procedure in accordance with Law and Agreement. ASSESSMENT: Obligation realized.
132. IT training of staff		2007-2008, Ongoing	Tax Administration: 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 Administration concluded between the Ministry of Finance and the consulting agency «Hermes soft lab». Training on topic "Tax Administration Coordination Team" was held for five officers of the Informational System Sector and the lecturers were the representatives of the Consulting Company «Hermes soft lab» from Slovenia. Also one "External training abroad" was held, attended by three employees, and the subject was "Electronic control of the resources and methodologies" ASSESSMENT: Obligation realized. The obligation is realized continuously.
133. Signing agreements on cooperation	Tax Administration Police Directorate Prosecutor's Office	2007-2008.	Tax Administration: The Agreement on Cooperation between the Supreme State Prosecutor of RMNE and the Tax Administration in fighting against criminal acts with elements of corruption and organized crime was concluded in January 2007. The Agreement on Cooperation between the Tax Administration and the Police Directorate was concluded in March 2007. Based on this agreement, the Tax Administration has submitted two reports against two taxpayers who are suspected of performing criminal acts with elements of corruption. In accordance with this Agreement and legislation, in reporting period Police Directorate has submitted four requests for submitting information. ASSESSMENT: Obligation realized.
134. Enable the police to have direct access to Tax Administration databases	Tax Administration Police Directorate	2007, Ongoing	Tax Administration: 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 Administration 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 database.

RECOMMENDATIONS FOR TAX ADMINISTRATION:

1. In coordination with the Ministry of Finance to reconsider the existing legal solutions for including the rotation of employees in the Tax Administration
2. By the end of the fourth quarter of this year, The Tax Administration and the Police Directorate should initiate the amendments of the Agreement on Cooperation with the aim of providing a direct access to the Administration's database for the Police Directorate.

H. CUSTOMS ADMINISTRATION

GENERAL ASSESMENT:

Customs Administration has accomplished a significant progress in implementing the 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, and training of employees for using the information technology).

Certain progress was made on the plan of drafting six-month reports of the Internal Control Department and signing agreements on cooperation with the Supreme State Prosecutor. Customs Administration has made certain progress in the realization of measures such as: signing the Agreement on Cooperation with the Police Directorate (meaning that the Agreement Proposal is made and the preparations for its signing are in progress. Some activities on drafting manuals for citizens are in progress too.

MEASURE	COMPETENT INSTITUTION	TIME FRAME (starting from the moment of the adoption of AP)	ASSESSMENT / RECOMMENDATION FOR EACH MEASURE INDIVIDUALLY
<p>135. Enhance the system of communication with the public</p> <p>1) Set up a phone line for reporting instances of corruption in Customs Administration and six-month reporting 2) Development of Guidelines for the public</p>	<p>Customs Administration</p>	<p>2006. Ongoing</p>	<p>Customs Administration:</p> <p>1). in the Intelligence Division, there is the customs Opened Line which can be used for reporting the corruption of the customs officers. The Division delivers one-month, six-month and annual reports on operating the Opened Line. During the reporting period on the Opened Line there were 7 complaints on the work of customs servants and 4 related to smuggling the goods. 2). Drafting Manuals for Citizens is in progress.</p> <p>1) ASSESMENT: Obligation realized. The obligation is realized continuously. 2) ASSESMENT: Obligation not realized. RECOMMENDATION: Customs Authority should, as soon as possible, make the Manual for Citizens, and inform the National Commission about it.</p>
<p>136. Annual research of the current state of affairs, different forms, causes and methods of occurrence of corruption in customs services</p>	<p>Customs Administration</p>	<p>2006. Ongoing</p>	<p>Customs Administration:</p> <p>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 Administration 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. 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). According to 92% of the interviewed, the Customs Administration 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. Considering that 88% of the interviewed said that they were introduced with their rights and obligations toward the Customs Administration 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 Administration 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. In comparison to 2002, the Customs Administration 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. 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. It is encouraging that over 77,3% of the interviewed pointed out that they never had to give bribes, and the corruption in the</p>

			<p>Customs Administration 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 Administration (www.vlada.cg.yu/carine), after being published on the site of the World Bank (www.worldbank.com).</p> <p>ASSESSMENT: Obligation partly realized. The obligation is realized continuously.</p>
<p>137. Strengthening the Internal Control Department of the Customs Administration</p> <p>1) Training of staff of the Internal Control Department</p> <p>2) Development of Rules of Operation for the Internal Control Department</p> <p>3) Making six-month reports on performed internal controls</p>	<p>Customs Administration</p>	<p>2007.</p>	<p>Customs Administration:</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>The Internal Control Department is included in the CAFAO working program for 2007, under the sub-project MON/07/08. The activities here envisaged were not realized <u>on time</u> because of delays of hiring an expert consultant for this sub-project. In September 2007, the realization of the activities defined by this sub-project started.</p> <ol style="list-style-type: none"> 1. The training "Fight against corruption" for the Customs Administration servants, in which the Internal Control Department participated, was realized in period 09.10. - 11.10.2007. 2. The specialized training for the Internal Control Department servants was realized in in period 29.10-31.10.2007. 3. The Study visit to Republic of Latvia in the area of internal affairs and professional standards, in accordance with EU-CAFAO- Montenegro Working Program, sub- project MON/07/08 was realized in period 19.11.2007 - 24.11.2007. For the Internal Control Department servants. The aim of the visit was to establish the standard operational procedures of this unit that are in accordance with European practical examples. 4. The Internal Control Department servant participated in the UK customs high management Presentation with the topic "Prevention corruption" <p>2.) The Draft Rule book on work of the Internal Control Department and distributed to all organizational units of the Customs Administration for giving their opinions and suggestions. The adoption of the Rulebook is expected in the beginning of 2008.</p> <p>3). The Internal Control Department drafts semiannual and annual reports on the implemented internal control. In the reporting period, 15 investigations were conducted. The preposition for undertaking disciplinary measures was submitted against one customs servant for confirmation of the disciplinary responsibility due to violation of the working obligation from the article 56 subpart 3 point 1 of the Law on civil servants and employees – no implementing or conscienceless, untimely or recklessly fulfillment of working tasks. On the basis of three investigations, the information were sent to the authorized State Prosecutor for further procedure, according to the previously defined working methodology, and to be precise:</p> <p>1 information is sent to the Basic State Prosecutor in Podgorica 1 information is sent to the Basic State Prosecutor in Bar 1 information is sent to the Basic State Prosecutor in Bijelo Polje</p> <p>In December 2007 there were 12 investigations conducted by the internal Control Department. The preposition for undertaking disciplinary measures was submitted against 4 customs servants for confirmation of the disciplinary responsibility</p> <p>1). ASSESSMENT: Obligation partially realized.. 2). ASSESSMENT: Obligation partially realized. 3). ASSESSMENT: Obligation realized. The obligation is realized continuously.</p>

<p>138. Strengthening external control through: 1) appointing an authorized officer to supervise the operation of the Customs Administration 2) six-month reporting on supervision and their posting on the websites of the Ministry of Finance and the Customs Administration</p>	<p>Ministry of Finance</p>	<p>2007.</p>	<p>Ministry of Finance: The Ministry of Finance – Sector for tax and customs system continuously implements the administrative supervision of work of the Customs Administration, and within the Ministry of Finance there is also a second instance body that decides about the complaints on the work of the Customs Administration. 1). ASSESMENT: Obligation realized. 2). ASSESMENT: Obligation not realized. 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 first quarter of 2008.</p>
<p>139. Development of a Code of Ethics for public servants within the Customs Administration</p>	<p>Customs Administration</p>	<p>2007.</p>	<p>Customs Administration: 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. Customs Administration, in cooperation with EU CAFAO expert, prepares the draft of the Code of Ethics for customs servants. ASSESMENT: Obligation partially realized.</p>
<p>140. Rotation of employees in Customs Administration</p>	<p>Customs Administration</p>	<p>Ongoing</p>	<p>Customs Administration: Rotation of servants within the Customs Administration, in 2007, has been implemented in the following degree:</p> <ul style="list-style-type: none"> • Customs Office Podgorica – 204 servants: • Customs Office Bar – 115 servants: • Customs Office Kotor – 203 servants: • A temporary rotation of customs servants from the Customs Office Kotor into Customs Office Bar - 4 servants. • A temporary rotation of customs servants from the Customs Office Kotor into Customs Office Podgorica -6 servants. • A temporary rotation of customs servants from the Customs Office Kotor into Customs Office Bijelo Polje – 10 servants; • A temporary rotation of customs servants from the Customs Office Podgorica into Customs Office Bijelo Polje – 33 servants; <p>In July 2007, Customs Administration implemented the servants positioning (437 servants), in accordance with new Act on Internal Organization and Systematization of the Customs Administration. Further positioning of the residuary servants is in progress.</p> <p>Rotation evidence is managed by the Customs Administration</p> <p>ASSESMENT: Obligation realized.</p>
<p>141. Introduction of IT system with a unique database</p>	<p>Customs Administration</p>	<p>2007 - 2008.</p>	<p>Customs Administration: Customs Information System (CIS) is implemented and officially started on <u>01.04.2003</u>. In reported period, the Law on Amending the Law on customs tariff is implemented in the customs information system. The development of the new Financial module is in progress. The negotiations on Public Call of the Customs Administration for maintenance of the customs information system are completed. Further development of the customs information system is ongoing activity.</p> <ul style="list-style-type: none"> • Customs information system is upgraded with new project of »Automatic Counter« on 04.12.2005. This project enabled the customs declarations database to be updated in real time. This project contributed better control and data analysis thanks to the fact that status in the system corresponds with the status in real time. • Electronic Exchange of Data (EED) is implemented and officially started on 25.05.2006. • The project »System for the Risk Analysis« officially started on 24.04. 2007. The software for the risk analysis is

			<p>integrated in the customs information system and as such makes integral informational system of the customs service. The aim of establishing the risk management system is to support the Customs Administration in targeting its efforts on control of shipment vehicles, and high-risk individuals and at the same time speeding up the customs procedure for all the other participants. Within the application of the risk analysis system, there are database on offenders and suspicious activities. Analysis of the results of the implemented project on selectivity and risk analysis is ongoing activity.</p> <ul style="list-style-type: none"> • The Law on Amending the Law on customs tariff is implemented in the customs information system. • New Financial module is developed. • The proposal for implementation of the project TIR procedure in Customs Administration, with Partner Company, on basis of the Contract on maintenance by LOT 2 from 2006 is prepared. <p>ASSESSMENT: Obligation realized.</p>
142. IT training of staff		2007-2008, Ongoing	<p>Customs Administration: During the reporting period, the following trainings were realized:</p> <ul style="list-style-type: none"> • "Human Resources informational system" in organization of the Human Resources Agency; attendance - servant of the Customs Administration • 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 Office Managers, local offices chiefs, and several customs servants. During the reporting period, following trainings have been carried out: • Training on using customs information system (within the customs course) for 22 servant Customs Administration • Training on using the System for the Risk Analysis in Customs Offices of Montenegro • Training on using new Financial Module for 10 servants of the Customs Administration and for all local offices chiefs • Training on using new Financial Module for all customs officers who need insight in new module. <p>ASSESSMENT: Obligation realized.</p>
143. Signing agreements of cooperation	Customs Administration, Police Administration, State Prosecutor	2007 -2008.	<p>Customs Administration: Cooperation between the Customs Administration and the Supreme State Prosecutor has been realized in the previous reporting period. The Protocol on Cooperation between the Customs Administration and the Faculty of Law in Podgorica was signed on May 15, 2007. Drafting of the agreement on cooperation between the Customs Administration and the Police Directorate is in progress. Issue on enabling the direct access to the customs database for Police Directorate is inserted in draft Agreement.</p> <p>ASSESSMENT: Obligation partially realized. Obligation is being realized continuously.</p>
144. Enable the Police to have a direct access to Customs Administration databases	Customs Administration, Police Administration	2007, Ongoing	<p>Customs Administration: 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 Administration. Automatic Exchange of Data on national level through integral database. Drafting of the agreement on cooperation between the Customs Administration and the Police Directorate is in progress. Issue on enabling the direct access to the customs database for Police Directorate is inserted in draft Agreement.</p> <p>Police Directorate: The draft agreement on cooperation between the Customs Directorate is completed, sent to the Customs Administration and one joint meeting of two working groups was held.</p> <p>ASSESSMENT: Obligation not realized.</p> <p>RECOMMENDATION: The Customs Administration and the Police Directorate should submit together information on the degree of implementation of this measure, by the end of the first quarter of 2008.</p>

RECOMMENDATIONS FOR CUSTOMS ADMINISTRATION:

1 The Ministry of Finance is obliged, analogically to procedure for Tax Administration, to reconsider the adoption of the Code of Ethics for customs servants and employees, following the procedure for the Customs Administration, and inform the National Commission about it, by the end of the first quarter of 2008.

I. ANTICORRUPTION INITIATIVE ADMINISTRATION

GENERAL ASSESSMENT: The Action Plan, in the part Specific Measures against Corruption and Organized Crime, defines the obligations of the Anticorruption Initiative Administration 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 October 2007 Montenegro was the host of XI meeting of the SPAI Anticorruption Initiative Managing Group which was dedicated to the future of the Anticorruption Initiative, especially to the Regional Office in Sarajevo competencies and the steps need to undertake according to the signing and implementation the Memorandum of cooperation in fight against corruption, signed by country members in April 2007. Besides this a new SPAI Strategy and the Action Plan for 2008 and 2009 has been adopted, future structure and managing the Regional Office in Sarajevo and new Initiative Chairman has been elected, so that Montenegro will have the honor to preside this initiative for the next two years. Its new appellation is RAI – Regional Anticorruption Initiative, which is a successor of previous SPAI.

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 RAI for Montenegro, coordinates all activities being realized with a support of the Regional Secretariat of RAI. 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 ASSESSMENT 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). In January 2008 The Administration submitted to the competent bodies of the GRECO Recommendations Review, and on the basis of submitted information, a preliminary report on implementation status of these recommendations will be prepared.

In the reporting period this Administration continued with realization of the activities that issue from the Anticorruption Initiative of the Stability Pact: a contact list of the bodies representatives involved in the anticorruption activities in the Republic has been innovated, the report on realization of Brussels Declaration priorities (the Declaration on 10 mutual measures for prevention of corruption in Southeast Europe) has been prepared and submitted, the activities on participation of the representatives of Montenegro in the Summer school for judges and prosecutors operations are being coordinated and ctr. The representatives of the AIA participated at the Stability Pact in the Southeast Europe meeting, in the scope of the third Working Table dedicated to security issues, held in Tirana in December 2007. The mentioned convention was the last meeting of the Stability Pact in the Southeast Europe working Table, whose successor will be the Regional Cooperation Council. This meeting corresponded with the recapitulation of the accomplished results of the eight years experience in different areas of activities against organized crime and corruption in southeast Europe countries, and there was discussion about future challenges of regional organization and cooperation between indicated countries.

When international anticorruption standards are considered, in December 2007 the Parliament of Montenegro has ratified the Citizens-legal Convention on Corruption of the Council of Europe (**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 the full harmonization of the national legislation with the UN Convention against Corruption

Furthermore, the Action Plan defines as a priority – 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**). In accordance with the new Rulebook on internal organization and systematization of the Administration for Anticorruption Initiative (confirmed on the Government Session on 19. of July 2007), in October 2007 the Administration permanently hired two state servants.

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. The National Commission Expert Team continuously performed activities of analytical elaboration of the competent bodies and institutions reports on implementations of measures from the Action Plan. Based on these reports the National Commission prepared First and Second report on realization of the measures from the action plan for implementation of the Program for fight against corruption and organized crime.

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 Administration (ACA),	Ongoing Starting right after the adoption of the AP	AIA: In cooperation with the Secretariat for Development, the Administration has provided adequate computer equipment. In cooperation with the Ministry of finance, during 2007 the Administration provided resources in the amount of 1.700 EUR for realization of planned activities (preparation and distribution of the propaganda material, Administration's office equipment and similar). With the aim of staff strengthening there are two trainees hired in the Administration. In the budget planning process for 2008, the Administration took into account all the priorities determined by the Action Plan and the Government Conclusions on adopting the First report on realization the AP. The priorities will be providing resources for staff strengthening and training of the Administration's employees. In accordance with the new Rulebook on internal organization and systematization of the Administration for Anticorruption Initiative (confirmed on the Government Session on 19. of July 2007), in October 2007 the administration permanently hired two state servants. In compliance with increased number of systemized vacancies in the new Rulebook on internal organization and systematization of the Administration, through the budget for 2008 it is provided twice bigger financial resources amount, comparing with previous year, which will establish conditions the for staff and financial strengthening of the Administration 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 Administration (ACA), in cooperation with competent bodies	Ongoing	ACA: 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 Administration (ACA),	Ongoing	ACA: During processing of the monthly and three-month reports and the Action Plan implementation Analysis the Expert Team of the National Commission made a suggestion on precising the performers and periods for certain measures from the Action Plan, which was delegated to the National Commission. In June 2007 the Expert Team of the National Commission, where one of the members is a representative of the Administration, prepared the proposal of the First and Second report on realization of the measures from the action plan for implementation of the Program for fight against corruption and organized crime, confirmed on the Government Session on 12. of July 2007. The preparation of the conclusion for setting up the working group with the aim to

			propose amendments and annexes on the AP is in progress. ASSESSMENT: Obligation realized
148. Drafting proposals to be adopted by the National Commission	Anticorruption Administration (ACA),	Ongoing	ACA: 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. Through its representative in the Expert Team, the Administration actively participates in realization of this measure. 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 Systematization of the Administration for Anti-corruption Initiative	Government of RMNE, Anticorruption Administration (ACA),	2007.	ACA: 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 confirmed on the Government Session on 19. Of July 2007. 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. The number of systemized positions has been increased from six to ten and the Administration initiated the recruitment procedure. In October 2007 the Administration permanently hired two state servants. ASSESSMENT: Obligation partly realized
150. Development and dissemination of information and promotion materials	Anticorruption Administration (ACA),	Ongoing	ACA: 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. In the frame of the project with UNDP, in November 2007 the Administration has made the brochures "About Corruption – Anticorruption measures and activities" and posters "Corruption must not be the way out". In the reporting period 330 brochures and 30 posters have been delivered to the Police Directorate. 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 Administration (ACA), in cooperation with competent bodies	Ongoing	ACA: In December 2007 the Parliament of Montenegro has ratified the Council of Europe Citizens-legal Convention on Corruption. In 2008 the activities on implementation of the Convention will follow. ASSESSMENT: Obligation realized. PREPORUKA: Intensify the activities on implementation of the Council of Europe Citizens-legal Convention on Corruption.

<p>152. Coordinate activities regarding full implementation of the UN Convention against Corruption</p> <p>1) Analysis of current legislation to determine the level of alignment with the provisions of the UN Convention against Corruption</p> <p>2) Amendments to current legislation and undertaking specific measures towards full implementation of the UN Convention against Corruption</p>	<p>1) Anticorruption Administration (ACA), in cooperation with competent bodies</p> <p>2) Government of the RM with relevant ministries</p>	<p>2007 – 2008.</p>	<p>ACA:</p> <p>1) 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 have been submitted to the UN Office against Narcotics and Crime (UNODC) for the expert analysis. In the frame of the present project the Administration provided the expert analysis on harmonization four legal acts with the UN Convention against Corruption: Criminal Law, Criminal Proceeding Law, Law on Public Procurement and Law on conflict of interest. The opinions of the experts have been presented to the public at the Conference held in October 2007 in Podgorica. The Administration has delivered the information on enforced activities to the Government of Montenegro, the National Commission as well as to the working group for amending adequate legislation.</p> <p>2) Competent Ministries have not delivered the information on realization of this measure.</p> <p>ASSESSMENT 1: Obligation partly realized. Obligation is being realized continuously.</p> <p>ASSESSMENT 2: Obligation not realized</p> <p>RECOMMENDATION: Since the ACA have informed authorized state bodies (Ministry of Justice, Ministry of internal Affairs and Public Administration – Police Directorate, Ministry of Finance) about the results of the legislation analysis relevant for the UN Convention against corruption implementation, it is necessary that authorized state bodies initiate the amending and annexing procedure of this area, according to the analysis results.</p> <p>REMARK: In the proposal for amending the AP in the part related to competent institution, within the number 2, enter stated institutions.</p>
<p>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 Republic of Montenegro</p>	<p>Anticorruption Administration (ACA), in cooperation with competent bodies and institutions</p>	<p>Following the submission of the GRECO report</p>	<p>ACA: 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. Based on the First report on realization of the measures from the Action Plan for implementation of the Program for fight against corruption and organized crime, the Administration will determine the level of implementation of GRECO recommendations. Montenegro is obligated to submit the report on the level of implementation of GRECO recommendations, by the end of May 2008, to GRECO. In January 2008, this Administration submitted the GRECO recommendation review to the competent state bodies, and based on submitted information, a preliminary report on the status of implementation of these recommendations will be composed.</p> <p>ASSESSMENT: Obligation partially realized. The obligation is realized continuously.</p> <p>RECOMMENDATION: Monitor the implementation of GRECO recommendations, having in mind that these measures are horizontally dislocated through the AP.</p>
<p>154. Coordinate activities undertaken within the Coordinate activities (SPAI)</p>	<p>Anticorruption Administration (ACA), in cooperation with competent bodies</p>	<p>Ongoing</p>	<p>ACA: The Administration 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>In 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> <p>During June, July and August the Administration performed continuous activities issued from the Anticorruption Initiative of the Stability Pact: the contact list of the representatives of bodies involved in anticorruption activities in Republic has been inovated, the report on Brussels Declaration priority accomplishments (the Declaration on 10 mutual measures for prevention of corruption in Southeast Europe) have been prepared and submitted, the activities on participation of the representatives of Montenegro in the Summer school for judges and prosecutors operations are being coordinated and ctr.</p> <p>In October 2007 Montenegro was the host of XI meeting of the SPAI Anticorruption Initiative Managing Group which was dedicated to the unique goal - future of the Anticorruption Initiative, especially to the Regional Office in Sarajevo competencies and the steps need to undertake according to the signing and implementation the Memorandum of cooperation in fight against corruption, signed by country members in April 2007. Besides this a new SPAI Strategy and the Action Plan for 2008 and 2009 has been adopted, future structure and managing the Regional Office in Sarajevo and new Initiative Chairman has been elected , so that Montenegro will have the honor to preside this initiative for the next two years. Its new appellation is RAI – Regional Anticorruption Initiative, which is a successor of previous SPAI.</p> <p>The representatives of the AIA participated at the Stability Pact in the Southeast Europe meeting, in the scope of the third Working Table dedicated to security issues, held in Tirana in December 2007. The mentioned convention was the last meeting of the Stability Pact in the Southeast Europe working Table, whose successor will be the Regional Cooperation Council. This meting corresponded with the recapitulation of the accomplished results of the eight years experience in different areas of activities against organized crime and corruption in southeast Europe countries, and there was discussion about future challenges of regional organization and cooperation between indicated countries.</p> <p>ASSESSMENT: Obligation realized. The obligation is realized continuously.</p>
155. Finalize activities undertaken within PACO Impact project of the CoE	Anticorruption Administration (ACA), in cooperation with competent bodies	2006.	<p>ACA: 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>In July 2007 the Government of RMN has adopted the report on realization of the project "Strengthening the institutional capacities of the Anticorruption Initiative Administration for proceeding in reporting criminal cases of corruption" which consists the information on realization of PACO Impact Project in Montenegro.</p> <p>ASSESSMENT: Obligation realized.</p>

RECOMMENDATIONS FOR ANTICORRUPTION INITIATIVE ADMINISTRATION:

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. 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.
2. Since the ACA have informed authorized state bodies (Ministry of Justice, Ministry of internal Affairs and Public Administration – Police Directorate, Ministry of Finance) about the results of the legislation analysis relevant for the UN Convention against corruption implementation, it is necessary that authorized state bodies initiate the amending and annexing procedure of this area, according to the analysis results.

IV FINAL ASSESMENT AND RECCOMENDATIONS

1. STATISTICS OF IMEPLEMENTED MEASURES

1.1. PERIOD September 2006 – May 2007. – First report on the implementation of measures from the Action plan for implementation of Program for the Fight against Corruption and Organized crime, prepared in comprehensive and analytic manner presents the overview of implemented measures and tasks within the first 9 months of the program implementation, based on improving the legislation, strengthening the capacity of institutions and determining the carriers of certain activities.

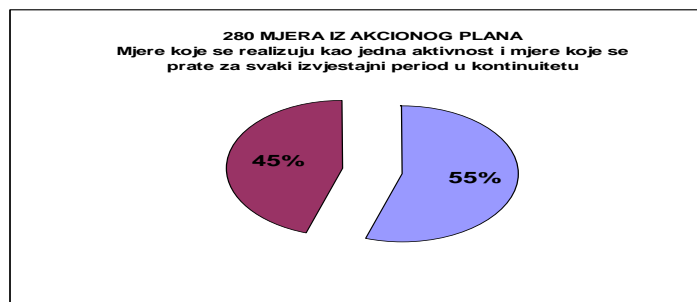
Out of total 280 measures that are being statistically covered during the first reporting period, 69 measures are completely implemented, which makes 25 % of the total measures covered by plan within the period of 2007-08. 56 measures are partially implemented (additional 20% of the plan), while 74 measures have been continually covered (55, 4% implemented continually – 41 measures and 44,6 % partially implemented – 33 measures), which makes 26% of the total measures.

According to these measures, there were many significant activities during the reporting period. If we sum the measures that were continually implemented and observed (41), as well as the implemented measures in this period (69), the significant percentage has been assessed with regard to the implementation of the measures during the first reporting period of 110 measures or 39,3%. In the following period, a special attention should be given to 81 unimplemented measures in order to enact the implementation of the activities in those areas (29% of the plan).

1.2. STATISTICS OF IMPLEMENTED MEASURES FOR THE COMPLETE REPORTING PERIOD – September 2006. - December 2007. (16 months). So far experience in analyzing the levels of implementation of measures, opened further elaboration of the methodology of monitoring the measures and their assessment for the complete reporting period.

Methodology was further improved, through special Continuing analyses, where all the previous derived measures (totally 280) were divided on:

1. those that are implemented as 'one activity'-125 measures or 45 % of the AP, and
2. those measures that are being continually followed and assessed in each report – 155 measures or 55% of the AP.



The level of implementation of each of the two groups of measures is monitored separately only after this kind of first classification of measures has been performed, depending on whether the measures are:

- a) **implemented** (both as -on a one time basis- or as the continuing activity during the reporting period) or
b) **they are to be implemented** (both as –on a one time basis or as the continuing activity during the reporting period).

The aforementioned said brought us to the clearer picture of the condition after 16 months of implementation of the AP that is given in the schedule No. 1.

Schedule 1 –OPTIMAL STRUCTURE OF IMPLEMENTED MEASURES AT THE END OF THE ENVISAGED PERIOD FOR IMPLEMENTATION (end of 2008)					
MEASURES FROM THE ACTION PLAN	Jan-08	Complete number of measures that demand a one time basis implementation		Complete number of measures that need to be continually monitored and implemented during each reporting period.	
		IMPLEMENTED	To be IMPLEMENTED	Are being IMPLEMENTED and continually monitored	Need to be IMPLMENTED and continually monitored
IMPLEMENTED	69				
1. On a one time basis implementation/ one activity /	56	56			
2. Implemented, but need to be continually monitored	13			13	
PARTIALY IMPLEMENTED	52				
1. On a one time basis implementation possible	37		37		
1.Measures that needs to be implemented and continually monitored during each reporting period	15				15
MEASURES THAT ARE BEING CONTINUALY MONITORED	113				
1. IMPLEMENTED DURING THE REPORTING PERIOD (R/KONT)	61			61	
2. PARTIALY IMPLEMENTED DURING THE REPORTING PERIOD (DR/KONT)	52				52
UNIMPLEMENTED MEASURES	46				
1. A one time basis implementation possible	32		32		
1.Measures that needs to be implemented and continually followed during each reporting period	14				14
TOTAL NUMBER OF MEASURES	280	56	69	74	81
On a one time basis implementation - 45% of the complete measures	125		55%		52%
Continually implemented and monitored periodically - 55% of measures	155				

Out of the 280 measures from the Action plan 45 % of the measures are -on one-time basis- measures, which make 125 measures and 55 % the continuing activities (155 measures) that should be anyhow continued to be monitored after December 2008.

At the same time, they keep the increase and dynamics of strengthening the administration capacities of Montenegro for the process of European integration in this important area, the policies against corruption and organized crime.

Out of 125 measures defined as ‘measures that are being implemented through one activity’ so far 56 measures were implemented, this makes 45% of the plan. 69 measures needs to be further implemented, which makes 55 %.
Out of 155 measures that are defined as continuing activities, regularly 74 measures were implemented during the reporting period (48%), while in so far reporting period 15 measures were partly implemented and 14 measures have not yet started to be implemented, even though they are envisaged to be continually monitored (totally 52 % of the plan makes part of this group of measures to be continually and fully implemented for each reporting period)

THE LEVEL OF IMPLEMENTATION OF MEASURES, according to the given methodology for two reporting periods is given in the following schedule:

Schedule 1	R	%	R/KONT	%	DR	%	DR/KONT	%	NR	%	UK	%
I POLITICAL AND INTERNATIONAL OBLIGATION TO ACT	17	40%	6	14%	14	33%			6	14%	43	100%
II BASIC AIMS												
A- EFFICIENT CRIMINAL PURSUIT FOR PREVENTION OF ORGANIZED CRIME AND CORRUPTION	1	9%	5	45%	1	9%	3	27%	1	9%	11	100%
B- PREVENTION AND EDUCATION	6	22%	6	22%	7	26%	3	11%	5	19%	27	100%
C- PUBLICM, CIVIL SOCIETY(INCLUDING NON GOVERNMENTAL SECTOR) AND MEDIA	1	10%	2	20%	2	20%	4	40%	1	10%	10	100%
D- LOCAL GOVERNMET					1	100%					1	100%
III SPECIFIC MEASURES AGAINST CORRUPTION AND ORGANIZED CRIME												
A- EFFICIENT CRIMINAL PURSUIT AND TRIAL												
A1 – Prosecution service	5	29%	1	6%	3	18%	8	47%			17	100%
A2 – Police	22	31%	15	21%	13	18%	11	15%	11	15%	72	100%
A3 – Jurisdiction			1	13%			3	38%	4	50%	8	100%
B. EXTERNAL AND INTERNAL BUDGET REVISION	1	17%	3	50%			1	17%	1	17%	6	100%
C. PRIVATISATION COUNCIL	2	17%	5	42%	2	17%	3	25%			12	100%
D. DIRECORATE FOR PREVENTION OF MONEY LAUNDRY			6	46%	2	15%	3	23%	2	15%	13	100%
E. COMMISSION FOR PUBLIC PROCURMENT	2	17%	1	8%	1	8%	2	17%	6	50%	12	100%
F. COMMI SSION AGAINST CONFLICT OF INTEREST			1	11%	1	11%	3	33%	4	44%	9	100%
G. TAX DIRECTORATE	5	38%	3	23%	1	8%	3	23%	1	8%	13	100%
H. CUSTOMS DEPARTMENT	4	29%	2	14%	3	21%	2	14%	3	21%	14	100%
I. DIRECORATE FOR ANTICORRUPTION INITIATIVE	3	25%	4	33%	1	8%	3	25%	1	8%	12	100%
SECOND REPORT – sept 06 – dec. 2007	69	25%	61	22%	52	19%	52	19%	46	16%	280	100%
FIRST REPORT - sept 06 - jun 2007	69	25%	41	15%	56	20%	33	12%	81	29%	280	100%

During the second reporting period, totally 130 measures of the AP were implemented (46%)., 104 measures were partially implemented, (37%), but 46 % of measures have not yet been implemented. (16% of the action Plan) The level of implementation in relation to previous report had increased for 7 percentage points as for the implemented measures (increase of 20 measures) and 5 percentage points as for the partially implemented measures (increase for 15 measures). The number of unimplemented measures has been significantly decreased, from 81 to 46 measures.

SECOND REPORT / JANUARY 2008			FIRST REPORT	
IMPLEMENTED + IMPLEMENTATION HAS BEEN CONTIANUALLY MONITORED	130	46%	110	39%
DR + DR/KONT	104	37%	89	32%
NR	46	16%	81	29%
TOTALY	280	100%	280	100%

- In the first report, 74 measures were continually monitored, by carefully comparing the terms and the nature of monitoring the measures. The number of measures that needs to be continually monitored has increased from 74 to 113

Analytics can be given by the number of measures according to the level implementation, where the modification of methodology can be noticed more easily, since certain number of measures has been defined as the continuing activities i.e. the number of measures that are being implemented are defined -on a one time basis- has decreased.

T 2	R1	R2	R/ kont 1	R/ kont 2	DR 1	DR 2	DR /kont 1	DR /kont 2	NR 1	NR 2	Broj mjera
I POLITICAL AND INTERNATIONAL OBLIGATION TO ACT	9	17	5	6	14	14		0	15	6	43
II BASIC AIMS											
A- EFFICIENT CRIMINAL PURSUIT FOR PREVENTION OF ORGANIZED CRIME AND CORRUPTION	1	1	4	5	3	1	2	3	1	1	11
B- PREVENTION AND EDUCATION	11	6	3	6	5	7	1	3	7	5	27
C- PUBLIC, CIVIL SOCIETY(INCLUDING NON GOVERNMENTAL SECTOR) AND MEDIA		1	2	2	4	2	2	4	2	1	10
D- LOCAL GOVERNMENT				0		1		0	1	0	1
III SPECIFIC MEASURES AGAINST CORRUPTION AND ORGANIZED CRIME											
A- EFFICIENT CRIMINAL PURSUIT AND TRIAL											
A1 – Prosecution service	6	5	1	1	3	3	6	8	1	0	17
A2 – Police	20	22	9	15	11	13	14	11	18	11	72
A3 – Jurisdiction	0	0		1	3	0		3	5	4	8
B. EXTERNAL AND INTERNAL BUDGET REVISION	1	1	2	3	0	0	2	1	1	1	6
C. PRIVATISATION COUNCIL	4	2	1	5	4	2	1	3	2	0	12
D. DIRECORATE FOR PREVENTION OF MONEY LAUNDRY		0	6	6		2	1	3	6	2	13
E. COMMISSION FOR PUBLIC PROCURMENT	1	2		1	2	1	1	2	8	6	12
F. COMMISSION AGAINST CONFLICT OF INTEREST	0	0	1	1	1	1	1	3	6	4	9
G. TAX DIRECTORATE	7	5	3	3	2	1		3	1	1	13
H. CUSTOMS DEPARTMENT	7	4		2	2	3		2	5	3	14
I. DIRECORATE FOR ANTICORRUPTION INITIATIVE	2	3	4	4	2	1	2	3	2	1	12
	69	69	41	61	56	52	33	52	81	46	280

The biggest progress in implementation was achieved in the part –Political and international obligations that relate to the legislation activities in the field of flight against corruption and organized crime. The least progress was achieved in the field of efficient criminal prosecution and trial, especially in the field of jurisdiction, where the situation has been nearly unchanged.

The quality of work of the National Commission, during the adoption of the second report is affirmed through transparent consideration of the comments of one representative of the civil society in the National commission (NVO MANS), which filed 101 suggestions for modification of the assessment on the suggested assessment of the implementation of 280 measures (9 % accepted, 10 % the proposer has withdrawn after the additional information were introduced in the report, for 4% of the measures, the Commission has adopted the third solution, while 80% of the suggestions were not accepted.

Finally, for a number of measures, through so far experiences of the National Commission, the expert team and the time envisaged for implementation of the AP have shown that the suggestions for Working group in charge to modify and complement the AP need to be more precisely presented and formulated.

2. COOPERATION WITH THE INSTITUTIONS/ REPORTERS, ENCOURAGE THE COOPERATION WITH LOCAL COMMUNITY, BUSINESS ASSOCIATIONS AND CIVIL SOCIETY

Having in mind a yearlong work experience of the National Commission, the cooperation with all the reporters, i.e. horizontal cooperation with all forms of the authority should be improved. Another aspect of cooperation is the improvement of cooperation with other carriers of the activities in the fight against corruption and organized crime, where special attention and encouragement should be given to cooperation with the local community, business associations and civil society, as bridges for more stronger informing and participation of Montenegrin citizens in implementation of key politics, important for the quality of reforms and dynamic European integration of our country.

3. SPECIFIC WEIGHT OF RECOMMENDATIONS- each measure, apart from the implementation assessment, often has a recommendation. Each area, however, has common assessment of the key recommendations. They are the result of the couple of month's long analytic work on the received reports, exploring the limits for further implementation of the Action Plan, i.e. the need to encourage the fight against corruption and organized crime, as well as the analyses of the level of measure implementation.

For realization of the measures, as much as after the first report of the Commission, it is extremely important that on the suggestion of the National commission, the Government of Montenegro, the Parliament of Montenegro, the Prosecution service, the Jurisdiction and the local governance accept the recommendations listed for each measure separately and the most important recommendations with certain parts should be obliging to the feasible degree.

The report of the National Commission, through the mentioned meaning, represents the useful analytical document, also serving to better dialog between Government and the activities of NGO sector, as well as for more constructive social dialog that includes the representatives of university, trade union and business.

4. COMPREHENSIVE DOCUMENTS AND THEIR IMPORTANCE FOR REPORTING TO INTERNATIONAL COMMUNITY, ESPECIALLY TO THE EU INSTITUTIONS.

– Composition and responsibilities of the National Commission awake a reasonable optimism that these reports will help in further institutionalization of the relationship of good cooperation of all bodies involved in performance of the anticorruption policies and policies of fight against organized crime. Without strong institutions and good and efficient cooperation, we can not achieve better results in these policies. A special value of this kind of reporting is that it has precedence over any kind of reporting in the Region, which comprehensively has analyzed the effects of adoption of the Action Plan for fight against corruption and organized crime. It will anyhow contribute to the improvement of the common image and assessment on Montenegro, as the youngest European state that recognizes the values of strengthening its institutions and jurisdiction, necessary for crucial process of joining the EU. With the so far mentioned, it should be reminded that the multitude of information from this Report will be a good and valid source for better i.e. more objective assessment of the mentioned policies from the EU, in the following Report of the European Commission on progress in stabilization and association of our country in the European Union that is published at the beginning of November each year.

5. TRANSPARENCY OF REPORTING AND IMPROVEMENT OF CONTINUED DIALOGUE WITH EUROPEAN COMMISSION – upon the adoption of the second Report by the National commission and latter by the Government of Montenegro, the same will, just as it was the case with the First report, be delivered to the mentioned Parliament committees and translated in English language and delivered to the interested international organizations and institutions. Also, this Report will be delivered to the representatives of the Directorate for Justice, freedom and security in European Commission for the purpose of more quality preparation for future meetings of the improved continuing dialogue, on the subject of justice, freedom and security that is organized at least twice a year.

6. THE SUGGESTION FOR UPDATING THE ACTION PLAN–MEASURES, CARRIERS, TERMS – In accordance with the conclusions from the Third thematically oriented session of the National Commission for implementation of the Action Plan for implementation of the fight against organized crime and corruption, upon the decision of the Ministry of Interior Affairs, it has been established a working group, in February 2008, with an aim to perform the necessary modifications and

amendments to the Action plan, on the basis of the collected suggestions from the state organs and institutions, as well as non governmental sector that are involved in implementation of the determined measures. Such a proposition evolved from the need to reassess certain measures, updated terms for implementation, introduction of certain new recommendations, and precise definition of carriers for implementation of certain measures, as well as the reassessment of sustainability of certain measures in accordance with valid legislation in this field.

The working group is obliged to suggest to the National Commission the modifications and amendments of the action Plan and the eventual Program for fight against corruption and organized crime until April 20 2008.

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