



**Montenegro**

**National Commission for monitoring of realization of Action Plan for implementation of Program of fight against corruption and organized crime**

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**THE FOURTH REPORT  
ON REALIZATION OF MEASURES FROM INNOVATED ACTION PLAN FOR IMPLEMENTATION OF  
PROGRAM OF FIGHT AGAINST CORRUPTION AND ORGANIZED CRIME (2008-09)  
FOR PERIOD 01 July 2008 – 31 December 2008**

**Podgorica, 9 February, 2009**

# C O N T E N T

<b>INTRODUCTION</b> .....	3
<b>I POLITICAL AND INTERNATIONAL OBLIGATION TO ACT</b> .....	4
<b>II GENERAL OBJECTIVES</b> .....	11
A- <i>EFFICIENT CRIMINAL PROSECUTION WITH THE OBJECTIVE OF PREVENTING CORRUPTION AND ORGANIZED CRIME</i> .....	12
B- <i>PREVENTION AND EDUCATION</i> .....	14
C- <i>PUBLIC, CIVIL SOCIETY (INCLUDING PRIVATE SECTOR) AND MEDIA</i> .....	18
D- <i>LOCAL SELF-GOVERNMENT</i> .....	20
<b>III SPECIFIC MEASURES AGAINST CORRUPTION AND ORGANIZED CRIME</b> .....	21
A. <i>EFFICIENT CRIMINAL PROSECUTION AND TRIAL</i> .....	21
A1 – <i>Prosecutor’s Office</i> .....	21
A2 – <i>Police</i> .....	24
A3 – <i>Judiciary</i> .....	33
B. <i>EXTERNAL AUDIT OF THE BUDGET</i> .....	35
C. <i>INTERNAL AUDIT OF THE BUDGET</i> .....	37
D. <i>INSTITUTIONAL CAPACITY BUILDING FOR ANTICORRUPTION POLICY IMPLEMENTATION IN PRIVATIZATION PROCESS</i> .....	37
E. <i>DIRECTORATE FOR PREVENTION OF MONEY LAUNDERING AND TERRORISM FINANCING</i> .....	40
F. <i>PUBLIC PROCUREMENT</i> .....	43
G. <i>COMMISSION FOR DETERMINING CONFLICT OF INTERESTS</i> .....	46
H. <i>STATE ELECTION COMMISSION</i> .....	47
I. <i>TAX ADMINISTRATION</i> .....	48
J. <i>CUSTOMS ADMINISTRATION</i> .....	49
K. <i>DIRECTORATE FOR ANTI-CORRUPTION INITIATIVE</i> .....	52
<b>FINAL ASSESSMENT AND RECOMMENDATIONS</b> .....	55
<b>ANNEX I - REPORT OF THE THREE- PARTY COMMISSION – statistical review</b> .....	58
<b>ANNEX II - REPORT OF THE SUPREME COURT - Review of backlog cases for period December 2007 – December 2008</b> .....	61
<b>ANNEX III - Realized measures from the Action plan for period September 2006- December 2007</b> .....	63
<b>ABBREVIATIONS</b> .....	67
<b>List of institutions responsible for reporting on measures from IAP</b> .....	68

## PRELIMINARY REMARKS

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, while**, 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 Government of the Republic of Montenegro, on 15 February 2007, passed The Decision on establishing the **National Commission for monitoring realization of the Action Plan for implementation of the Program for the fight against corruption and organized crime** (Official Gazette of RMNE, No. 15/07). By this decision the president, vice president and secretary were appointed, and the scope of its work was defined as well. **Members of the National Commission are following:** Deputy Prime Minister for European integration, (as President of the National Commission); Minister of Internal Affairs and Public Administration (as Deputy); Minister of Finance; Minister of Justice; the President of the Parliamentary Committee for Economy, Finance, and Budget; the President of the Parliamentary Committee for Political System, Judiciary and Administration; President of the Supreme Court; Supreme State Prosecutor; Director of the Police Directorate; Director of the Directorate for Anticorruption Initiative; Executive Director of the NGO MANS; and Executive Director of the NGO CEMI. **Constitutional session** of the National commission for monitoring realization of the Action plan for implementation of the Program for fight against corruption and organized crime was held on 16 March 2007. At the constitutional session, National Commission adopted Rules of Procedure and draft Form for monthly reports, which is filled in by 32 institutions. Furthermore, National Commission adopted Framework Calendar of the National commission's work, which included plan for adoption of the first two reports for period September 2006 – December 2007. Until December 2007, four sessions were held, while special session was held for preparation of amendments of the AP and plan of meetings for 2008 (five sessions/meetings), which were realized according to the following dynamic:

<b>- MEETINGS OF THE NATIONAL COMMISSION AND PLAN FOR 2007/2008</b>		
<b>I MEETING</b>	CONSTITUING OF NATIONAL COMMISSION	16 March 2007
<b>II MEETING</b>	PREPARATION AND ADOPTION OF THE FIRST REPORT	6 and 10 July 2007
<b>III MEETING</b>	THEMATIC SESSION ON NECESSITY OF AP INOVATING	25 December 2007
<b>IV MEETING</b>	PREPARATION AND ADOPTION OF THE SECOND REPORT	February 2008
<b>V MEETING</b>	ADOPTION OF INNOVATED AP /PROGRAMME/	20 May 2008
<b>VI MEETING</b>	PREPARATION AND ADOPTION OF THE THIRD REPORT	28 July 2008
<b>VII MEETING</b>	THEMATIC SESSION – EC REPORT FOR 2008	November 19 2008
<b>VIII MEETING</b>	PREPARATION AND ADOPTION OF RECOMMENDATIONS – EC REPORT	December 24 2009
<b>IX MEETING</b>	PREPARATION AND ADOPTION OF THE FOURTH REPORT	January 2009

**National Commission**, in previous period of its work, adopted **three reports: Report on realization of the measures, on 10 July 2007 (for period September 2006 – May 2007) and The Second Report, on 18 February 2008, (integrally for period September 2006 – December 2007), so as The Third Report, on 28 July 2008 (for period January – July 2008).**

During its work, National Commission recognized the need for amending of the AP. In that sense, **National Commission** adopted **the Proposal for AP Amending – Innovated version (IAP) on 20 May 2008**, after which **the Government adopted it on its Session on 29 May 2008**. A number of institutions and commissions responsible for reporting on IAP increased from 32 to 54, and Methodological Directive for reporting on realized measures is improved. Third and Fourth reports were prepared in accordance with Innovated Action Plan, as with improved Methodological Directive. Innovated Action plan puts into effect the priorities defined in the **Program for the fight against corruption and organized crime**, recommendations of **National Commission**, recommendations of **international organizations and institutions**, as well as recommendations of involved **institutions of Montenegro**. IAP includes measures which have the element of continuous monitoring in fight against corruption and organized crime, or represent, unrealized measures, so far, from the Action plan adopted in 2006, and all of that by determining concrete measures and activities of in line ministries, state bodies and institutions competent for prevention and suppression of corruption and organized crime.

Innovated Action Plan determines clear and ambitious **goals, measures, competent institutions, and deadlines**, i.e. dynamic of obligations accomplishment, **indicators of success** and possible **risk factors**.

**Expert body for preparation of Report**, established in April 2007, provides technical data processing of monthly, as of three months reports, according to Rules of Procedure (consisted of representatives of: Police Directorate, Directorate for Anti Corruption Initiative, Ministry of Justice, Supreme State Prosecution Office and Cabinet of Deputy Prime Minister for European Integration). Electronic data entry of three months report into monitoring table, for each reporting period is being continuously performed. Cooperation with all institutions has been correct from the very beginning, and sense of responsibility for obligations in this joint work is being gradually improved.

## INNOVATED ACTION PLAN (MATRIX) FOR IMPLEMENTATION OF PROGRAM OF FIGHT AGAINST CORRUPTION AND ORGANIZED CRIME

### I POLITICAL AND INTERNATIONAL OBLIGATION TO ACT

This chapter contains measures on defining and adopting of laws, directly relevant for fight against corruption and organized crime, as well as laws related to general legislation reform, adoption, and implementation of set of important regulations, which will improve these politics.

In previous period, the Parliament adopted following laws - Law on Financing of Political Parties; Law on Electronic Communication; Law on Taking Care of Temporary and Permanently Confiscated Property; Law on Obligations; Law on Preventing Conflict of Interest in Exercising Public Functions; Law on System of Internal Financial Controls in Public Sector; Law on Protection of Data on Individuals; Law on Aliens; Law on Ratification of Convention on laundering, investigation, seizure and confiscation of the Proceeds from the Crime and Proceeds for terrorism financing (CETS no 198); Law on Ratification of Convention on Terrorism Prevention (CETS no 196); Law on Ratification of Convention on Fight against Trafficking in Human Beings (CETS no 197). Apart from that, Law on State Employees and Civil Servants, which was adopted at the session of the Parliament of Montenegro on 29 July 2008, ensures (in Art 54, 59, para 1, point 15 and 64, para 2) protection for state employees and civil servants reporting corruption (whistle blowers) so that it is not necessary to adopt separate law on protection of whistle blowers.

Preparation of the comprehensive assessment of the Criminal Code in relation to **expanded seizure of proceeds and inverted proving burden** is currently underway, after which, the amendments will be prepared. In meantime, Law on Amendments of the Criminal Code („OJ MNE”, no 40/08) prescribes two new criminal acts: building without constructing license (Article 326a), and illegal connecting of the constructing area on technical infrastructure (Article 326b).

The Government has been intensively worked on continuation of the general legislative reform, through adoption of the following proposal laws: Law on Financing of Campaigns for election of the President of Montenegro, majors and presidents of municipalities, and the Law on Property Relations. The agreement was reached, in coordination with the Speaker of the MNE Parliament for the Proposal law on State Election Commission to be prepared by the inter-party group of the Parliament, as it was the case with the preparation of the election legislation in previous period.

**Harmonization of legislation with international standards** in the area of fight against corruption and organized crime is being analyzed and ensured continually. During the reporting period, DACI, in coordination with the UNDP Office in Montenegro, ensured financial and expert support for revision of Law on liability of legal entities for criminal acts, Law on Free Access to Information, Law on Financing of Political Parties, and Law on international legal assistance in criminal matters. Analysis, which is planned to be completed in January 2009, will have in focus relevant chapters and provisions of the UN Convention against Corruption. In addition, DACI ensured analysis of the provisions from the Law on State Employees and Civil Servants that treat protection of the whistleblowers. Analysis was delivered to the Ministry of Interior and Public Administration.

In terms of implementation of Declaration on ten joint measures for fight against corruption in South Eastern Europe, **DACI** accomplished significant activities on intensifying cooperation with **private sector**. The main goal of this cooperation is planning of joint activities on tracking the phenomenon, cause, and affects of corruption in the area of judiciary, education, and local self-government, as well as conducting **public campaigns** with the aim of more active participation of citizens in fight against corruption and raising the level of public awareness on corruption problem. Furthermore, DACI delivered to RAI Secretariat report on realization of ten joint measures for fight against corruption.

Successful international cooperation in field of fight against corruption and organized crime is being accomplished through **regional cooperation** by signing bilateral agreements on joint activities in fight against corruption and organized crime, where Police Directorate, Customs Directorate, and Directorate for prevention of money laundering and financing of terrorism (DPML&FT) had remarkable results.

At the 40<sup>th</sup> plenary GRECO session, held on 1-5 December 2008, Report on Approximation for Montenegro was adopted, which states that Montenegro implemented, in satisfying manner, 16 out of total 24 recommendations, and that progress has been achieved in almost all fields with recommendations. GRECO report is available at [www.antikorup.vlada.cg.yu](http://www.antikorup.vlada.cg.yu).

GOAL	MEASURE	COMPETENT INSTITUTION	DEADLINE	INDICATORS OF THE SUCCESS	ASSESSMENT / RECOMMENDATION
<b>BUILDING OF HORIZONTAL AND VERTICAL NETWORKS AND ASSOCIATIONS WITH THE OBJECTIVE OF JOINT ACTION OF POLITICAL PARTIES AND LEADERS, AGENCIES, PUBLIC AND CIVIL SOCIETY AND OTHER NON-STATE ACTORS</b>	1. Monitoring implementation of the Resolution on the fight against corruption and organized crime through: 1. Amendments of the Rules of Procedure aiming to expand competencies of the Committee 2. Adoption of the opinions and suggestions of the Committee	MNE Parliamentary Committee for political system, judiciary, and administration, Committee for economy, finances, and budget	Two times per year, following the report of the National Commission	- Amendments of the Rules of Procedure aiming to expand competencies of the Committee - number of the invited NGOs at the thematic, extended Committee's sessions - Number of the adopted opinions and suggestions given by the Committee	<b>ASSESSMENT 1: Measure is not realized</b> <b>ASSESSMENT 2: Measure is not realized</b>
	2. Delivering of the periodic reports based on the innovated Instruction on preparation of the reports on implementation of the Action Plan, and delivering of other analysis and reports relating	1. All competent bodies involved in implementation of the AP 3. Directorate for Anti-Corruption Initiative (DACI)	Continuously	1. Prepared Instruction, number of delivered reports in relation to the number of the competent bodies obliged to report 2. Number of the reports published at the web site in six-months period	<b>ASSESSMENT 3: Measure is being realized continuously</b> 53 institutions delivered reports for period July-September 2008, while 50 institutions delivered reports for period October – December 2008

	the corruption and organized crime 1. Regular updating of the sub-web site of the National Commission at the Government's web site				<b>ASSESSMENT 4: Measure is being realized continuously</b> All delivered reports are available at the DACI web site <a href="http://www.antikorup.vlada.cg.yu">www.antikorup.vlada.cg.yu</a>
<b>INTENSIFICATION OF ALREADY INITIATED REALIZATION OF GENERAL REFORMS OF LEGAL AND FINANCIAL SYSTEM</b>	3. Preparation of the proposal of the Criminal Code (especially in scope of introducing the institute of expanded seizure and confiscation of the proceeds of crime, defining of a crime committed in organized manner as a general institute of the criminal material law)	Ministry of Justice (MoJ)	2009	Defined proposal of the Criminal Code following the public hearing and collected comments given by the international organizations, the Code in line with the EU standards and international conventions, the Code envisages introducing of the institute of expanded seizure and confiscation of the proceeds of crime, defined crime committed in an organized manner as a general institute of the criminal material law	<b>ASSESSMENT 5:</b> Working group for preparation of this law was established, in accordance with Working Program of the Government of MNE. Preparation of the proposal law is planed for IV quarter of 2009
	4. Adoption of the Criminal Code	MNE Parliament	2009	Adoption of the Code	<b>ASSESSMENT 6:</b>
	5. Preparation of the proposal of the Criminal Procedure Code (introducing the institute of inverted proving burden)	Ministry of Justice	2008	Defined proposal of the Criminal Procedure Code following the public hearing and collected comments given by the international organizations, the Code in line with the European standards and international conventions, the Code envisages introducing of the institute of inverted proving burden	<b>ASSESSMENT 7 : Measure partly realized</b> Proposal <b>Criminal Procedure Code</b> was delivered to Delegation of European Commission to Montenegro for opinion on 23. 12. 2008
	6. Adoption of the Criminal Procedure Code	MNE Parliament	2008	Adoption of the Code	<b>ASSESSMENT 8: Measure is not realized</b>
	7. Adoption of the Law on Amendments of the Law on State Prosecutor	MNE Parliament	2008	Adoption of the Law	<b>ASSESSMENT 9: Measure is realized</b> (OJ MNE, no.40/08, dating from 27.06.08.)
	8. Adoption of the proposal of the amendments of the Law on Identity Card, in regard to providing the police to use biometric data	Mol&PA	2008	Adoption of the proposal	<b>ASSESSMENT 10: Measure is not realized</b>
	9. Adoption of the amendments of the Law on Identity Card	MNE Parliament	2008	Adoption of the Law	<b>ASSESSMENT 11: Measure is not realized</b>
	10. Preparation of the proposal Law on Genetic Privacy	Ministry of Health, Labor and Social Affairs (MoHLSA)	2008	Defined proposal Law, following the public hearing and collected comments given by the international organizations, the law in line with the European standards and international conventions	<b>ASSESSMENT 12: Measure is not realized</b> <b>Note:</b> Preparation of the Law on Genetic Privacy is underway
	11. Adoption of the Law on Genetic Privacy	MNE Parliament	2008	Adoption of the Law	<b>ASSESSMENT 13: Measure is not realized</b>
	12. Preparation of the proposal Law on Obtaining of Biologic Material	Ministry of Health, Labor and Social Affairs	2008	Defined proposal Law, following the public hearing and collected comments given by the international organizations,	<b>ASSESSMENT 14: Measure is not realized</b> <b>Note:</b> Preparation of the Law is underway

				the law in line with the EU standards and international conventions	
	13. Adoption of the Law on Obtaining of Biologic Material	MoHLSA	2008	Adoption of the Law	<b>ASSESSMENT 15: Measure is not realized</b>
	14. Preparation of the proposal Law on National DNA Register	Mol&PA	2008	Defined proposal Law, following the public hearing and collected comments given by the international organizations, the law in line with the European standards and international conventions	<b>ASSESSMENT 16: Measure is not realized</b>
	15. Adoption of the Law on National DNA Register	MNE Parliament	2008	Adoption of the Law	<b>ASSESSMENT 17: Measure is not realized</b>
	16. Preparation of the proposal Law on Preventing Conflict of Interest in exercising public functions, in accordance with the international standards and recommendations	Mol&PA in cooperation with the Commission for Determining Conflict of Interest	2008	Defined proposal Law, following the public hearing and collected comments given by the Council of Europe, European Commission, and civil society, the law in line with the European standards and international recommendations, underlining: 1. Harmonized definition of the public official with the provisions of the UN Convention against Corruption (Art 2 of the Convention) 2. Introduced efficient and proportional penalty regime, 3. Defined and prescribed sanctions for delivering incorrect data on property, and 4. Defined obligation of the Commission to, when necessary, check and determine whether the data on reported incomes and proper are true or not.	<b>ASSESSMENT 18: Measure is realized</b> The Government of Montenegro, at the session held on 16 October 2008, adopted the Proposal Law on Preventing Conflict of Interest in exercising public functions
	17. Adoption of the Law on Preventing Conflict of Interest in exercising public functions	MNE Parliament	2008	Adoption of the Law	<b>ASSESSMENT 19: Measure is realized</b> MNE Parliament, at the session held on 27 December 2008, adopted the Law on Preventing Conflict of Interest in exercising public functions, which was published in the "Official Journal of MNE" no 1/09, on 09.01.2009.
	18. Preparation of the proposal Law on Protection of the persons reporting the corruption (whistleblowers)	Mol&PA, Anti-Corruption Initiative Directorate (DACI)	2008	Defined proposal Law, following the public hearing and collected comments given by the international organizations, the law in line with the European standards and international conventions	<b>ASSESSMENT 20: Measure is realized</b> Law on State Employees and Civil Servants (Art. 54, 59, para 1, point 15 and 64, para 2), provides protection for the state employees and civil servants – whistle blowers
	19. Adoption of the Law on Protection of the persons reporting the corruption (whistleblowers)	MNE Parliament	2008	Adoption of the Law	<b>ASSESSMENT 21: Measure is realized</b> Law on State Employees and Civil Servants adopted at the MNE Parliament session on 29 July 2008, and published in OJ MNE no. 50/08
	20. Preparation of the proposal Law on Integrity in Public Sector (which will contain prevention of corruption, preparation of the	Ministry of Finance (MoF) in cooperation with the DACI	2009	Defined proposal Law, following the public hearing and collected comments given by the international organizations, the law in line with the European	<b>ASSESSMENT 22:</b> Working Group for preparation of the Draft law on Integrity in Public Sector established, gathered texts of the comparative legislation. Two meetings of WG held –

	integrity plans, rules on lobbying, conflict of interest, protection of whistleblowers)			standards and international conventions	on 17. 11. 2008 and on 25. 12. 2008.
	<b>21.</b> Adoption of the Law on Integrity in Public Sector	MNE Parliament	2009	Adoption of the Law	<b>ASSESSMENT 23:</b>
	<b>22.</b> Adoption of the Law on Financing of Political Parties	MNE Parliament	2008	Adoption of the Law	<b>ASSESSMENT 24: Measure is realized</b> Law on Financing of Political Parties was adopted at the parliamentary session on 29 July 2009, and published in OJ MNE, no. 49/08, on 15.08.08.
	<b>23.</b> Adoption of the Law on Financing Election Campaign for President of Montenegro, mayors, and presidents of municipalities	MNE Parliament	2008	Adoption of the Law	<b>ASSESSMENT 25: Measure is not realized</b> <b>Note:</b> The Law was adopted at the session of the MNE Parliament on 29 January 2009 (OJ MNE, no 08/09, dating from 4.2.2009).
	<b>24.</b> Preparation of the proposal Law on Electronic Communication, aiming to: 1. introduce obligation for telecommunication services providers to register all buyers of the telecommunication services /120/ 2. ensure direct links and connection with the databases of the telecommunication services providers; condition: adoption of the Law on Personal Data Protection /125-6/	Ministry of Transport, Maritime, and Telecommunication (MoTMT)	2008	Defined proposal Law, following the public hearing and collected comments given by the international organizations, the law in line with the European standards and international conventions	<b>ASSESSMENT 26: Measure is realized</b> MNE Gov adopted Proposal Law on Electronic Communication at the session held on 28.02.2008.
<b>ASSESSMENT 27: Measure is realized</b>					
<b>ASSESSMENT 28: Measure is realized</b>					
	<b>25.</b> Adoption of the Law on Amendments of the Law on Electronic Communication	MNE Parliament	2008	Adoption of the Law	<b>ASSESSMENT 29: Measure is realized</b> Law on Electronic Communication was adopted at the parliamentary session on 29 July 2008, and published in OJ MNE, no 50/08, on 19.08.08.
	<b>26.</b> Preparation of the proposal Law on internal financial control in public sector	MoF	2008	Defined proposal Law, following the public hearing and collected comments given by the international organizations, the law in line with the European standards and international conventions	<b>ASSESSMENT 30: Measure is realized</b> MNE Gov adopted Proposal Law on internal financial control in public sector on session held on 09 October 2008.
	<b>27.</b> Adoption of the Law on internal financial control in public sector	MNE Parliament	2008	Adoption of the Law	<b>ASSESSMENT 31: Measure is realized</b> Law on internal financial control in public sector was adopted at the parliamentary session on 26 November 2008, and published in OJ MNE, no 73/08 on 02.12.08.
	<b>28.</b> Preparation of the proposal Law on Protection of Data on Individuals	MoI&PA	2008	Defined proposal Law, following the public hearing and collected comments given by the international organizations, the law in line with the European standards and international conventions	<b>ASSESSMENT 32: Measure is realized</b> MNE Gov adopted Proposal Law on on Protection of Data on Individuals on session held on 20.11. 2008.
	<b>29.</b> Adoption of the Law on Protection of Data on Individuals	MNE Parliament	2008	Adoption of the Law	<b>ASSESSMENT 33: Measure is realized</b> MNE Parliament adopted on 18 December 2008 Law on Protection of Data on Individuals. It was published in OJ MNE no. 79/08 on 23.12.08.

	30. Preparation of the proposal Law on taking care of temporarily and permanently ceased property	MoF Mol&PA	2008	Defined proposal Law, following the public hearing and collected comments given by the international organizations, the law in line with the European standards and international conventions	<b>ASSESSMENT 34: Measure is realized</b> MNE Gov adopted Proposal Law on taking care of temporarily and permanently ceased property on session held on 18 April 2008.
	31. Adoption of the Law on taking care of temporarily and permanently ceased property	MNE Parliament	2008	Adoption of the Law	<b>ASSESSMENT 35: Measure is realized</b> MNE Parliament adopted on 29 July 2008 Law on taking care of temporarily and permanently ceased property. It was published in OJ MNE no. 49/08 on 15. 08. 08.
	32. Preparation of the proposal Law on property relations	MoF	2008	Defined proposal Law, following the public hearing and collected comments given by the international organizations, the law in line with the European standards and international conventions	<b>ASSESSMENT 36: Measure is realized</b> MNE Gov adopted on 12 June 2008 proposal Law on property relations
	33. Adoption of the Law on property relations	MNE Parliament	2008	Adoption of the Law	<b>ASSESSMENT 37: Measure is not realized</b> <b>Note:</b> The Law was adopted at the session of the MNE Parliament on 26 February 2009.
	34. Determining competencies for preparation, and preparation of the proposal Law on State Election Commission	MNE Parliament in cooperation with the Secretariat for Legislation	2008	Determined competency for preparation of the Law, defined proposal Law, following the public hearing and collected comments given by the international organizations, the law in line with the European standards and international conventions	<b>ASSESSMENT 38: Measure is not realized</b> The agreement was reached, in coordination with the Speaker of the MNE Parliament for the Proposal law on State Election Commission to be prepared by the inter-party group of the Parliament, as it was the case with the preparation of the election legislation in previous period.
	35. Adoption of the Law on State Election Commission	MNE Parliament	2008	Adoption of the Law	<b>ASSESSMENT 39: Measure is not realized</b>
	36. Preparation of the proposal Law on obligatory relations	MoJ	2008	Defined proposal Law, following the public hearing and collected comments given by the international organizations, the law in line with the European standards and international conventions	<b>ASSESSMENT 40: Measure is realized</b> MNE Gov adopted on 23 May 2008 proposal Law on obligatory relations
	37. Adoption of the Law on obligatory relations	MNE Parliament	2008	Adoption of the Law	<b>ASSESSMENT 41: Measure is realized</b> MNE Parliament adopted on 29 July 2008 Law on obligatory relations. It was published in OJ MNE no. 47/08 on 07.08.08.
	38. Preparation of the proposal Law on Aliens	Mol&PA	2008	Defined proposal Law, following the public hearing and collected comments given by the international organizations, the law in line with the European standards and international conventions	<b>ASSESSMENT 42: Measure is realized</b> MNE Gov adopted on 13.11. 2008 proposal Law on Aliens
	39. Adoption of the Law on Aliens	MNE Parliament	2008	Adoption of the Law	<b>ASSESSMENT 43: Measure is realized</b> MNE Parliament adopted on 16 December Law on Aliens. It was published in OJ MNE no. 82/08.
<b>IMPLEMENTATION OF INTERNATIONAL INSTRUMENTS AND STANDARDS IN FIELD OF FIGHT AGAINST CORRUPTION AND ORGANIZED CRIME</b>	40. Analyze degree of harmonization of the legislation with international standards in field of fight against corruption and organized crime	DACI, Mol&PA, MoJ	Continuous	Reports on the level of harmonization of the legislation: number of the analyzed laws, and number and names of the conventions in relation to which the analysis was prepared, for every law individually, number of defined amended laws and number of the adopted	<b>ASSESSMENT 44: Measure is being realized continuously</b> During the reporting period, DACI delivered to UNDP office five laws for the approximation assessment with the international standards, and out of that number, UNDP provided analysis for one law /Law on State Employees and Civil Servants/ so far. Draft CPC was



				amended laws	analyzed as well. Detailed data available in individual reports of institutions at <a href="http://www.antikorup.vlada.cg.yu">www.antikorup.vlada.cg.yu</a>
	41. Continue with the harmonization of legislation with the UN Conventions against corruption (Palermo, UNTOC Convention), and other conventions in field of fight against organized crime	Mol&PA, Ministry of Justice	2008, Continuous	Full harmonization of the legislative framework with the conventions in field of organized crime; number of the analyzed laws, and number and names of the conventions in relation to which the analysis was prepared, for every law individually, number of defined amended laws and number of the adopted amended laws	<b>ASSESSMENT 45: Measure is being realized continuously</b> Links – Assessment 44 – linked measures Law analysis by the UNDP, which shall be finalized in January 2009, in focus will have relevant chapters and provisions of the UN Convention on Fight against Corruption.
	42. To ratify Convention on Laundering, Search, Seizure and Confiscation of the Proceeds from Crime and on the Financing of Terrorism (CETS no198)	MNE Parliament, MNE Government, Mol&PA	2008	Ratified Convention	<b>ASSESSMENT 46: Measure is realized</b> OJ MNE – International agreements no. 5/08
	43. To ratify Convention on Prevention of (CETS no196)	MNE Parliament, MNE Government, Mol&PA	2008	Ratified Convention	<b>ASSESSMENT 47: Measure is realized</b> OJ MNE – International agreements no. 5/08
	44. To ratify Convention on Combating of Terrorism (CETS no 190)	MNE Parliament, MNE Government, Mol&PA	2008	Ratified Convention	<b>ASSESSMENT 48: Measure is not realized</b>
	45. To ratify Convention on Fight against Trafficking in Human Beings (CETS no 197)	MNE Parliament, MNE Government, Mol&PA	2008	Ratified Convention	<b>ASSESSMENT 49: Measure is realized</b> OJ MNE – International agreements no 4/08
	46. To ratify the Convention on Cyber Crime, with supplementing Protocols (ETS189)	MNE Parliament, MNE Government, Mol&PA	2008	Ratified Convention	<b>ASSESSMENT 50: Measure is not realized</b>
	47. Publishing of the ratified international agreements and conventions at the web site of the Government, the Parliament, and in Official Journal	The Government / MFA MNE Parliament MNE Official Journal	Continuous	Published ratified agreements	<b>ASSESSMENT 51: Measure is being realized continuously</b> In 2007, total 14 ratified international agreements were published in OJ MNE, and in 2008, total five ratified international agreements in field of fight against corruption and organized crime were published in special edition of OJ MNE – International Agreements. New web portal of the MFA is in establishing phase – <a href="http://www.mip.gov.me">www.mip.gov.me</a> ; Web site of the parliament: <a href="http://www.skupstina.cg.yu">www.skupstina.cg.yu</a>
<b>COOPERATION AND EXCHANGE OF INFORMATION BETWEEN THE STATES, AIMING TO ORGANIZE JOINT OPERATIONS IN FIGHT AGAINST ORGANIZED CRIME</b>	48. Preparation of the Annual plans for signing of bilateral agreements	Police Directorate, Customs Administration, DPML&FT	Until the end of III Q 2008, until the end of I Q 2009	Prepared Annual plans for signing of bilateral agreements: 1) with the neighboring countries 2) with the EU countries 3) with international organizations	<b>ASSESSMENT 52: Measure partly realized</b> <b>Police Directorate</b> – prepared and delivered to National Commission plan for signing of bilateral agreements in 2009 with neighboring countries, EU countries and international organizations. <b>Customs Administration</b> – development plan of the international customs cooperation integrated in the Business Strategy of the CA. Detailed data available at the individual reports of the institutions at <a href="http://www.antikotup.vlada.cg.yu">www.antikotup.vlada.cg.yu</a>
	49. Signing of bilateral agreements: • with the neighboring	Police Directorate, Customs Administration, DPML&FT	Continuous	Number of signed bilateral agreements: • with the neighboring countries • with the EU countries	<b>ASSESSMENT 53: Measure is being realized continuously</b> <b>Police Directorate</b> – 1 agreement signed, preparations for signing of one more agreement are underway

	<p>countries</p> <ul style="list-style-type: none"> <li>with the EU countries</li> <li>with international organizations</li> </ul>			<ul style="list-style-type: none"> <li>with international organizations</li> </ul>	<p><b>ASSESSMENT 54: Measure is being realized continuously</b>  <b>Customs Administration</b> – 1 agreement signed, preparations for signing of three more agreement are underway</p> <p><b>ASSESSMENT 55: Measure is being realized continuously</b>  <b>DPML&amp;FT</b> – 2 agreements signed</p>
	<p>50. Reporting on the results of international cooperation in fight against corruption and organized crime</p>	<p>The Supreme Court, Supreme State Prosecutor's Office, Police Directorate, Customs Administration, DPML&amp;FT</p>	<p>Continuous</p>	<p>Indicators of the criminal prosecution: number of criminal claims, investigations, charges, and sentences in force, which resulted from international cooperation</p>	<p><b>ASSESSMENT 56: Measure is being realized continuously</b>  <b>Police Directorate</b> - 7 international police operations realized, out of that – 4 in cooperation with the High and Basic Prosecutor's Office and 3 in cooperation with the Special Prosecutor.  <b>Customs Administration</b> – there were no joint activities during the reporting period  <b>DPML&amp;FT</b> – 10 reports on suspicious transactions delivered to the police and prosecutor's office</p>
<p><b>ACTIVE PARTICIPATION IN REALIZATION OF MEASURES AND ACTIVITIES OF REGIONAL ANTI-CORRUPTION INITIATIVE (RAI)</b></p>	<p>51. Implementation of Declaration on ten joint measures for fight against corruption in South Eastern Europe</p>	<p>DACI (on basis of collected individual reports from the competent bodies)</p>	<p>Continuous</p>	<p>Assessment of the realized progress by RAI</p>	<p><b>ASSESSMENT 57: Measure is being realized continuously</b>  <b>DACI delivered annual report to RAI Secretariat</b> on realization of ten common measures for corruption combating. Detailed data on DACI activities in field of realization of this measure available at the DACI report at <a href="http://www.antikorup.vlada.cg.yu">www.antikorup.vlada.cg.yu</a></p>
<p><b>REALIZATION OF THE OBLIGATIONS DERIVING FROM THE MEMBERSHIP IN THE COUNCIL OF EUROPE (GRECO)</b></p>	<p>52. Fulfillment of obligatory recommendations from GRECO Report on assessment of anti-corruption measures and activities in Montenegro</p>	<p>DACI (on basis of collected individual reports from the competent bodies)</p>	<p>Continuous</p>	<p>GRECO Report on Fulfillment of obligations and recommendations deriving from the GRECO Report on assessment of anti-corruption measures and activities in Montenegro, number of measures assessed by GRECO as implemented and realized, and number of measures that are not realized</p>	<p><b>ASSESSMENT 58: Measure is being realized continuously</b>  At the 40<sup>th</sup> plenary GRECO session, held on 1-5 December 2008, Report on Approximation for Montenegro was adopted, which concludes that Montenegro implemented, in satisfying manner, 16 out of total 24 recommendations, and that progress has been achieved in almost all fields with recommendations. GRECO report available at: <a href="http://www.antikorup.vlada.cg.yu">www.antikorup.vlada.cg.yu</a></p>
<p><b>IMPROVEMENT OF MATERIAL CONDITIONS FOR THE FUNCTIONING OF COMPETENT BODIES</b></p>	<p>53. Defining priorities in field of fight against corruption and organized crime, drafting projects and candidate them for Budget financing, and by means of international organizations and institutions</p>	<p>DACI, Customs Administration, Tax Administration, Commission for determining conflict of interest, Commission for controlling public procurement procedure, Supreme State Prosecutor's Office, Supreme Court, Police Academy, DPML&amp;FT, HRMA</p>	<p>Continuous</p>	<p>Defined priorities, project proposals based on defined priorities</p>	<p><b>ASSESSMENT 59: Measure is being realized continuously</b>  Detailed data available at the individual reports of the institutions at <a href="http://www.antikorup.vlada.cg.yu">www.antikorup.vlada.cg.yu</a>  Applied and approved projects from IPA 2007 are available at web site of Secretariat for European Integration <a href="http://www.sei.vlada.cg.yu">www.sei.vlada.cg.yu</a> and at the web site of EC Delegation in Podgorica <a href="http://ec.europa.eu/delegations/del/mne/">http://ec.europa.eu/delegations/del/mne/</a></p>

	54. Ensuring financial support from the Budget for the competent bodies for realization of candidate projects	DACI, Police Directorate, Custom Administration, Tax Administration, Commission for determining conflict of interest, Commission for controlling public procurement procedure, Supreme State Prosecutor's Office, Supreme Court, Police Academy, DPML&FT, HRMA	Continuous	Number of projects financed from the Budget relating to fight against corruption and organized crime, and total amount of ensured and provided means	<b>ASSESSMENT 60: Measure is being realized continuously</b> Detailed data available at the individual reports of the institutions at <a href="http://www.antikorup.vlada.cg.yu">www.antikorup.vlada.cg.yu</a> Proposal Law on Budget for 2009 is available at GOV web site <a href="http://www.gov.me/files/1231933022.pdf">http://www.gov.me/files/1231933022.pdf</a> : PD-program of fight against corruption and org crime- 4,5 mil €, DACI – program of fight against corruption 382.000€, DPML&FT –program 0,5 mil €, HRMA-training programs 1,3 mil €, etc.
	55. Ensuring financial support from the international organizations for the competent bodies for realization of candidate projects	DACI, Police Directorate, Custom Administration, Tax Administration, Commission for determining conflict of interest, Commission for controlling public procurement procedure, Supreme State Prosecutor's Office, Supreme Court, Police Academy, DPML&FT, HRMA	Continuous	Number of projects delivered to the foreign donors relating to fight against corruption and organized crime, and total amount of ensured and provided means by the foreign donors	<b>ASSESSMENT 61: Measure is being realized continuously</b> Detailed data available at the individual reports of the institutions at <a href="http://www.antikorup.vlada.cg.yu">www.antikorup.vlada.cg.yu</a>

#### RECOMMENDATIONS:

1. The Parliament of Montenegro is to amend Rules of Procedure in order to expand competencies of the Committee, and to deliver data on number of invited NGOs on thematic sessions of the Committee, and on the number of adopted opinions and suggestions by the Committee.
2. Competent ministries are to intensify preparations of draft laws envisaged by the IAP.
3. The Parliament of Montenegro is to intensify activities in field of adoption of the laws that are in parliamentary procedure, and whose adoption is envisaged by the IAP.
4. The Parliament of Montenegro is to fully implement, in the shortest possible period, all measures from the Resolution on fight against corruption and organized crime (especially articles 2, 4, 5, 6 and 7 of the Resolution). **NC RECOMMENDATION PURSUNAT TO 2008 EC REPORT**
5. The Parliament of Montenegro is to discuss, at the first session in 2009, Proposal law on property relations, which will define competencies over the property or resources at the local level, and to discuss Proposal law on concessions. **NC RECOMMENDATION PURSUNAT TO 2008 EC REPORT**
6. The Government of Montenegro is to adopt Criminal procedure Code, not later than 15 February 2009. **NC RECOMMENDATION PURSUNAT TO 2008 EC REPORT**
7. The Parliament of Montenegro is to adopt, in shortest possible period, Proposal law on property of Montenegro. **NC RECOMMENDATION PURSUNAT TO 2008 EC REPORT**
8. Competent institutions are to deliver detailed data on realization of measure 54 in Chapter "Political and International Obligation to act", and to inform NC about the means provided from the Budget for realization of projects in field of corruption and organized crime. **NC RECOMMENDATION PURSUNAT TO 2008 EC REPORT**
9. The Parliament of Montenegro is to establish, in scope of its competencies, working group for drafting of Proposal law on state election commission, which will contain provisions ensuring competencies for the state election commission to verify data on property of political parties. **NC RECOMMENDATION PURSUNAT TO 2008 EC REPORT**
10. The Parliament of Montenegro is to adopt, at the first regular session in 2009, Proposal law on financing of political campaigns for election of the President of Montenegro, mayors and presidents of municipalities. **NC RECOMMENDATION PURSUNAT TO 2008 EC REPORT**
11. Ministry of Justice is to strengthen capacities for enhancing international legal cooperation and international legal assistance **NC RECOMMENDATION PURSUNAT TO 2008 EC REPORT**

## II GENERAL OBJECTIVES

In terms of assessment of criminality state of play in field of criminal acts with elements of corruption and organized crime, significant contribution was made by the **Three-Party Commission** (bearers of judicial and prosecution functions and representatives of the Police Directorate). This Commission, in accordance with previously defined unique methodology, performed statistical processing of data necessary for assessment of volume and diffusion of criminal acts with elements of corruption and organized crime. During the reporting period, following **criminal acts with elements of corruption** were processed: Violation of equality in the conduct of business activities (art. 269 of CC); Abuse of monopolistic position (art. 270 of CC); Causing of bankruptcy (art. 273 of CC); Causing of false bankruptcy (art. 274 of CC); Abuse of authority in economy (art. 276 of CC); False balance (art. 278 of CC); Abuse of assessment (art. 279 of CC); Revealing a business secret (art. 280 of CC); Revealing and using stock-exchange secret (art. 281 of CC); Abuse of official status (art. 416 of CC); Unconscientiously performance of office (art. 417 of CC); illegal mediation (art. 422 of CC); Passive bribery (art. 423 of CC); Active bribery (art. 424 of CC), and Disclosure of official secrets (art. 425 of CC).

**In period 01.01.2006 - 31.12.2008, total of 776 criminal charges against 1247 persons have been submitted** (in 2006 - 271 charges against 449 persons, in 2007 - 274 charges against 435 persons, and in 2008 - 231 charges against 363 persons), while only in period **July – December 2008, 113 criminal charges** have been submitted for criminal acts with elements of corruption **against 180**

persons).

In deciding upon submitted charges, after gathering necessary information in pre trial procedure, **State Prosecution** has rejected 370 criminal charges against 605 persons, out of which upon submitted charges in 2006 - 147 charges against 258 persons, in 2007 - 137 charges against 226 persons, and in **2008 - 86 charges against 121 persons**. 14 **accusatory suggestions** were submitted against **19 persons**, and out of that number, in 2006 - 7 accusatory suggestions submitted against 9 persons, in 2007 – five accusatory suggestions submitted against eight persons, and in **2008 – two accusatory suggestions against two persons**. **10 charges against 12 persons were brought without previous conducting investigation**, out of which 5 charges against 6 persons in 2006, 4 charges against 4 persons in 2007, and **1 charge against 2 persons in 2008**. Furthermore, during entire reporting period, **State Prosecution** submitted 277 requests for conducting investigation against 425 persons /out of that number: in 2006 – 108 requests against 166 persons, in 2007 - 104 requests against 162 persons, and in **2008 – 65 requests for conducting investigation against 97 persons/**.

At the end of reporting period, 101 criminal charges against 176 persons **remained unsolved** before other bodies involved in pre trial procedure upon prosecution requests for gathering necessary information, out of which 24 charges against 35 persons in 2007, and **77 charges against 141 persons in 2008**.

**During the entire reporting period, there were 157 accusations in operation against 214 persons** (in 2006 - 75 accusations against 89 persons, 2007 – 58 accusations against 89 persons, and in **2008 – 24 accusations against 36 persons**). **On basis of these accusations, in cases upon criminal charges for criminal acts with elements of corruption, 105 verdicts have been reached against 129 persons** (in 2006 - 53 verdicts against 65 persons, in 2007 - 42 verdicts against 52 persons, and in **2008 – 10 verdicts against 12 persons**).

**53 cases against 69 persons ended with convictions** (in 2006 – 28 convictions against 36 persons, in 2007 – 16 convictions against 22 persons, and in **2008 – 9 convictions against 11 persons**). **Charges were dropped in 8 cases against 11 persons**, (in 2008, there were no cases of dropped charges). **44 cases against 49 persons ended with acquittals** (one acquittal against one person in 2008).

In addition, during total reporting period, State Prosecution submitted **61 appeal upon first instance sentences against 80 persons (in 2008 – 4 appeals against 4 persons)**. Out of that number, **appeal procedure was completed in 46 cases against 48 persons (in 2008 - 3 cases against 3 persons)**, while the appeal procedure is underway in 15 cases against 35 persons (in 2008 – one case against one person). Second Instance Courts accepted 13 appeals against 13 persons (in 2008 – one appeal against one person), and rejected 33 appeals against 35 persons (in 2008 – 2 appeals against 2 persons).

**Therefore, during the reporting period, there were 157 accusations in operation against 214 persons, 105 verdicts were reached against 129 persons, put of which, 69 convictions against 74 persons (out of that number, in 2008, 4 convictions against 4 persons became effective; detailed data given in the Table 1 – Annex of this Report).**

During total reporting period, **40 criminal charges were submitted against 230 persons for committing criminal acts of organized crime** (in 2006 – 20 charges against 120 persons, in 2007 – 12 charges against 61 persons, and in **2008 – 8 charges against 49 persons**). Total of **15 cases against 88 persons ended with verdict** (in 2006 – 5 verdicts against 37 persons, in 2007 – 9 verdicts against 48 persons, and in **2008 – one case against 3 persons was solved - detailed data given in the Table 1 – Annex of this Report**). This Annex contains also Table with data on **claims (8 claims against 34 persons) for criminal acts with elements of corruption delivered to the Department for Fight against Organized Crime, Corruption, Terrorism, and War Crimes** for period 04 July -31 December 2008, from the moment of establishing this Department.

In previous period, in field of fight against trafficking in human beings, the Government of Montenegro allocated necessary financial means for well-functioning of Shelter for Victims of Trafficking in Human Beings in Montenegro, in order to provide necessary assistance, housing, food, clothes and other forms of help to the victims of trafficking in Montenegro (medical, social, psychological, legal, and other), and also the administrative capacity building of the Office of National Coordinator for Fight against Trafficking in Human beings was continued. Allocated financial means are integral part of the Budget of the Office of National Coordinator for Fight against Trafficking in Human beings. In framework of activities undertaken by state bodies in fight against human trafficking, **XV meeting of the Working Group** for implementation of the National Strategy for Fight against Trafficking in Human Beings was held on 25 December 2008, when the **Action Plan for Implementation of the National Strategy was adopted**, which precisely describes activities, for 2009, of relevant subjects in field of fight against human trafficking.

#### **A. EFFICIENT CRIMINAL PROSECUTION WITH THE OBJECTIVE OF COMBATING CORRUPTION AND ORGANIZED CRIME**

<b>GOAL</b>	<b>MEASURE</b>	<b>COMPETENT INSTITUTION</b>	<b>DEADLINE</b>	<b>INDICATORS OF THE SUCCESS</b>	<b>ASSESSMENT / RECOMMENDATION</b>
<b>RAISING THE LEVEL OF KNOWLEDGE AND SPECIALIZATION OF POLICE, PROSECUTORS AND JUDGES</b>	1. Needs assessment for training of prosecutors, police, and judges	Police Directorate, Police Academy, Supreme State Prosecutor's Office, Supreme Court	2008	Identified need for training of prosecutors, judges, and police officers	<b>ASSESSMENT 62: Measure is realized</b> Training needs for prosecutors and judges defined in training program CEBJF. Training needs for police defined in Education Program of the Police Academy. Detailed data available in individual reports of reporting institutions at <a href="http://www.antikorup.vlada.cg.yu">www.antikorup.vlada.cg.yu</a>
	2. Organizing of joint seminars for representatives of police, prosecutor's office and courts, in relation to new provisions and solutions stipulated in Criminal Procedure Code	Center for education of bearers of judicial functions / CEBJF/ in cooperation with the Police Academy	2008-2009	Number of held seminars, number of participants from the police, prosecutor's office, courts	<b>ASSESSMENT 63: Measure is realized</b> CEBJF - 6 seminars for prosecutors and judges from all MNE regions Police Academy – 2 seminars for Police Directorate officers

PREVENTION OF ABUSE IN APPLICATION OF SECRET SURVEILLANCE MEASURES (SSM)	3. Court and prosecution control	Judicial Council, Supreme State Prosecutor's Office, Police Directorate	Continuous	Number of carried out controls, number of discovered eventual abuses	<b>ASSESSMENT 64: Measure is being realized continuously</b> Department, for fight against organized crime, corruption, terrorism and war crimes in SSP, realizes this measure in framework of tasks within competencies. There were no objections relating to application of secret surveillance measures during the reporting period, so in that sense, there were no controls over the application of SSM.
	4. Parliamentary control (in accordance with the provisions of the Law)				<b>ASSESSMENT 65: Measure is being realized continuously</b> During the reporting period, there were no sessions held of the parliamentary Committee for security and defense relating to control over application of the SSM.
	5. Internal Police Control				<b>ASSESSMENT 66: Measure is being realized continuously</b> During the reporting period, there were no objections relating to application of SSM, so that there were no controls realized over SSM.
EFFICIENT CARE OF TEMPORARY AND PERMANENTLY CONFISCATED PROPERTY, AS WELL AS OF THE DISTRIBUTION OF PROFIT GAINED FROM THE CONFISCATED PROPERTY (TO JUDICIARY, PROSECUTION, POLICE)	6. To establish separate independent body for confiscated property management	Ministry of Finance	2008	Established body; Prepared and delivered reports on status and level of condition and degree of preservation of the value of the property (confiscated, guarded, and returned); Relation in value between temporarily confiscated, permanently confiscated and returned property	<b>ASSESSMENT 67: Measure is not realized</b> <b>Note:</b> Law on Taking Care of Temporary and Permanently Confiscated Property, adopted by the Parliament of MNE, envisages for the State Property Agency to be responsible for taking care of temporary and permanently confiscated property. Establishment of this Agency is envisaged by the Law on State Property, which is currently in governmental procedure.
ASSESSMENT OF THE CRIMINALITY STATE OF PLAY IN FIELD OF CRIMINAL ACTS WITH ELEMENTS OF CORRUPTION AND ORGANIZED CRIME	7. 1. Preparation of the six-months analysis on statistical indicators in relation to number of cases in field of corruption and organized crime being processed before the courts or the ones with effective rulings, with special attention to the structure of perpetrators of such acts and sphere of society in which these acts 2. to prepare instructions for harmonization of methods of presenting statistical data by the police, prosecution, and courts, for publishing of these data at the web sites of the mentioned institutions	1. Supreme Court, Police Directorate, Supreme State Prosecutor's Office (Three-Party Commission)  2. Supreme Court, Police Directorate, Supreme State Prosecutor's Office (Three-Party Commission)	1. 2008, Continuous  2. 2008.	1. prepared periodical statistical indicators and analysis, delivered to the National Commission 2. harmonized methods of presenting statistical data by the police, prosecution, and courts, comparable statistical data, and also published at the web sites of the respective institutions 3. number of identified, characteristic emerging problems in relation to implementation in purpose of providing evidences and proving in pre-trial procedure, investigation, and main hearing, and which have impact on efficient criminal prosecution and effective rulings	<b>ASSESSMENT 68: Measure is being realized continuously</b> Delivered regular Three-Party Commission Report (ANNEX- table)
					<b>ASSESSMENT 69: Measure is realized</b> Agreed methodology, on basis of which, three-year report was prepared (2006,2007, 2008)



<b>STRENGTHENING OF STATE BODIES' CAPACITIES IN FIGHT AGAINST TRAFFICKING IN HUMAN BEINGS</b>	8. Implementation of the Action Plan for fight against trafficking in human beings	Office of the national Coordinator for fight against trafficking in human beings, Police Directorate	2008/09 Continuous	Quarterly informing on realization of measures from the Action Plan Statistical data on number of investigations carried out, criminal claims submitted, and effective court rulings, convicting and acquitting, in field of trafficking in human beings	<b>ASSESSMENT 70: Measure is being realized continuously</b> Detailed data available in individual reports of institutions at <a href="http://www.antikorup.vlada.cg.yu">www.antikorup.vlada.cg.yu</a> Note: National Coordinator to deliver in shortest possible period additional data on number of investigations undertaken, criminal charges and verdicts.
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**RECOMMENDATIONS:**

1. Center for Education of bearers of Judicial Function and Police Academy are to coordinate organizing of joint seminars for representatives of police, prosecution, and courts, about solutions from the new Criminal Procedure Code.
2. Ministry of Finance is to intensify activities on establishing of the body that would be competent for taking care of confiscated property.
3. Police Directorate, Supreme Court, and Supreme State Prosecutor's Office are to intensify realization of trainings for conducting of financial investigation for judges, prosecutors and police officers, and to deliver detailed information on number of realized trainings and number of conducted financial investigations to the National Commission. **NC RECOMMENDATION PURSUANT TO 2008 EC REPORT**
4. Three-Party Commission is to identify in its following report characteristic form of problems concerning proving activities in pre-trial and investigation procedure, as well as in main hearing, and which effect on efficiency of criminal prosecution and passing of verdict.

**B. PREVENTION AND EDUCATION**

Prevention and education measures, as general objectives of the Innovated Action Plan for Implementation of the Program of Fight against Corruption and Organized Crime, are defined with the view of pre-acting against corruption through establishing of the system with main goal to provide preconditions for efficient prevention of corruption. These preconditions mean improving working conditions, promoting the principles of ethics, avoiding conflict of interests, more intensive contact with citizens and free access to information.

**Commission for Determining the Conflict of Interest**, under its competencies, accomplished significant results regarding ensuring the transparency of financial and property conditions of public office holders through updating public register where all public officials are registered. In reporting period, out of total number of 1921 public officials in Montenegro, 1773 or 92,3 % of that number submitted reports on incomes and property for 2007 /766 or 98.1% state officials, and 1007 or 88,3 % local officials/.

Due to missing in delivered reports in 2008, Commission initiated procedures against 182 public officials. **In 2008, according to Article 22 of the Law, 25 requests for dismissal of public official were delivered to the competent bodies. 814 decisions were passed (658 first instance decisions and 156-second instance decisions). It was concluded in 318 decisions that public officials violated the Law. Furthermore, 144 decisions were passed, claiming that public officials did violate the Law, while in 352 passed decisions it was concluded that the Law was not violated. 19 opinions and 37 conclusions for public officials were adopted.** Also in 2008, 105 public officials reported changes in their property status, and 12 gifts, exceeding value of 50 euros, were reported to the Commission.

All state bodies perform in accordance with the **Law on Free Access to Information**, and in that manner they contribute to strengthening of transparency principle in their work (368 requests were submitted, out of that number, 348 requests were solved and 20 requests are currently in procedure – quantity data available in individual reports of institutions at [www.antikorup.vlada.cg.yu](http://www.antikorup.vlada.cg.yu)). During the reporting period, Human Resources Agency organized 4 seminars on free access to information with special emphasize on provisions of the Law on Data Confidentiality (for competent / responsible persons that proceed upon Law on Free Access to Information). 75 state employees and civil servants from different state bodies participated at this seminar. Ministry of Culture and Media adopted Manual for practical implementation of the Law on Free Access to Information, which was presented to public at the press conference, held on 19 November 2008, in Human Resources Agency of Montenegro.

**Code of Ethics of Judges** was unanimously adopted at the Conference of Judges, held on 26 July 2008. Two judges were dismissed, five judges were temporary suspended, and the criminal procedure was initiated against them, while the procedure for eventual dismissal of one more judge is underway.

**Committee on Ethics of the Police Directorate** continuously proceeds upon the cases relating to violation of the police ethics. During the reporting period, Committee on Ethics of the Police Directorate, at three sessions held, discussed 21 cases, out of which number, 18 cases were further processed to the disciplinary prosecutor. Six disciplinary procedures were completed in the Supreme Court, and on basis of them, disciplinary measures were imposed.

In order to establish more efficient mechanism for fight against corruption, Ministry for Economic Development undertook a number of normative and strategic activities such as: preparation of the new Law on Urban Planning and Building and complementary bylaws; preparation of the Constructing Strategy in Montenegro; strengthening of inspection services. World Bank approved credit for preparation of detailed urban plans for municipalities as well.

GOAL	MEASURE	COMPETENT INSTITUTION	DEADLINE	INDICATORS OF THE SUCCESS	ASSESSMENT / RECOMMENDATION
<b>IMPROVEMENT OF WORKING CONDITIONS</b>	9. To provide special premises for acceptance of injured parties and	Judicial Council, Ministry of Finance, Courts	I Q of 2009	Provided and special premises for acceptance of injured parties and	<b>ASSESSMENT 71:</b>

<b>AND GENERAL STANDARD OF JUDGES, PROSECUTORS, AND THE POLICE</b>	witnesses, protecting and preserving integrity of court proceeding, and safety and privacy of injured parties and witnesses			witnesses	
<b>INTEGRITY BUILDING OF JUDGES AND PROSECUTORS</b>	10. Implementation of the Code of Ethics of judges and the Code of Ethics of prosecutors	Judicial Council, Prosecutor's Council	Continuous	Efficient implementation and initiation of disciplinary proceedings due to the violation of the Code of Ethics (number of disciplinary proceedings, number of decisions, number of dismissed judges/prosecutors)	<b>ASSESSMENT 72: Measure is realized</b> Code of Judge Ethics was unanimously adopted at the Conference of Judges, held on 26 July 2008. During the reporting period, there were no violations of the Code of Ethics of Judges and of Code of Ethics of State Prosecutors
	11. Efficient work of the Office for reporting the corruption within the judiciary	Supreme Court	Continuous	Number of disciplinary and criminal proceedings initiated against the judges due to reports delivered to the Office	<b>ASSESSMENT 73: Measure is being realized continuously</b> Six disciplinary procedures were completed in the Supreme Court, and on basis of them, disciplinary measures were imposed. Two judges were dismissed, five judges were temporary suspended and the criminal procedure was initiated against them, and the procedure for eventual dismissal of one more judge is underway.
<b>POLICE INTEGRITY BUILDING</b>	12. Application of the Police Code of Ethics: 1) Efficient work of Committee on Ethics 2) Preparation of six-month analysis on application of Code of Ethics 3) Organizing of periodical trainings on application of Code of Ethics	1, 2 Police Directorate (Committee on Ethics ) 3 Police Academy	Continuous	Six-month analysis prepared by the Committee on Ethics on application of Code of Ethics Number of disciplinary proceedings initiated due to violation of the Police Code of Ethics, number of trainings and number of employees participating in trainings	<b>ASSESSMENT 74: Measure is being realized continuously</b> During the reporting period, Committee on Ethics of the Police Directorate, at three sessions held, discussed total of 21 cases, out of which number, 18 cases was further processed to the disciplinary prosecutor. <b>ASSESSMENT 75: Measure is realized</b> Analysis of application of the Code of Ethics for II half of 200 was prepared. . <b>ASSESSMENT 76: Measure is not realized</b> <b>Note:</b> training is planned to be held in February 2009.
	13. Preparation of the Professional Directive on Procedures for Reporting Criminal Acts with Elements of Corruption and Protection of Whistle Blowers and its efficient implementation	Police Directorate	2008	Prepared Professional Directive, number of reported cases of corruption before and after promotion of the Instructions	<b>ASSESSMENT 77: Measure is realized</b> In cooperation with OSCE and DACI, Police Directorate prepared and passed Professional Directive on Procedures for Reporting Criminal Acts with Elements of Corruption and Protection of Whistle Blowers on 24 October 2008.
	14. Training of police officers and employees for implementation of the Instructions on reporting corruption to the police	Police Directorate, Police Academy, DACI	2008, Continuous	Number of trainings and number of employees participating in trainings	<b>ASSESSMENT 78: Measure is being realized continuously</b> In November 2008, training was organized for 27 Police Directorate officers on implementation of the Professional Directive on Procedures for Reporting Criminal Acts with Elements of Corruption and Protection of Whistle Blowers
	15. Promoting the Professional Directive on Procedures for Reporting Criminal Acts with Elements of Corruption and Protection of Whistle Blowers	Police Directorate, DACI, NGO	2008, Continuous	Prepared plan of promotion of the Directive, report on implementation of the plan, number of the realized activities in relation to the planned ones	<b>ASSESSMENT 79: Measure is being realized continuously</b> U In cooperation with OSCE and DACI, campaign for promotion of the Directive was initiated in late November – beginning of December, through putting of billboards and sharing of leaflets at the BCPs when entering Montenegro. DACI prepared plan for further

					promotion of the Directive for 1 quarter of 2009, through organization of tribunes, media, and similar.
	16. Six-months reporting on work of organizational unit for surveillance of Police Directorate work	Mol&PA	Continuous	Six-months reports	<b>ASSESSMENT 80: Measure is realized</b> Semi-annual report of the Mol&PA on work of the organizational unit for monitoring Police Directorate work was delivered.
<b>IMPROVEMENT OF METHODS, MANNER OF FUNCTIONING AND CONDUCTING OF THE LEGISLATIVE, EXECUTIVE AND JUDICIAL AUTHORITIES, AS WELL AS STATE PROSECUTORS</b>	17. Promotion of the Code of Ethics of public servants and state employees	Human Resources Management Agency	Continuous	Respecting the Code of Ethics	<b>ASSESSMENT 81: Measure is being realized continuously</b> During the reporting period, 2 seminars were held on "Fighting Corruption in Public Administration", with 30 participants in total.
	18. Fulfilling the obligation for public office holders to submit reports on their incomes and property conditions	Commission for Determining the Conflict of Interest	Continuous	Percentage of submitted reports on incomes and property	<b>ASSESSMENT 82: Measure is being realized continuously</b> In reporting period, out of total number of 1921 public officials in Montenegro, 1773 or 92,3 % of that number submitted reports on incomes and property for 2007 /766 or 98.1% state officials, and 1007 or 88,3 % local officials/. Detailed data available in individual reports of institutions at <a href="http://www.antikorup.vlada.cg.yu">www.antikorup.vlada.cg.yu</a>
	19. Monitoring the giving and receiving gifts by the officials and employees	Commission for Determining the Conflict of Interest	Continuous	Number and value of reported gifts	<b>ASSESSMENT 83: Measure is being realized continuously</b> In reporting period, 12 gifts were registered; whose individual value exceeds 50 euros (link-record of gifts).
	20. Updating and monitoring of the public register aimed at ensuring the transparency of financial and property conditions of public office holders	Commission for Determining the Conflict of Interest	Continuous	Updated public register	<b>ASSESSMENT 84: Measure is being realized continuously</b> All data are publicly and transparently presented at the web- site of the Commission <a href="http://www.konfliktinteresa.cg.yu">www.konfliktinteresa.cg.yu</a>
<b>NARROWING DOWN THE AREA FOR POTENTIAL CORRUPTION IN PUBLIC SECTOR</b>	21. Preparation of the Action Plan for fight against corruption in field of health care and social protection	Ministry of health, labor and social welfare, DACI, in cooperation with the NGO	I Q of 2009	Prepared Action Plan	<b>ASSESSMENT 85:</b> Commission for preparation of the Action Plan fight against corruption in field of health care and social protection was established, where participates a DACI representative as well. The first meeting was held on 15.12. 2008, when starting points for preparation of the AP were discussed.
	22. Preparation of the Action Plan for fight against corruption in field of education	Ministry of Education and Science, DACI, in cooperation with the NGO	I Q of 2009	Prepared Action Plan	<b>ASSESSMENT 86:</b> Commission for preparation of the Action Plan was established.
	23. Preparation of the Action Plan for fight against corruption in field of spatial planning	Ministry for Economic Development, DACI, in cooperation with the NGO	I Q of 2009	Prepared Action Plan	<b>ASSESSMENT 87:</b> Preparation of the Action Plan is underway
<b>EFFICIENT IMPLEMENTATION OF THE LAW ON FINANCING POLITICAL PARTIES AND THE LAW ON ELECTION OF THE PRESIDENT OF MONTENEGRO, MAYORS, AND PRESIDENTS OF MUNICIPALITIES</b>	24. Organizing of the seminars for authorized persons from political parties and employees who have direct contact with finances	State Election Commission and NGO	Continuous	Total number of seminars per institutions and fields, number of participants	<b>ASSESSMENT 88 : Measure is not realized</b>
	25. Organizing of advising with the authorized persons in political parties aiming to share knowledge acquired at the international seminars	State Election Commission	Continuous	Total number of organized advisories, number of participants	<b>ASSESSMENT 89 : Measure is not realized</b>



	26. Education of the citizens and NGOs on implementation of the Law on Financing Political Parties and the Law on election of the President of Montenegro, mayors, and presidents of municipalities	NGOs	Continuous	Number of NGOs that carry out education, prepared manual for citizens	<b>ASSESSMENT90: Measure is not realized</b>
	27. Preparation of the Manual for members of State and Municipal election commissions and for authorized persons of political parties and employees who have direct contact with finances	State Election Commission and NGO	2009	Prepared manual, number of distributed manuals	<b>ASSESSMENT 91:</b>
	28. Preparation of database on financial reports submitted by political parties, available at the web site of the State Election Commission	State Election Commission	2009, Continuous	Established database, number of published information and submitted reports at the web site	<b>ASSESSMENT 92 :</b>
	29. Preparation of database with the reports on spent means by the State Election Commission, available at the web site of the State Election Commission	State Election Commission	2008, Continuous	Established database, published report	<b>ASSESSMENT93: Measure is not realized</b>
<b>EFFICIENT IMPLEMENTATION OF THE LAW ON FREE ACCESS TO INFORMATION</b>	30. Training of the state employees and civil servants on implementation of the Law	Human Resources Management Agency	Continuous	Number of seminars and participants	<b>ASSESSMENT 94: Measure is being realized continuously</b> During the reporting period, Human Resources Agency organized 4 seminars on free access to information, with special emphasize on provisions of the Law on Data Confidentiality, for competent / responsible persons that proceed upon Law on Free Access to Information). 75 state employees and civil servants from different state bodies participated at this seminar.
	31. Education of the citizens and NGOs on implementation of the Law on Free Access to Information	NGOs	Continuous	Number of NGOs that carry out education	<b>ASSESSMENT 95: Measure is partly realized</b> NGO MANS published and distributed promoting material for educating the citizens on the right on free access to information.
	32. Preparation of the Manual for state employees	Ministry of Culture and media, NGOs	2008	Prepared manual	<b>ASSESSMENT 96: Measure is realized</b> Adopted Manual for practical implementation of the Law on Free Access to Information
	33. To enable free access to information, in accordance with the Law	All state bodies (obligatory enforcers of the Action Plan)	Continuous	Number of solved cases in relation to number of submitted request, number of decisions repealed in second instance and court proceeding	<b>ASSESSMENT 94: Measure is being realized continuously</b> Institutions reporting delivered following data: 368 requests were submitted, out of that number, 348 requests were solved and 20 requests are currently in procedure

**RECOMMENDATIONS:**

- Human Resources Agency is to undertake, in framework of program for 2009, activities in field of implementation obligatory trainings on issues encompassed by the Code of Ethics of state employees and civil servants, in order to realize fully principles of state administration reform (objectivity, impartiality, independence, etc). – **NC RECOMMENDATION PURSUNAT TO 2008 EC REPORT**
- The Supreme Court and Supreme State Prosecutor's Office are to undertake activities in field of continuous implementation of program for promoting and application of the Code of Ethics of Judges. **NC RECOMMENDATION PURSUNAT TO 2008 EC REPORT**

3. Ministry for Economic Development is to intensify activities on preparation of Action Plan for Fight against Corruption in field of Spatial Planning. **NC RECOMMENDATION PURSUNAT TO 2008 EC REPORT**
4. Police Directorate and Directorate for Anti-Corruption Initiative are to undertake (in cooperation with NGOs and in order to provide efficient application of the Law on State Employees and Civil Servants reporting corruption /whistle blowers/ in regard to the provisions that ensure protection for them) necessary activities for promotion of the Professional Directive on Procedures for Reporting Criminal Acts with Elements of Corruption and Protection of Whistle Blowers. **NC RECOMMENDATION PURSUNAT TO 2008 EC REPORT**
5. The Supreme Court and Judicial Council are to introduce work of the Office for Reporting of the Corruption in Judiciary to public.
6. Police Academy is to intensify activities in organizing of periodical trainings on implementation of the provisions from the Code of Ethics.
7. State Election Commission is to prepare and organize counseling with authorized persons from political parties in order to share with them knowledge acquired at the international seminars.
8. NGO CEMI is to intensify activities, with aim of providing efficient implementation of the Law on Financing of Political Parties, in field of education of citizens and NGOs about implementation of the Law on Financing of Political Parties.
9. All IAP reporters and institutions proceeding upon Law on Free Access to Information are to analyze, in following period, verdicts of Administrative Court, and to proceed in accordance with them when passing the decisions upon delivered requests.

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

This part of General objective of the IAP contains 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. Implementers are numerous state authorities, NGO sector, and the media. In addition, the set of measures deals with participation of the private sector and business associations in the activities for providing fair and competitive business and investment.

Line bodies conducted intensive **public campaign** with a view to more efficient participation of citizens in fight against corruption and organized crime, which involved periodical lectures in high schools and faculties. In reporting period, Customs Administration designed 7 brochures for physical and legal entities, with special emphasize on brochures »How to import and export goods«, »Guidebook for citizens« and »How to file a complaint to Customs.« These brochures are published at the web site and notice board of the Customs Administration, and, in printed form, delivered and distributed to all border crossing points and customs points.

Within the scope of public campaign, DACI published 4 announcements in daily newspapers, inviting citizens to report corruption and actively participate in its suppression. With the same goal, DACI promoted the **Professional Directive on Procedures for Reporting Criminal Acts with Elements of Corruption and Protection of Whistle Blowers**. In addition, DACI printed 500 posters and 40.000 flyers, and rented 2 billboards and 5 city lights in Podgorica. DACI delivered 100 posters and 2000 copies of leaflets to Police Directorate to distribute them to all border crossing points and regional units of the Police Directorate. 30.000 copies of the leaflets were distributed to citizens through printed media (as a part of daily newspaper "Vijesti"). A number of posters and leaflets were delivered to all units of local self-government in Montenegro. Two brochures were presented to public: **Brochure on participation of private sector in combating corruption, and Brochure for reporting corruption in privatization process**, so as brochure „**Guidebook through anti-corruption**” for high school pupils. Apart from that, DACI, in cooperation with Antena M Radio, initiated series of informative-educational programs, broadcasted twice a month. DACI also acceded to global anti-corruption campaign of the UNODC, distributed posters, brochures, and calendars that UNODC designated (by adjusting translation in our language in the original design). Promotional video of UNODC (with the title in our language) was broadcasted on 8 and 9 December on two TV stations (in three terms on both stations), and international day of fight against corruption was promoted at the round table organized by the DACI.

During the reporting period, Tax Administration had **14** media presentations - 12 radio and 2 TV shows, discussing the measures and manners of fight against corruption.

With a view to introduce and educate on general terms and appearances of corruption and organized crime in educational institutions, 13 lectures and seminars were realized, so as the campaign in students' and pupils' dormitories in 5 MNE municipalities and 3 high schools.

In order to combat corruption in education, Ministry of Education and Science, in framework of Anti- Corruption Initiative, engaged NGO "CEPRIM" to carry out survey among pupils and students in May and June 2008 in 9 municipalities of Montenegro, and to prepare report on these activities. Report on results of the survey is available at the internet presentation of the Ministry at web link <http://www.mpin.vlada.cg.yu/vijesti.php?akcija=vijesti&id=168169>.

In order to enhance transparency of business operations, Ministry of Justice adopted Rulebook on Manner of Keeping the Sentence Record of Legal Entities ( OJ MNE, no 23/08), which regulates manner of keeping of the "black list" of companies convicted for criminal acts with elements of corruption.

In addition, following the proposal of the Ministry for Economic Development and adoption of the Operative Plan for Eliminating Business Barriers (Government adopted on 03.04.08), the Council for Eliminating Business Barriers was established, Action Plan for eliminating business barriers and Activity Plan were adopted as well. The first report was prepared and delivered to the Council for discussion.

**Note:** in order to realize transparent insight into the ownership structure of media and prevention of their monopolization, IAP envisages adoption of the Law on Illegal Printed Media Concentration. However, after consultations of relevant service in EC regarding obligatory adoption of this law, it was emphasized that EU rules on competition are applied on all sectors of economic activity, so that there are no any specific, antimonopoly or other rules for media concentration. Having in mind the fact that the MNE Parliament adopted Law on Competition Protection (OJ RMNE no 69/05), which regulates manner, procedure, and safeguard measures for competition in market, and defines competent body for competition protection. Ministry of Culture, Sport, and Media is of opinion that there is no need for adoption of separate Law on illegal printed media concentration.

GOAL	MEASURE	COMPETENT INSTITUTION	DEADLINE	INDICATORS OF THE SUCCESS	ASSESSMENT / RECOMMENDATION
<b>JOINT PROPAGANDA-PREVENTIVE ACTION OF THE GOVERNMENTAL AND NON-GOVERNMENTAL SECTOR AND CIVIL SOCIETY WITH THE AIM OF RAISING THE LEVEL OF PUBLIC AWARENESS ON NEGATIVE CONSEQUENCES OF ORGANIZED CRIME AND CORRUPTION</b>	34. Design and realize intensive public campaign with the aim of more efficient participation of citizens in the fight against corruption and organized crime	DACI (in cooperation with the Customs Administration, Tax Administration, Police Directorate, DPML&FT, Directorate for public Procurement, Commission for determining conflict of interest, Privatization Council, State Audit Institution, NGO sector, Media)	Continuous	Preparation of quarter reports on implementation of public campaign; number of prepared flyers, brochures, guidebooks, number of published procedures for submitting of complaints, number of fields covered by the informative material	<b>ASSESSMENT 98: Measure is being realized continuously</b> Detailed data available in individual reports of institutions at <a href="http://www.antikorup.vlada.cg.yu">www.antikorup.vlada.cg.yu</a>
<b>INTRODUCTION AND EDUCATION IN TRAINING INSTITUTIONS ON GENERAL NOTIONS AND APPEARANCES OF CORRUPTION AND ORGANIZED CRIME</b>	35. Periodical lectures in high schools and faculties on corruption and organized crime	Ministry of Education and Science, DACI, NGOs	Continuous	Total number of lectures held, number of visited education institutions, number of participants	<b>ASSESSMENT 99: Measure is being realized continuously</b> <b>Ministry of education and science</b> – Report on results of survey available at <a href="http://www.mpin.cg.yu">http://www.mpin.cg.yu</a> <b>DACI:</b> 6 lectures at faculties for 275 students, 1 seminar for 15 state employees, 4 seminars at local level in 10 municipalities, 1 lecture in cooperation with NGO for 30 participants, Campaign in student dormitories in 5 municipalities, Anti-corruption campaign in 3 high schools
<b>PROFESSIONAL INFORMING ON CORRUPTION AND ORGANIZED CRIME</b>	36. Education of media on corruption and organized crime, and investigative journalism	NGOs from the area of media	Continuous	Number of seminars, number of participants	<b>ASSESSMENT 100: Measure is not realized</b>
<b>TRANSPARENT INSIGHT INTO MEDIA OWNERSHIP STRUCTURE AND PREVENTION OF THEIR MONOPOLIZATION</b>	37. Preparation of the proposal Law on illegal printed media concentration	Ministry of Culture and Media	III Q of 2008	Prepared proposal Law	<b>ASSESSMENT 101: Measure is not realized</b> <b>Note:</b> the Parliament of Montenegro adopted the Law on Competition Protection (OJ RMNE, no. 69/05), which regulates manner, procedure, and safeguard measures for competition in market, and defines competent body for competition protection. Ministry reckons that there is no need for adoption of separate Law on illegal printed media concentration
	38. Adoption of the Law on illegal printed media concentration	MNE Parliament	IV Q of 2008	Adoption of the law	<b>ASSESSMENT 102: Measure is not realized</b>
<b>IMPROVEMENT OF TRANSPARENCY IN BUSINESS OPERATIONS</b>	39. In cooperation with private sector, initiate and carry out activities in the plan of improvement of fair and competitive operations and investment through: 1) preparation of the activity plan 2) preparation of six-month reports on realization of Activity plan and its publishing at the web site of the respective institution	Ministry for Economic Development, in cooperation with private sector	1. III Q of 2008	1. Prepared activity plan, number of realized activities in relation to plan of envisaged activities, 2. published reports on realization	<b>ASSESSMENT 103: Measure is realized</b> Operative plan for eliminating business barriers adopted.
			2. Continuous		<b>ASSESSMENT 104: Measure is being realized continuously</b> Adopted first Report of the Council for eliminating business barriers on realization of the Activity Plan for eliminating business barriers, at the Gov session held on 15 January 2009.

	40. In cooperation with the Central register of the Commercial Court and other competent institutions, initiate the project of compiling and publishing «black» list of companies, convicted for criminal acts with the elements of corruption	Commercial Court, Ministry of Justice	III Q of 2008	Compiling, publishing and promoting the "black" list	<b>ASSESSMENT 105: Measure is being realized continuously</b> <b>Note:</b> Since there were no sentences for legal entities, list of companies convicted for crimes with elements of corruption could not be made.
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**RECOMMENDATIONS:**

1. Responsible institutions are to intensify activities in order to provide realization of set of measures relating to creation and implementation of intensive public campaign, with aim to ensure efficient participation of citizens in fight against corruption and organized crime and to encourage dialogue and cooperation between government and non-government sector. In that way, civil society would be involved in both implementation of Innovated Action Plan and preparation and implementation of local action plans for fight against corruption. **NC RECOMMENDATION PURSUANT TO 2008 EC REPORT**
2. NGOs in field of media are to prepare and organize education of media on corruption and organized crime, and investigation journalism as well.

**D. LOCAL SELF-GOVERNMENT**

Coordination Committee for local self-government reform, in cooperation with Association of Municipalities and CoE experts, prepared **Model Program for fight against corruption in local self-government, and Model Action Plan for implementation of the Program for fight against corruption in local self-government**. Both Models are designed according to CoE methodology, in accordance with measures determined in the Administration Reform Strategy of Montenegro for 2002 – 2009, Working Plan for better local self government, National training Strategy (NTS), Action Plan for Local self Government Reform for 2008, and Government Annual Working Plan for 2008.

The Government of Montenegro adopted abovementioned models at the session held on 27 June 2008. Preparation of the local anti-corruption action plans is to follow.

Center for Development of NGOs (CRNVO), with support by UNDP office in Podgorica and in cooperation with the members of Commission for development of local self-government and Association of Municipalities of Montenegro, prepared and presented "Guidebook for preparation of Program and Action Plan of fight against corruption in local self-government". Municipality of Nikšić and municipality of Pljevlja adopted Program of fight against corruption and Action Plan for fight against corruption at local level. Working Groups for preparation of draft documents were established in other municipalities in Montenegro.

GOAL	MEASURE	COMPETENT INSTITUTION	DEADLINE	INDICATORS OF THE SUCCESS	ASSESSMENT / RECOMMENDATION
<b>ENHANCING THE FIGHT AGAINST CORRUPTION AT LOCAL LEVEL</b>	41. Drafting and adoption of: 1. Model of Program of fight against corruption and organized crime in local self-government 2. Action Plan of measures for preventing and combating corruption at the local level	Mol&PA in cooperation with the MNE Association of Municipalities and MNE municipalities	II quarter of 2008	Adopted model of Program of fight against corruption and organized crime in local self-government Adopted Action Plan	<b>ASSESSMENT 106: Measure is realized</b> Model adopted at the MNE Government session held on 10. 07. 2008. <b>ASSESSMENT 107: Measure is realized</b> AP adopted at the MNE Government session held on 10. 07. 2008.
	42. Drafting and adoption of the local anti-corruption action plans relating to competencies of local self-government, and are not encompassed by the Program of Fight against corruption and organized crime and by the Action Plan for its implementation	Local self-government bodies, NGOs	III quarter of 2008	Number of drafted action plans in relation to the number of municipalities, number of adopted action plans, information on realization of local action plans	<b>ASSESSMENT 108: Measure is partly realized</b> <b>Note:</b> Working groups for preparation of programs and action plans for fight against corruption at local levels were established in majority of MNE municipalities. "Guidebook for preparation of Program and Action Plan for fight against corruption in local self-government" was prepared and presented, in drafting of which, participated a number of persons from local self-government and Association of Municipalities. 6 municipalities delivered to Association of Municipalities information on activities undertaken in preparation of local action plans, and 2 municipalities (Nikšić and Pljevlja) adopted Program and Action Plan.

**RECOMMENDATIONS:**

1. Local self-governments are to prepare and adopt, in cooperation with Association of Municipalities of Montenegro and respecting deadlines from the IAP, local anti-corruption action plans.

### III SPECIFIC MEASURES AGAINST CORRUPTION AND ORGANIZED CRIME

#### A. EFFICIENT CRIMINAL PROSECUTION AND TRIAL

##### A.1. PROSECUTOR'S OFFICE

This part of the Action Plan deals with administrative capacity strengthening of the State Prosecutor's Office. Department for fight against organized crime has been reorganized pursuant to amended Law on State Prosecutor's Office. This Department was established under the name "Department for Fight against Organized Crime, Corruption, Terrorism, and War Crimes", which consequently requested a higher number of employed within this Department. The Prosecutor's Council determined number of Deputy Special Prosecutors, and the Supreme State Prosecutor appointed 4 Deputy Special Prosecutors for fight against organized crime, corruption, terrorism, and war crimes. In addition, job vacation announcement was published for admission of five state employees, and the need for engagement of three expert consultants was determined (from financial, medical, constructing, IT sector, and alike).

Apart from the above mentioned, vacant positions were fulfilled adequately through election (re-election) of eight state prosecutors. The Parliament of Montenegro elected and appointed the High State Prosecutor in Podgorica and seven basic prosecutors. Prosecutor's Council appointed one Deputy Supreme State Prosecutor, one Deputy High State Prosecutor in Bijelo Polje, one Deputy Basic State Prosecutor in Kotor, three Deputy Basic State Prosecutors in Podgorica, one Deputy Basic State Prosecutor in Rožaje, and one Deputy Basic State Prosecutor in Plav.

According to Working Program of the Supreme State Prosecutor for 2008, direct supervision and control of basic and high supreme state prosecutor offices is being continuously performed by the High and Supreme State Prosecutor's Office, so as control of the Department for Fight against Organized Crime through everyday control in framework of tasks within their competencies. In that manner, continuous prosecution control is provided and secured.

Prosecutor's Office defined as necessary equipping of premises of Department for Fight against Organized Crime, Corruption, Terrorism, and War Crimes. In that sense, adaptation of five offices for this Department is underway.

The analysis of the state of play concerning manner and criteria for solving of housing needs of state officials on prosecutor's positions is continuously performed. In November 2008, total amount of 150.000€ was allocated for solving of housing needs for three bearers of prosecution's function.

During the reporting period, state prosecutors participated in a number of trainings in field of fight against organized crime and corruption. In cooperation with the Center for Education of Bearers of Judicial Function, Directorate for Anti-Corruption Initiative, and international development agencies, 6 trainings and 15 seminars were realized. The most important topics were as follows: »Competition Policy«, »New solutions in Draft Criminal Procedure Code«, »Combating of Money Laundering«, »Secret Surveillance Measures«, »Organized Crime and Corruption«, »Implementation of the Professional Directive on Procedures for Reporting Criminal Acts with Elements of Corruption and Protection of Whistle Blowers to the Police Directorate«, »Criminal Liability of legal Entities«, »Cyber Crime«, »Training of state prosecutors, accountants, and auditors on reporting the criminal acts with elements of corruption to inter-institutional cooperation and exchange of data«. During the reporting period, state prosecutors participated at 10 international conferences, 3 seminars and one training (for details, please see SSP Report).

In field of cooperation, based on signed bilateral agreements during the reporting period, cooperation between regional prosecutor's offices is being realized through joint activities. International legal aid in criminal matters is realized through implementation of Law on International Legal Aid in Criminal Matters.

Supreme State Prosecutor's Office and the Police Directorate continuously analyze necessary providing of personal protection to prosecutors dealing with cases of organized crime, corruption, terrorism, and war crime.

Prosecutor's Office carried out qualitative analysis of state of play concerning manner and criteria for solving of housing needs of state officials on prosecutor's positions. In addition, needed increase of prosecution budget was analyzed, pursuant to solutions given in the Proposal Criminal Procedure Code. Proposal Programmatic Budget for 2009 envisaged increase in number of prosecutors and employees for 50 %, and in that sense approved budget is in amount of 4.982.150,53€. For sub-programs, following amounts were approved: »Administration« - 1 406, 452.47€, »Prosecutor's Offices« - 3 500.262,79 € and »Prosecutor's Council« - 75 435.27€.

GOAL	MEASURE	COMPETENT INSTITUTION	DEADLINE	INDICATORS OF THE SUCCESS	ASSESSMENT / RECOMMENDATION
CAPACITY BUILDING OF PROSECUTORS	1. Increasing of the number of prosecutors in accordance with the new Criminal Procedure Code, and the Law on State Prosecutors	Supreme State Prosecutor, Prosecutors' Council	2008-2009	Number of new employees in relation to necessary number of prosecutors	<b>ASSESSMENT 109: Measure is realized</b> In Department for fight against organized crime, number of deputies is increased for 4. The parliament of Montenegro elected High State Prosecutor in Podgorica and six basic prosecutors. Prosecutor's Council appointed one deputy SSP, one deputy HST in Bijelo Polje, one deputy BSP in Kotor, one deputy BSP in Rožaje, one deputy BSP in Plav and three deputy BSPs in Podgorica
	2. Increasing budget for prosecutor's office in accordance with the new Criminal Procedure	Ministry of Finance, Prosecutors' Council	2009	Percentage of prosecution's budget increase in accordance with the increase of number of employees,	<b>ASSESSMENT 110: Measure is realized</b> Approved Budget for 2009 is 4.982.150 € <b>ASSESSMENT 111:</b>

	<p>Code and the law on State Prosecutor, in line with recognized needs to increase following:</p> <ol style="list-style-type: none"> <li>1) Number of new prosecutors and administrative staff</li> <li>2) Premises and technical capacities</li> <li>3) Staff training</li> <li>4) Improvement of material conditions of the prosecutors in accordance with the new competencies and authorizations</li> <li>5) Improvement of material conditions of the employees and servants in accordance with the new competencies and authorizations</li> </ol>			<p>premises and technical capacities, trainings;  Number of organized trainings, fields for which the trainings were held, number of prosecutors participating to every training, indicators of improvement of material conditions of prosecutors, employees, and servants (incomes, beneficiaries, housing)</p>	<p><b>ASSESSMENT 112:</b>  6 trainings and 15 seminars organized in cooperation with Center, 10 conferences, 3 seminars and 1 training on international level</p> <p><b>ASSESSMENT 113:</b></p> <p><b>ASSESSMENT 114:</b></p>
	<p>3. Analyze number and structure of cases in field of corruption, organized crime, in relation to existing staff</p>	<p>Prosecutor's Council</p>	<p>III quarter of 2008</p>	<p>Carried out analysis of number and structure of cases in field of corruption, organized crime, in relation to existing staff</p>	<p><b>ASSESSMENT 115: Measure is not realized</b></p>
	<p>4. Analyze existing situation regarding the manner and criteria for solving the housing issues and needs of state officials in part referring to bearers of judicial functions</p>	<p>Judicial Council  Prosecutor's Council, Ministry of Finance</p>	<p>2008 - 2009</p>	<p>Carried out analysis, report delivered to the national Commission with proposed solutions</p>	<p><b>ASSESSMENT 116: Measure partly realized</b>  In November 2008, total amount of 150.000€ was allocated for solving of housing needs for three bearers of prosecution's function. Analysis realized and delivered to Prime Minister and MNE Gov Commission for Housing Issues.</p>
	<p>5. Implementation of further training of prosecutors</p> <ol style="list-style-type: none"> <li>1) Informing the prosecutors on comparative practice of neighboring countries in field of fight against corruption and org crime</li> <li>2) Drafting and implementation of the program of education prosecutors in regard to crime cases with elements of corruption and organized crime, especially in regard to new forms of criminality</li> <li>3) Drafting and implementation of the program of education for criminal acts described in Chapter XXIII of CC and Chapter XXVIII of CC</li> <li>4) Drafting program and implementation of training on application of SSM (in accordance with the comparative practices of the neighboring countries)</li> </ol>	<p>Supreme State Prosecutor, Judicial Training Center and State Prosecutors' Association</p>	<p>Until 01.06.2008, Continuously</p>	<p>Drafted program, number of trainings, number of involved fields, total number of participants and number of participants per field</p>	<p><b>ASSESSMENT 117: Measure is being realized continuously</b>  4 international conferences</p> <p><b>ASSESSMENT 118: Measure is being realized continuously</b>  12 seminars and trainings at national and international level</p> <p><b>ASSESSMENT 119: Measure is being realized continuously</b>  4 trainings and seminars at national and international level</p> <p><b>ASSESSMENT 120: Measure is being realized continuously</b>  1 training</p>

	6. To define needs and to provide adequate equipment for Department for combating organized crime, for proper proceeding in cases of organized crime, corruption, terrorism, and war crimes	Prosecutor's Council, Ministry of Finance	2008-2009	Defined needs, Report on value of acquired equipment in relation to the needed one	<b>ASSESSMENT 121: Measure partly realized</b> Adaptation of five offices for this Department is underway
	7. Establishing of the Judicial IT system and database and training of prosecutors 1) Collecting, preparation, and analysis of statistical data regarding the perpetrators and the structure of criminal acts	Supreme State Prosecutor	Following adoption of the amended Action Plan, 1. Continuous (quarterly)	Number of prosecutor's offices connected by the IT system, total number of the cases per institution, in relation to the total number of cases in database, number of trainings and participants per prosecutor's office 1. Periodical statistical reports	<b>ASSESSMENT 122: Measure is not realized</b>
<b>CAPACITY BUILDING IN THE DEPARTMENT FOR FIGHT AGAINST ORGANIZED CRIME</b>	8. Specializing prosecutors for prosecuting of following criminal acts: 1 with elements of corruption 2 organized crime 3 War crimes 4 Terrorism	Supreme State Prosecutor, Judicial Training Center	2008-2009	Total number of trainings, number of trainings per field, total number of participants, number of participants per field	<b>ASSESSMENT 123: Measure is being realized continuously</b> Linked to measure 119
					<b>ASSESSMENT 124: Measure is being realized continuously</b> Linked to measure 118
					<b>ASSESSMENT 125: Measure is being realized continuously</b> 1 training for prosecutors realized
					<b>ASSESSMENT 126: Measure is being realized continuously</b> 1 international workshop
	9. Reorganization of existing Department for the fight against organized crime through amendments of the Rulebook on organization and systematization of job positions	Supreme State Prosecutor	2008	Reorganized existing Department, adopted new Rulebook	<b>ASSESSMENT 127: Measure is realized</b> Department reorganized pursuant to Law on State Prosecutor's Office
	10. Increase number of deputies of Special prosecutor for combating organized crime including terrorism, corruption, and war crimes	Supreme State Prosecutor	2008	Number of appointed deputies in relation to number of systematized job positions for deputies	<b>ASSESSMENT 128: Measure is realized</b> 4 deputy special prosecutors appointed
	11. Increase number of expert associates in Department for fight against organized crime	Supreme State Prosecutor	2008	Number of employed staff in relation to number of systematized job positions	<b>ASSESSMENT 129: Measure is not realized</b>
	12. Signing of international agreements on cooperation	Supreme State Prosecutor	Continuous	Number of signed agreements	<b>ASSESSMENT 130: Measure is being realized continuously</b> There were no activities in this field during the reporting period
13. To determine if is necessary to provide personal protection for the prosecutors proceeding in cases of organized crime, corruption, terrorism, and war crimes	Supreme State Prosecutor, Police Directorate	IV Q of 2008, Continuous	Adopted plan of protection, number of protected prosecutors	<b>ASSESSMENT 131: Measure is being realized continuously</b> Continuous cooperation between SSP and PD	

## RECOMMENDATIONS:

1. Prosecutor's Council is to deliver to the National Commission analysis of number and structure of cases in field of corruption and organized crime concerning currently employed staff, not later than I quarter of 2009.
2. Supreme State Prosecutor's Office is to increase number of expert consultants and administrative staff, and to deliver to the National Commission information on number of engaged expert consultants in the Department for fight against organized crime, corruption, terrorism, and war crimes not later than I quarter of 2009. **NC RECOMMENDATION PURSUNAT TO 2008 EC REPORT**
3. Center for Education of Bearers of Judicial Function, in cooperation with SSP and State prosecutors Association, is to deliver training program of prosecutors, in accordance with recognized needs, in field of fight against corruption and organized crime, for application of SSM, and for criminal acts defined in the Chapter XXIII of CC, not later than I quarter of 2009.
4. Prosecutor's Council and Ministry of Finance are to deliver plan of needs and Report on value of acquired equipment for Department for fight against organized crime, corruption, terrorism, and war crimes, not later than I quarter of 2009.
5. Supreme State Prosecutor's Office is to deliver information on established IT System - PRIS, not later than I quarter of 2009.
6. Prosecutor's Council and Judicial Council are to deliver analysis of need for solving of housing issues in judiciary and prosecution to the National Commission.

## A.2. POLICE

Having in mind the need for reporting on realization level of the Action Plan, all measures relevant for this field have been grouped, from the aspect of general assessments and recommendations, in **10 groups**. These are: General measures for Police Capacity Building, and 10 separate units that follow police capacity building in specific sectors: organized crime, economic crime, implementation of secret surveillance measures, trafficking in human beings, drugs smuggling, witness protection, forensic and other crime techniques, terrorism, cross-border crime, and international police cooperation.

Police Directorate has continued realization of **trainings, both basic and advanced**, for the employed in all Sectors and Departments within this body. In reporting period, in area of police capacity building in fighting drugs smuggling, MNE Government adopted, at the session held on 29 May 2008, "National and Strategic Response on Drugs", so as Action Plan for its implementation for period 2008-2009. The officers from the Department for fight against drugs and smuggling took part at four advanced trainings on various topics in field of fighting and combating drugs smuggling.

Officers from the Department for fight against drugs and smuggling, and from the Department for fight against Economic Crime have prepared detailed schedule of further trainings in these fields, which will be the basis for future training and education of relevant officers.

Activities on amending the Rulebook on Internal Organization and Systematization of the Police Directorate have been initiated. All organizational units of Police Directorate delivered their proposals and suggestions. A Working Group was established, which prepared proposal of the new organizational chart of the Police Directorate in accordance with the delivered suggestions. The changes in requests for the necessary level of education and working experience of the allocating the employed in Police Directorate were made in accordance with the Rulebook currently in force. Proposal of the organizational chart of the Forensic Centre was prepared as well. Defining of the number of staff necessary for successful operating of the Centre is planned for the forthcoming period.

Ministry of Interior and Public Administration, as a supervisory body for Police Directorate, prepared semi-annual report on work of the Police Directorate (II half of 2008), which was delivered to the National Commission.

Newly adopted Law on State Employees and Civil Servants (Art. 54, 59, par. 1, item 15 and Art. 64, par. 2), which was published in the OJ MNE, no 50/08, established legal framework for protection of the state employees and civil servants – whistle blowers. In that sense, Police Directorate prepared and passed Professional Directive on Procedures for Reporting Criminal Acts with Elements of Corruption and Protection of Whistle Blowers.

Police Directorate adopted the Professional Directive on Proceedings upon International Notices on 24 December 2008, and it came into effect on day of adoption.

During the reporting period, Police Directorate ensured adequate working premises for Special Verification Unit. Furthermore, significant progress in establishing **Forensic Center (December 2008)** was made, and equipping of the Center with modern equipment and devices created technical preconditions for undertaking of all kinds of crime technique expertise processes so as for DNA analysis – one of the most modern evidence techniques in work of forensic police. In that sense, through implementation of the Swedish project for modernization of crime technique capacities in field, IT equipment was delivered and distributed to 18 regional units and outposts of Police Directorate.

Police Directorate is realizing continuous trainings in field of fight against terrorism. During this reporting period, trainings were realized for SAU and for Group for Anti-Terrorism Inspections. In addition, Border Police Sector also has been realizing continuously trainings during this reporting period in field of border security and combating cross-border crime.

In field of **international police cooperation**, during the reporting period, Police Directorate achieved progress in field of cooperation at bilateral and regional level, through consultative meetings, which resulted with planning and implementation of joint activities.

In cooperation with the Department for IT Systems and Border Police Sector, NCB Interpol continued with activities in field of further implementation of **Interpol** services at border-crossing points /BCPs/, and, at the same time, two BCPs were provided with possibility of direct search through Interpol database. System at one more BCP is in the testing phase, and two additional BCPs are planned to become operative in the near future.

Furthermore, NCB Interpol actively takes part in all international Interpol projects, working bodies, and meetings, whose goal is strengthening of international police cooperation and fight against all forms of transnational organized crime.

During the reporting period, Police Directorate has put significant efforts in realization of measure – "securing the links and connection with IT networks and databases of institutions", and, in that sense, Agreement on Mutual Cooperation between **Police Directorate and Customs Administration** was agreed and signed in October 2008. Activities on implementation of technical aspect of this Agreement are underway, in order for the Agreement to become operative.



Special Working Group is preparing proposal agreements between Police Directorate and other institutions: Directorate for preventing money laundering and terrorism financing, Real Estate Administration, Central Deposit Agency, etc.

As for the providing of links and connecting with databases of telecommunication service providers, Police Directorate prepared Proposal Agreement, which is approximated with the provisions of the Law on Electronic Communication.

Police Directorate continued with realization of trainings of the officers dealing with the fight against organized crime. During the reporting period, officers of the Department for Fight against Organized Crime and Corruption participated at 41 trainings on organized crime and corruption that were held in the country and abroad, at the level of Crime Police Sectors.

In field of State Border control, during the reporting period, Police Directorate continued with implementation of the project "System of electronic surveillance over blue border". Two mobile centers were set up, one long-life tube range radar was set up while for the other carriers and package were set up, 6 short-life tube range radars were set up, and 5 cameras for daily territory surveillance as well. All necessary preparations for testing of picture transmitting from the existing sensors to command center via existing systems of MNE Broadcasting Agency were undertaken.

Police Directorate signed Strategic Agreement on Cooperation with **Europol** on 19 September 2008, and it will enter into force after ratification by the MNE Parliament.

GOAL	MEASURE	COMPETENT INSTITUTION	DEADLINE	INDICATORS OF THE SUCCESS	ASSESSMENT / RECOMMENDATION
<b>POLICE DIRECTORATE CAPACITY BUILDING</b>	14. Amending of the Rulebook on internal organization and systematization of the Police Directorate	Police Directorate	2008-2009	Adopted Rulebook	<b>ASSESSMENT 132 : Measure partly realized</b>
	15. Adoption of the legal act which stipulates that officers of Crime Police Sector are provided with additional payment on basic wage due to complex, specific, and risk tasks they perform within their competencies 1. to ensure increase of wages and additional payments for the police officers dealing with cases of organized crime and corruption	MNE Government, Ministry of Finance, Police Directorate, Mol&PA	2008	Adopted act, introduced special additional payment	<b>ASSESSMENT 133 : Measure is not realized</b>
	16. Adoption of the Instructions on police proceeding and conduct in issuing, conducting, and extradition of persons searched for by international warrants	Police Directorate	2008	Adopted Instructions	<b>ASSESSMENT 134: Measure is realized.</b> Professional instruction adopted on 24.12.2008.
	17. Adoption of the Instructions on protection of whistleblowers	Police Directorate	2008	Adopted Instructions	<b>ASSESSMENT 135: Measure is realized.</b> Professional instruction adopted
	18. To adopt and implement plan of protection of police officers involved in fight against corruption and org. crime	Police Directorate	III Q of 2008, Continuous	Adopted plan of protection, number of persons under protection	<b>ASSESSMENT 136: Measure is not realized</b>
	19. To determine needs for training, and implement trainings and strengthen human resource capacities of the Department for Internal Control within the PD	Police Directorate, Police Academy	Continuous	Determined needs, implemented trainings and improved capacities, number of realized trainings in relation to envisaged, number of officers from the internal control who participated in every training individually, comparing to needs	<b>ASSESSMENT 137: Measure is being realized continuously</b> 08-11.10.2008 – study visit to Mol of Bulgaria – 4 officers. One person employed on job position for control of legality in authority exercising in RU Berane
	20. To determine needs and to acquire necessary equipment for work of Internal Control Department	Police Directorate	2008.	Determined needs for equipment, Value of acquired equipment in regard to needs	<b>ASSESSMENT 138: Measure is realized</b> Acquired IT equipment (5 PCs and printers)

	21. Semi-annual reporting on work of organizational unit for monitoring the Police Directorate work	Mol&PA	Continuous	Semi-annual reports	<b>ASSESSMENT 139: Measure is realized</b> Mol&PA has delivered report
	22. To adopt Instructions on application of SSM	Police Directorate	III Q 2008	Adopted Instructions	<b>ASSESSMENT 140: Measure is not realized</b>
	23. To provide links and connection with the computer networks and databases of respective institutions (ex: Customs Administration, Tax Administration, DPML&FT, Real Estate Agency, Central Depository Agency, Republic Construction Inspection), in order to collect data and in accordance with the police competencies envisaged by the CPC and the Law on Police	Police Directorate, Customs Administration, Tax Administration, DPML&FT, Ministry for Economic Development, Central Depository Agency	2008	Signed agreements on cooperation with the protocols explaining procedures for establishing links and the manner of, established links, number of established links in relation to number of envisaged institutions with which the links are established	<b>ASSESSMENT 141: Measure is not realized</b>
1) POLICE CAPACITY BUILDING IN FIGHT AGAINST ORGANIZED CRIME AND CORRUPTION	24. 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 1.1. Increase number of officers within the organizational unit dealing with suppression of corruption from existing two to four officers 1.2. Defining official positions within district units that will deal with fight against corruption and organized crime (two officers per each district unit assigned for this problem)	Police Directorate	2008	Reorganized Department 1.1. Number of officers increased at defined level	<b>ASSESSMENT 142: Measure partly realized</b> Increased number of officers from 2 up to 3, out of the planned 4
				1.2. two official positions defined per district units	<b>ASSESSMENT 143: Measure partly realized</b> Initiated procedure for amending the Rulebook – 2 job positions per regional unit shall be defined in this field
	25. Providing functional working premises for Department for fight against organized crime and corruption	Police Directorate	2008-2009	Provided adequate working premises	<b>ASSESSMENT 144: Measure is not realized</b>
	26. Training needs assessment and organizing trainings 1. Providing continuous trainings for officers in the field of fight against organized crime and corruption	Police Directorate, Police Academy in cooperation with the Supreme State Prosecution	Continuous	Training needs assessed and determined: trainings provided; No. of trainings; Level of qualified staff; No. of organized compared to planed;	<b>ASSESSMENT 145: Measure is being realized continuously</b> Defined training schedule for reporting period, 16 trainings realized

	27. Purchase of technical and communication equipment: 1) Creating formal and technical conditions in order to use data base of the Ministry of Internal Affairs and Public Administration (citizens, vehicles, arms, travel papers, quests) with the aim of efficient carrying out investigations in the field of organized crime and corruption	Police Directorate	II Q 2008	Equipment purchased and operating 1. Infrastructure for data base usage established	<b>ASSESSMENT 146: Measure is realized</b>  Infrastructure set up and connected with databases of Mol&PA
2) POLICE CAPACITY BUILDING IN FIGHT AGAINST ECONOMIC CRIME	28. Providing functional working premises for the needs of existing Department for the fight against economic crime	Police Directorate	2008	Functional working premises provided	<b>ASSESSMENT 147: Measure partly realized</b> Department has 3 offices, out of 4 needed
	29. Training needs assessment and organizing trainings: a) Basic trainings for fight against economic crime b) Specialized trainings for fight against economic crime	Police Directorate Police Academy in cooperation with the Supreme State Prosecution	2008-2009, Continuous	Training needs assessed No. of trainings compared to planned; Total No. of organized trainings; No. of trainings per fields covered; No. of participants; No. of participants per training	<b>ASSESSMENT 148: Measure is being realized continuously</b> 8 trainings were realized <b>ASSESSMENT 149: Measure is being realized continuously</b> 4 trainings were realized
	30. Making requirement needs plan for the Department 1. Purchase of technical and communication equipment	Police Directorate	2008-2009	Requirement needs plan made; 1. Equipment purchased and operating; Currency of purchased compared to required equipment	<b>ASSESSMENT 150: Measure partly realized</b> Requirement needs assessment plan was prepared
3) POLICE CAPACITY BUILDING IN FIELD OF CRIMINAL-INTELLIGENCE AFFAIRS AND USE OF SECRET SURVEILLANCE MEASURES /SSM/	31. Reorganization of the existing Special Verification Unit through new activities: 1. Establishment of the DESK activities at central and regional level 2. Introduction of criminal-intelligence affairs within the regional police units 3. Adopting of manual on criminal-intelligence work	Police Directorate	2009	1. DESK activities established at central and regional level (pilot regions) 2. Organizational units for Criminal-intelligence affairs established within regional police units 3. Manual on criminal-intelligence work adopted and harmonized with European standards	<b>ASSESSMENT 151:</b>  <b>ASSESSMENT 152:</b>  <b>ASSESSMENT 153:</b>
	32. Providing functional working premises for the needs of Special Verification Unit	Police Directorate	2008.	Functional working premises provided	<b>ASSESSMENT 154: Measure is realized</b> Premises provided.
	33. Recruitment of necessary staff	Police Directorate	2008, Continuous	Recruitment model developed; staff fulfillment accomplished; % of fulfillment compared to systematization	<b>ASSESSMENT 155: Measure partly realized</b> 57.5% of required staff achieved. Recruitment Model developed
	34. Implementation of: 1) Basic trainings 2) Specialized trainings	Police Directorate	2008-2009, Continuous	1) No. of implemented basic training; No. of participants per training 2) No. of implemented specialized training; Fields covered by training; No. of participants per training	<b>ASSESSMENT 156: Measure is being realized continuously</b> 2 trainings realized – 20 participants
					<b>ASSESSMENT 157: Measure is being realized continuously</b> 7 trainings realized – 53 participants

	35. Requirement needs assessment and purchase of technical equipment for the use of SSM	Police Directorate	2008-2009, Ongoing	Requirement needs assessed; Currency of purchased compared to required equipment	<b>ASSESSMENT 158: Measure partly realized</b> Needs assessment for 2009 completed. Part of equipment acquired
	36. Establishment of unified database of operational intelligence data	Police Directorate	2008-2009	Unified database established	<b>ASSESSMENT 159: Measure partly realized</b> Acquired equipment for establishment of database for two regional units.
	37. Securing links and connections with computer networks and databases in telecommunication service providers, in accordance with the police authorization, envisaged by the Criminal Procedure Code	Police Directorate	2008	Links established and police access to the computer networks and databases in telecommunication service providers enabled	<b>ASSESSMENT 160: Measure is not realized</b>
	38. Signing of the agreement with the Central Bank in order to secure the funds for the implementation of SSM, and making reports on its implementation	Police Directorate, Central Bank of Montenegro	2008	Agreement with the Central Bank signed; periodical reports on its implementation made	<b>ASSESSMENT 161: Measure is realized</b> The agreement signed on 28.10.2008.
<b>4) POLICE CAPACITY BUILDING IN FIGHT AGAINST TRAFFICKING IN HUMAN BEINGS</b>	39. Monitoring implementation of the memorandum on cooperation between line ministries and NGOs in the field of fight against trafficking in human beings	National Coordinator Office for fight against trafficking in human beings, Police Administration	2009 Continuous	Making periodical information on accomplished cooperation	<b>ASSESSMENT 162: Measure is being realized continuously</b> National Coordinator delivered detailed information, and it is available at <a href="http://www.antikorup.vlada.cg.yu">www.antikorup.vlada.cg.yu</a>
<b>5) POLICE CAPACITY BUILDING IN FIGHT AGAINST SMUGGLING IN DRUGS</b>	40. Adoption of the National strategy for the fight against drugs and prevention of drug use, with annual AP	Government of MNE (working group)	2008	National strategy for the fight against drugs and prevention of drug use adopted	<b>ASSESSMENT 163: Measure is realized</b> Strategy adopted on 27.5.2008.
	41. Training needs assessment and organizing trainings for officers of the Center for fight against drugs and smuggling	Police Directorate Police Academy	Continuous	Training needs assessed No. of trainings compared to planed; No. of organized specialized trainings; No. of participants	<b>ASSESSMENT 164: Measure is being realized continuously</b> 1 training in Croatia for 4 officers 1 training in Danilovgrad for 1 officer 1 training, organized by USA Embassy, for 7 officers
	42. Training needs assessment and organizing trainings for police officers on procedures in fight against smuggling of drugs	Police Directorate Police Academy	Continuous	Training needs assessed No. of trainings compared to planed; No. of organized trainings; No. of participants	<b>ASSESSMENT 165: Measure is being realized continuously</b> 2 trainings – 28 participants
	43. Requirement needs assessment and purchasing equipment for the needs of Center for fight against drugs and smuggling	Police Directorate	2008-2009	Requirement needs assessed; Currency of purchased compared to required equipment	<b>ASSESSMENT 166: Measure is being realized continuously</b> 4 vehicles, 3 motor scooters - FBI donation
	44. Providing of adequate working premises for the needs of Center for fight against drugs and smuggling	Police Directorate	2008.	Adequate working premises provided	<b>ASSESSMENT 167: Measure is realized</b>
<b>6) POLICE CAPACITY BUILDING IN FIELD OF WITNESS PROTECTION</b>	45. Training needs assessment and organizing trainings for officers of the Witness Protection Unit	Police Directorate	Continuous	Training needs assessed No. of trainings compared to planed; No. of organized trainings for officers of the witness protection Unit; participants	<b>ASSESSMENT 168: Measure partly realized</b> 1 training – 3 participants

	46. Requirement needs assessment and purchasing of specialized equipment for the Witness Protection Unit	Police Directorate	2008.-2009	Requirement needs assessed; Currency of purchased compared to required equipment	<b>ASSESSMENT 169: Measure is being realized continuously</b> In accordance with the needs assessment, there was no acquiring of new equipment during the reporting period.
	47. Signing of agreements with relevant services in region on understanding and cooperation in field of witness protection	Police Directorate	2008, Continuous	No. of signed agreements	<b>ASSESSMENT 170: Measure is being realized continuously</b> Regional Agreement on Understanding signed /Serbia, MNE, BiH, Bulgaria, Macedonia
<b>7) POLICE CAPACITY BUILDING IN USE OF FORENSIC AND OTHER CRIMINAL INVESTIGATION TECHNIQUES</b>	48. 1) Needs assessment and Technical equipping of the Crime Technique Center 2) Reorganization of forensic unit 3) Training needs assessment and organizing trainings 4) Requirement needs assessment and purchasing of modern laboratory and other equipment 5) Implementing standards ISO 17025	Police Directorate	1. 2008, Continuous	1) Needs assessed; Currency of purchased compared to required equipment	<b>ASSESSMENT 171: Measure is being realized continuously</b>
			2. 2008	2) Reorganized unit	<b>ASSESSMENT 172: Measure partly realized</b>
			3. Continuous	3) Training needs assessed No. of trainings compared to planned; No. of organized trainings; No. of participants	<b>ASSESSMENT 173: Measure is being realized continuously</b> 4 trainings
			4. 2008-2009	4) Needs assessed; Currency of purchased compared to required equipment	<b>ASSESSMENT 174: Measure is realized</b>
			5. 2009	5) Standards ISO 17025 implemented	<b>ASSESSMENT 175: Measure partly realized</b> Standards verification is underway
<b>8) POLICE CAPACITY BUILDING IN FIGHT AGAINST TERRORISM</b>	49. Development of the Strategy for fight against terrorism	Mol&PA in cooperation with Police Directorate, Agency for National Security, MoJ, NGO	2008-2009	Strategy developed	<b>ASSESSMENT 176: Measure is not realized</b>
	50. Training needs assessment and organizing trainings for officers in the field of fight against terrorism Specialized training: 1) for IED operations (elimination of danger from improvised explosive devices) 2) for PAS (protection against sabotage) 3) for negotiations with hijackers (terrorists)	Police Directorate Police Academy	Continuous	1. Training needs assessed 2. No. of trainings compared to planned; No. of organized trainings; No. of participants	<b>ASSESSMENT 177: Measure is being realized continuously</b> 3 trainings for 53 participants 1 training on using of donated equipment for 17 participants 1 training for 4 officers from Group for anti-terrorist inspections in period 01. 10. - 03. 11.08.
					<b>ASSESSMENT 178: Measure is being realized continuously</b> 1 training for 2 SAU officers 1 training for 2 PAS officers
					<b>ASSESSMENT 179: Measure is being realized continuously</b> 1 officer completed training in Marshal Center in Germany 1 training for 9 participants in period 10.09-20.09, organized by OSCE 2 seminars, 5 participants
51. Requirement needs assessment and purchasing equipment for the needs of officers in Crime Police Sector dealing with fight against terrorism	Police Directorate	2008.-2009	Requirement needs assessed; Currency of purchased compared to required equipment	<b>ASSESSMENT 180: Measure partly realized</b> Project containing assessment has been prepared, negotiations with donors are underway	
52. Capacity building of the existing Special Anti-terrorist unit	Police Directorate	1) III Q 2008,	1) Training plan made 2) No. of carried trainings compared to	<b>ASSESSMENT 181: Measure is realized</b> Monthly and annual plans have been prepared	

	(SAU) 1) Training plan making 2) Implementation of continuous training 3) Requirement needs assessment and Purchase of modern equipment and arms		2,3) Continuous	planned; No. of trained staff 3) Requirement needs assessed; Currency of purchased compared to required equipment	<b>ASSESSMENT 182: Measure is being realized continuously</b> Trainings are being realized on daily basis <b>ASSESSMENT 183: Measure is being realized continuously</b> Measure is being realized in accordance with the assessed needs
<b>9) POLICE CAPACITY BUILDING IN FIGHT AGAINST CROSS-BORDER CRIME</b>	<b>53.</b> Training needs analysis and organization of continuous training for the officers in the Border Police Sector	Police Directorate Police Academy	Continuous	Training needs assessed and number of organized trainings compared to planned; No. of carried trainings; No. of participants	<b>ASSESSMENT 184: Measure is being realized continuously</b> Training for 25 participants in Police Academy Workshop in Sarajevo (DCAF) Workshop in Serbia (DCAF) Workshop in Macedonia – 1 participant 3 workshops (Albania, Slovenia, Serbia) – 10 participants 2 seminars in cooperation with the USA Embassy for 35 participants Course for 15 participants /with OSCE/ Workshop in Montenegro – 12 participants Training in Germany – 4 participants
	<b>54.</b> Requirement needs assessment for purchasing equipment for state border surveillance and securing. 1.) Purchase of equipment for state border surveillance and securing and discovery of cross-border crime	Police Directorate	2008.-2009	Requirement needs plan determined 1. Currency of purchased compared to required equipment	<b>ASSESSMENT 185: Measure is realized</b> The equipment is being acquired continuously, in accordance with the recognized needs
	<b>55.</b> Better quality cooperation at bilateral and regional level (consulting meetings, planning and conduction of mutual activities etc.) and making reports on cooperation with recommendations submitted to the National Commission	Police Directorate (Border Police Sector) and border police services of neighboring countries	Continuous	No. of implemented joint actions; No. meetings organized; No. of reports made; No. of recommendations given; No. of recommendations implemented; No. of reports submitted to the National Commission	<b>ASSESSMENT 186: Measure is being realized continuously</b> Agreement with Albania with supplementing Protocols, Agreement with Serbia, Agreement with BiH Signed TOPA Agreement on Cooperation with KFOR
<b>10) POLICE CAPACITY BUILDING THROUGH INTERNATIONAL POLICE COOPERATION</b>	<b>56.</b> Reorganizing of existing NCB Interpol and establishing of organizational unit for international police cooperation with two offices: 1) Interpol NCB 2) Europol NB	Police Directorate	2008-2009	Organizational unit for international police cooperation formed within whose scope are systemized: 1) NCB Interpol 2) NB Europol	<b>ASSESSMENT 187: Measure is realized</b>  <b>ASSESSMENT 188: Measure is not realized</b>
<b>10.1. INTERNATIONAL POLICE COOPERATION VIA INTERPOL</b>	<b>57.</b> Direct connection with the communication system I-24/7 in order to establish communication with Interpol	Police Directorate (NCB Interpol) in cooperation with Interpol General Secretariat	Continuous	Use of I-24/7 system in the exchange of police data	<b>ASSESSMENT 189: Measure is being realized continuously</b> The system has been established

	58. Training needs assessment and training of officers who will perform duties regarding international police cooperation via Interpol 4) Training for the use of Interpol systems	Police Directorate	Continuous	Training needs assessed and number of carried trainings compared to planned; No. of participants	<b>ASSESSMENT 190: Measure is being realized continuously</b> Needs assessment completed, and the same necessary for 11 officers 9 officers completed training in cooperation with Interpol general Secretariat (82%)
	59. Participation of the Interpol NCB officers in the Interpol's working bodies, groups and projects, with the aim of fight against international organized crime in region	Police Directorate	Continuous	No. of working groups and bodies where the Interpol NCB officers participated compared to total number of working bodies and groups treating problems of fight against organized crime in region (to whom Montenegro belongs too)	<b>ASSESSMENT 191: Measure is being realized continuously</b> Working group – meetings of the European liaison officers Working group – meetings regarding international notices Annual Interpol conferences (General Assembly, European Regional Assembly) Participation in concrete projects regarding the fight against international crime (Pink Panther, Kanun)
	60. Requirement needs assessment and acquisition of working equipment in accordance with recognized Interpol trends in developing hardware and software communication equipment	Police Directorate	2008-2009	New hardware and software solutions identified; requirement needs assessed, currency of acquired compared to required equipment; Acquired equipment; equipment operating	<b>ASSESSMENT 192: Measure is being realized continuously</b> 1 Border Crossing Point linked in network Equipment for mobile access to Interpol database became operative
	61. Extension of Interpol' services at border crossing points with the purpose of performing direct searching in the Interpol's database and control and identification of persons, travel documents and vehicles at BCPs	Police Directorate	2008-2009	No. of BCPs networked with the Interpol compared to total number of BCPs	<b>ASSESSMENT 193: Measure partly realized</b> 1 more Border Crossing Point linked in network (total 3 BCPs linked)
<b>10.2. INTERNATIONAL POLICE COOPERATION VIA EUROPOL</b>	62. Signing of strategic agreement with Europol in order to provide data exchange between Europol and Police Administration	Police Directorate	2008	Strategic agreement signed; No. of cases when data have been exchanged	<b>ASSESSMENT 194: Measure partly realized</b> Strategic Agreement signed in September 2008
	63. Forming the Europol National Bureau	Police Directorate	2008-2009	Europol NB established	<b>ASSESSMENT 195: Measure is not realized</b>
	64. Recruiting of required staff within the Europol NB	Police Directorate	2008-2009	Europol NB fulfilled; % of hired personnel	<b>ASSESSMENT 196: Measure is not realized</b>
	65. Establishment of secure communicational system for data exchange with Europol	Police Directorate in cooperation with Europol	2009	Secure communicational system for data exchange with Europol established	<b>ASSESSMENT 197:</b>
	66. Training needs assessment and carrying out trainings for officers of Europol NB in order to use Europol's analytic-intelligence programs in information processing	Police Directorate in cooperation with Europol	2008, Continuous	Training needs assessed and number of carried trainings compared to planned; No. of trainings; No. of participants; Educated staff for using modern analytic-intelligence programs	<b>ASSESSMENT 198: Measure is not realized</b>

**RECOMMENDATIONS:**

1. Police Directorate is to continue with activities on amending of the Rulebook on Internal Organization and Systematization of Police Directorate, and to inform National Commission on undertaken

- activities not later than the end of I quarter of 2009.
2. Police Directorate is to intensify activities and to submit initiative for adoption of legal act, which would entitle officers in Crime Police Sector with special bonus on the wages on basis of complexity and risk of the tasks they are dealing with. Police Directorate is to deliver report on realization of this measure to National Commission not later than the end of I quarter of 2009.
  3. Police Directorate is to prepare plan of protection of the police officers involved in fight against organized crime and corruption, and to inform National Commission on the activities undertaken not later than the end of II quarter of 2009.
  4. Police Directorate is to deliver information on level of realization of measure - adoption of the Instructions for Application of Secret Surveillance Measures not later than the end of I quarter of 2009.
  5. Police Directorate is to deliver information on number of signed agreements on cooperation for establishing of links between Police Directorate and other administration bodies and on manner of cooperation, including the information on number of established links, not later than the end of I quarter of 2009.
  6. Police Directorate is to deliver information on number of agreements with providers regarding connection with databases of telecommunication service providers, and to inform National Commission on the activities undertaken not later than the end of I quarter of 2009.
  7. Police Directorate is to deliver information on realization of measures regarding the acquiring and installing of the necessary laboratory and other equipment, and training of staff employed in Forensic center, not later than the end of I quarter of 2009.
  8. Police Directorate is to deliver information on adoption of Strategy on Fight against Terrorism, and to inform National Commission on the activities undertaken not later than the end of I quarter of 2009
  9. Police Directorate is to deliver information on level of realization of measure – establishing of the Europol National Bureau, not later than the end of I quarter of 2009
  10. Police Directorate is to initiate process of recruiting the staff for the needs of Europol National Bureau, and to inform National Commission on the activities undertaken not later than the end of I quarter of 2009.
  11. Police Directorate is to deliver information on level of realization of measure – establishing of secure communication link between Police Directorate and Europol, not later than the end of I quarter of 2009.
  12. Police Directorate is to continue with activities on strengthening of technical and administrative capacities in Crime Police Sector.
  13. Police Directorate is to intensify activities on realization of strategically important project »Strengthening of Intelligence Led Policing Capacities«, strengthening of analytic capacities through engaging of the new staff, and organizing of trainings for crime-intelligence analysis, and to intensify activities on realization of project „Strengthening of Intelligence and Investigational service within Crime Police Sector and enhancing of the undercover operations“.
  14. Police Directorate is to pay special attention on implementation of the Instruction on Informant Handling and Exchange of Information, and on organizing of trainings dealing with informant handling issues.
  15. Police Directorate is to undertake necessary activities in additional recruitment of staff for vacant job positions, and in organization of advanced and specialized trainings in order to strengthen administrative capacities of the Internal Control Department.
  16. Police Directorate is to acquire missing equipment and means, first of all – vehicles.
  17. Police Directorate is to improve working conditions concerning premises.
  18. Police Directorate is to establish IT connection with BCPs, regarding the fight against cross-border crime and border control, and to undertake all necessary measures for ensuring the signing of agreement on border management between all relevant agencies and services.
  19. Police Directorate is to continue cooperation, through exchange of information and notices, with border police services in region, with organizing of operative-tactical and other police actions and control.
  20. Police Directorate is to undertake necessary activities in field of improving the expert and professional capacities of the employees dealing with fight against money laundering, through organization of advanced and specialized empirical and practical trainings.
  21. Police Directorate is to define procedures for monitoring of results upon received reports from Directorate for Prevention of Money Laundering and Terrorism Financing.
  22. Police Directorate is to intensify inter-institutional cooperation with all state bodies relevant and significant from the aspect of money laundering prevention.
  23. Police Directorate is to intensify necessary activities in additional recruitment of staff for vacant job positions, and in organization of advanced and specialized trainings for employees dealing with fight against drugs smuggling, in both Directorate headquarters and regional units.
  24. Police Directorate is to undertake centralization of the working line of Department for Fight against Drugs and Smuggling, which will enable more qualitative engagement of staff and adoption of good practices and modern performing methods.
  25. Police Directorate is to continue with undertaking of intensive operative activities, especially towards organized criminal groups, in order to achieve more qualitative results in fight against drugs.
  26. Police Directorate is to perform adequate additional recruitment of staff for vacant positions within Department for Fight against Organized Crime and Corruption. Consequently, Police Directorate is to allocate officers dealing with prevention of corruptive criminal activities in police regional units.
  27. Police Directorate is to improve inter-institutional cooperation in exchange of information, after establishment of NCIS /National Criminal Intelligence System/, consisting of representatives of government bodies dealing with fighting organized and other forms of crime.



28. Police Directorate is to realize, in cooperation with Directorate for Anti-Corruption Initiative, campaigns for promotion of Professional Directive on Procedures for Reporting Criminal Acts with Elements of Corruption and Protection of Whistle Blowers.
29. Police Directorate is to improve operative work of Crime Police at local level and of Border Police in order to identify potential victims and eventual perpetrators of criminal act of trafficking in human beings.
30. Police Directorate is to deliver detailed data on quality of cooperation at bilateral and regional level in fight against cross-border crime, including the mentioned indicators for this measure.

### A.3. JUDICIARY

In order to strengthen judicial power, **Judicial Council** adopted Rules of Procedure of the Judicial Council, which establishes criteria and procedures in election of judges, so that vacant job positions were published, and procedure of election of judges and presidents of courts is underway. Three new judge positions were established in the High Court in Bijelo Polje, and six positions in the High Court in Podgorica. Judicial Council published these job position announcements, completed procedure and election, which would enable faster and more efficient respecting of principle on trial in reasonable period.

Judicial Council strictly applies provisions on disciplinary responsibility of judges, and provisions on dismissal procedure pursuant to Law on Courts, so that, for the time being, six disciplinary procedures were completed and disciplinary measures were imposed. Two judges were dismissed, five judges were temporary suspended and criminal procedure against them is underway, and dismissal procedure for one judge is currently ongoing.

In addition, Judicial Council **determined necessary number of judges in special departments for fight against organized crime, corruption, terrorism, and war crimes**, located in Podgorica and Bijelo Polje, which became operative on 01 September 2008.

Priorities in field of fight against corruption and organized crime were defined, in such manner that the focus of efficient proceeding is put on completing of cases with elements of corruption and organized crime, which are still under procedure in basic courts. Procedure upon appeal on sentences in such cases is conducted, according to decision of Judicial Council, by the judges of the Supreme Court who are temporarily allocated to work in the High Court in Podgorica. It increased efficiency, equality of judicial practice, and in an expert manner, it provided reasoning for decisions upon appeals.

In parallel, capacities of the special departments within high courts are being enhanced, and having in mind the number of cases in procedure and newly adopted benchmarks, there will be increase in number of judges in the Special Department in the High Court in Podgorica.

In order to improve efficiency, Judicial Council allocated ten judges of the Supreme Court on **temporary** work, for period of six months, in the High Court in Podgorica in second-instance civil and criminal councils, and also allocated one judge of the Appeal Court and three judges of the Commercial Court in Podgorica. Furthermore, four retired judges of the Supreme Court were **engaged** again, as expert consultants, in providing assistance for solving of the backlogs. Principle of random allocation of cases is being implemented, and **introduction of electronic coding and case allocation** is underway as a part of project of enhancing Information System on already existing PRIS. In this manner, backlog from 2007 and previous years was reduced in significant percentage, as delivered in material for National Commission. The Supreme Court and the Appeal Court reduced backlog for 100%, so that they do not have a single case from 200 and previous years in procedure.

In addition, in framework of administrative capacity building of courts, more than 30 judges have been elected and appointed, and procedure of election of 13 presidents of courts is ongoing.

In framework of Annual Education Program of **Center for Education of Bearers of Judicial Functions**, special part is dedicated to criminal area, which also treats issues of organized crime and corruption.

All programs of Center and semi-annual working plans are available upon request delivered to the Center's office, and they are available at the Center's website ([www.coscg.org](http://www.coscg.org)).

Judicial Council continuously organizes trainings for judges dealing with cases of organized crime, corruption, terrorism, and war crimes. In that sense, one judge was specialized for war crimes, and in framework of the specialization, he visited ICTY in the Hague. One judge had training in Prague on topic: Corruption in Public Procurement.

Police Directorate and the Judicial Council continuously analyze need for security and personal protection of judges dealing with cases of organized crime, and on basis of such analysis, they pass concrete decisions.

GOAL	MEASURE	COMPETENT INSTITUTION	DEADLINE	INDICATORS OF THE SUCCESS	ASSESSMENT / RECOMMENDATION
<b>CAPACITY BUILDING OF COURTS</b>	67. Apply consistently the principle of random allocation of cases through the introduction of electronic case coding and allocation (using as much as possible the information technologies)	Court President	Continuous	No. of courts with electronic allocation of cases	<b>ASSESSMENT 199: Measure is not realized</b>
		1) Ministry of Justice		1) Acting upon reports of authorized officers of the Ministry of Justice	<b>ASSESSMENT 199a: Measure is being realized continuously</b> Authorized officers regularly supervise work of court administration, and there were no objections during the reporting period.
		2) Judicial Council		2) Number of proceedings compared to reported cases of disciplinary	

	<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>			responsibility of judges	<p><b>ASSESSMENT 200: Measure is being realized continuously</b></p> <p>Six disciplinary procedures have been completed and disciplinary measures were imposed. Two judges were dismissed, five judges were temporary suspended and criminal procedure against them is ongoing, and dismissal procedure against one more judge is underway as well.</p>
	<p><b>68.</b> Strengthen the independence of the judiciary powers through making requirement plan for increasing financial resources in the budget allocation</p> <p>1. Provide accumulation of salaries and special allowances to judges proceeding in cases with elements of corruption and organized crime</p>	Judicial Council, Ministry of Finance	2008-2009	Accumulation plan made of determined financial resources in the budgetary allocation of MNE and level of resources accumulation per year	<p><b>ASSESSMENT 201: Measure is realized</b></p> <p>Law on Courts prescribes allowances/bonus on salaries of the judges of Special Council</p>
	<p><b>69.</b> Establishing of Special Department for fight against organized crime, corruption, terrorism and war crimes within the High courts in Podgorica and Bijelo Polje</p>	Judicial Council	III Q of 2008	Department established; % of hired personnel for judges and associates; No. of cases in process; Total No. of sentences; No. of acquittal/conviction and revoked sentences	<p><b>ASSESSMENT 202: Measure is realized</b></p> <p>Special departments within High Courts in Podgorica and Bijelo Polje established.</p>
	<p><b>70.</b> Determine required number of judges within the Special Department for fight against organized crime, corruption, terrorism and war crimes within the High courts in Podgorica and Bijelo Polje</p>	Judicial Council	III Q of 2008	Required number of judges determined	<p><b>ASSESSMENT 203: Measure is realized</b></p> <p>Determined need for three judges in both High Courts</p>
	<p><b>71.</b> Hire required personnel within courts, in accordance with determined needs</p>	Judicial Council	IV Q of 2008	Required personnel hired in courts compared to determined needs and % of hired personnel compared to required	<p><b>ASSESSMENT 204: Measure partly realized</b></p> <p>More than 30 judges have been elected and appointed, and election procedure of more 13 court presidents is underway.</p>
	<p><b>72.</b> Establishment of the Judicial Informational System with integrated database and training of judges</p> <p>1. Acquisition, development and analysis of statistic data related to perpetrators and felonies structure</p>	Judicial Council	2009	Judicial Informational System established; No. Of courts connected with the Informational system; Periodical statistic reports; Training needs assessed and number of trainings compared to planed; No. of trainings; No. of participants	<p><b>ASSESSMENT 205: Measure partly realized</b></p> <p>Note: This measure, in regard to preparation of statistical reports, is being realized through work of Three-Party Commission /link: measure 68 and 69/</p>
	<p><b>73.</b> Determine requirements and provide protection of judges proceeding in cases with elements of corruption, organized crime, terrorism and war crimes</p>	Judicial Council, Police Administration	IV Q of 2008, Continuous	Requirements for personal protection of judges determined; No. of judges to whom personal protection is provided	<p><b>ASSESSMENT 206: Measure is being realized continuously</b></p> <p>This measure is being realized pursuant to MNE Government Decision (OJ RMNE 69/06)</p>

	74. Develop separate annual and periodical training programs for judges proceeding in cases with elements of corruption and organized crime	Centre for Education of the Bearers of Judicial Function	IV Q of 2008, Continuous	Report of the Centre for Education of the Bearers of Judicial Function in developed annual and periodical training program	<b>ASSESSMENT 207: Measure is being realized continuously</b> Available at the web site of the Center <a href="http://www.coscg.org">www.coscg.org</a>
	75. Carrying out trainings according to separate determined program	Centre for Education of the Bearers of Judicial Function	Continuous	No. of judges passed through the training program; report of the Centre on training program realization; No. of carried compared to No. of planned trainings; Number and areas of trainings and number of participants per training	<b>ASSESSMENT 208: Measure is being realized continuously</b> Available at the web site of the Center <a href="http://www.coscg.org">www.coscg.org</a>
	76. Determining Rules of Procedure of the Judicial Council with the purpose of establishing criteria and procedures for election of judges procedure	Judicial Council	II Q of 2008	Rules of Procedure adopted and criteria and procedures established for election of judges procedure	<b>ASSESSMENT 209: Measure is realized</b> Rules of Procedure adopted during previous reporting period

#### RECOMMENDATIONS:

1. The Supreme Court is to deliver information on level of realization of measure that refers to introduction of electronic case coding and electronic allocation of cases, not later than I quarter of 2009.
2. Judicial Council is to deliver information on percentage of employment of judges and associates in courts, with special emphasize on information relating to Department for Organized Crime, Corruption, Terrorism and War Crimes in High Courts in Podgorica and Bijelo Polje, not later than I quarter of 2009.
3. Judicial Council is to deliver information on periodical statistical data stored in database of the information system, so as data on needed training and number of trainings in comparison to planned number, not later than I quarter of 2009.
4. The Supreme Court is to intensify trainings of judges in the field of financial investigations, and to deliver detailed information on number of realized trainings, and data on number of carried out financial investigations.

#### B. EXTERNAL AUDIT OF THE BUDGET

During external audit procedure, in terms of controlling regularity of budgetary income and expenditure, **State Auditors Institution /SAI/** prepared **Audit of the final budgetary account of Montenegro** for 2008, which is, in the framework of annual report of State Audit Institution, submitted to the Parliament of Montenegro. Senate of this institution adopted annual audit plan for 2009.

Within the control of regularity and efficiency of work of budgetary beneficiaries, in accordance with the Audit Plan for 2008, SAI realized **10 single-handed audits of budgetary beneficiaries** (Pension Fond, Constitutional Court, Ministry of Defense, Hydro Meteorological Institute, Ministry of Culture, Sport and Media, National Museum, Veterinary Directorate, Municipality of Rozaje, Railway of Montenegro, and Agency for Telecommunications). Final reports are available at SAI web site [www.dri.cg.yu](http://www.dri.cg.yu). During last reporting quarter of 2008, three new audits of several budgetary beneficiaries were performed (11 preliminary audits- Ministry of Tourism and Environmental Protection, National Tourist Organization, Tourist Organizations of municipalities Herceg Novi, Budva, Bar and Kolasin, Ombudsman, district tax units of municipalities Herceg Novi, Budva, Bar and Kolasin; one pilot audit – Human Resource Management Agency and one control audit – Ministry of Ministry of Culture, Sport and Media )

SAI initiated activities on preparation of **Communication Strategy**, in cooperation with GTZ, in framework of realization of set of measures relating to training of responsible persons and public in prevention of abuse in budget management (two-day international seminar organized dedicated to public relations strategy preparation). Strategy is in final phase of preparation. Public is being continuously informed about budgetary spending via public debate on Final Account of Montenegro for 2008 in Parliament, as well as via media. **Training plan for 2008**, for SAI employees was made, whence **seven** seminars were realized (topics: public procurement system, public pursuits, system for accountancy management and public enterprises and public finance system and budgetary law, human resource management in supreme audit institutions/ international experiences – 80 employees participated). Within the scope of Program for professional improvement of state servants and employees for 2008, following topics were identified: financial accounting affairs in state institutions, state budget execution, and budget resources control. In cooperation with GTZ, six seminars were realized for SAI employees (90 SAI employees participated), as well as expert visit of German Federal accounting Court representatives in the context of planning two pilot audits. In addition, one **Round Table and two conferences, in cooperation with German Federal accounting Court**, were organized with the aim of accomplishing efficient cooperation between legislative, control, and executive authority in budgetary management and allocation. **Five Manuals for passing exam for state auditors were prepared** (Public spending management, Public sector audit, Financial accountancy affairs, Financial and administrative accountancy and Informational technologies). In reporting period, 12 candidates passed the exam for state auditor.

GOAL	MEASURE	COMPETENT INSTITUTION	DEADLINE	INDICATORS OF THE SUCCESS	ASSESSMENT / RECOMMENDATION
<b>SUPERVISION OF BUDGETARY REVENUES AND EXPENDITURES</b>	77. External audit of the final budgetary account by State Auditors Institution	State Auditors Institution	Once a year (by the end of the second quarter) Continuous	External budgetary audit report; No. of non-conformities and No. of recommendations; No. of corrective measures compared to	<b>ASSESSMENT 210: Measure is realized</b> SAI prepared <b>Budgetary Final Account Audit of Montenegro for 2008</b> , that is, in the framework of annual report of State Audit Institution, submitted to the

				total No. of non-conformities; No. of criminal charges after the audit	Parliament of Montenegro. Annual audit plan for 2009 adopted.
<b>SUPERVISION OF REGULARITY, EFFECTIVENESS AND EFFICIENCY OF THE OPERATION OF BUDGETARY BENEFICIARIES AT THE LEVEL OF MONTENEGRO AND MUNICIPALITIES</b>	78. Audit of budgetary spending	State Auditors Institution	Continuous	Budget audit report; No. of implemented audits and submitted reports in spending units, accounts of settlement of municipalities and other subjects; No. of recommendations and % of accepted recommendations out of individual audits by audit subject; % of adopted recommendations by the Parliament out of the annual report of the State Auditors Institution; No. of specific reports; No. of non-conformities and No. of recommendations No. of corrective measures compared to total No. of non-conformities; No. of criminal charges for irregularities in budget management and allocation	<b>ASSESSMENT 211: Measure is being continuously realized</b> SAI realized 10 single-handed audits of budgetary beneficiaries and in October 2008 three new audits of several budgetary beneficiaries initiated. Preliminary audit (11 institutions) pilot audits (one institution) and one control audit. Report on audits completed available at <a href="http://www.dri.cg.yu">www.dri.cg.yu</a> .
	79. Strengthening administrative and technical capacities of the State Auditors Institution through: 1. Further technical equipment and introduction of Intranet into the State Auditors Institution 2. Electronically connecting with the Ministry of Finance and all consumer units – audited entities 3. Innovation of Methodological Instruction of Audit Performance of public sector auditing	State Auditors Institution	2009	Increased level of IT support in the State Auditors Institution; IT trainings for employees done; No. of trainings; No. of electronic connections with the consumer units – audited entities; Methodological manual innovated on the basis of acquirements and experiences and EU audit standards for public sector	<b>ASSESSMENT 212:</b>  <b>ASSESSMENT 213:</b>  <b>ASSESSMENT 214:</b>
<b>PREVENTION OF ABUSES IN BUDGETARY EXECUTION</b>	80. Training plan making and trainings of persons in charge of budget management and allocation	State Auditors Institution and Human Resources Administration in cooperation with NGO	Continuous	Training plan made; No. of new employed; No. of trainings; No. of participants	<b>ASSESSMENT 215: Measure is being continuously realized</b> Training plan for 2008, for SAI employees prepared. In reporting period realized 13 trainings, one round table, two conferences, 7 seminars, as well as expert support in planning two pilot audits. There are 55 SAI employees (in reporting period 13 new employees).
	81. Raising public awareness regarding the supervision of budgetary spending through the development and dissemination of a guide and a media campaign	State Auditors Institution, in cooperation with media and NGO	Continuous	Guide book prepared; No. and kind of educational activities	<b>ASSESSMENT 216: Measure is being continuously realized</b> Five Manuals for passing exam for state auditors prepared. 12 candidates passed the exam for state auditor.
	82. Preparation of public relations Strategy with the aim of 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 media and NGO	Continuous	Strategy prepared; annual and periodical reports of the State Auditors Institution	<b>ASSESSMENT 217: Measure partly realized</b> Activities on preparation of Communicational Strategy initiated, two-day international seminar held in cooperation with GTZ. Strategy is in final phase of preparation.

**RECOMENDATIONS:**

1. State Audit Institution is to intensify activities on preparation of Communicational Strategy no later than I quarter of 2009.
2. State Audit Institution, in its annual audit plan for 2009, is to plan audits of budgetary beneficiaries underlined in EC Report for 2008. – **NC RECOMMENDATION PURSUNAT TO 2008 EC REPORT**
3. State Audit Institution, in accordance with planed activities for 2009, is to intensify work on audits of economic entities with state share capital. – **NC RECOMMENDATION PURSUNAT TO 2008 EC REPORT**
4. State Audit Institution is to continue with realization of set of measures related to training and raising level of awareness on external audits. – **NC RECOMMENDATION PURSUNAT TO 2008 EC REPORT**
5. State Audit Institution is to deliver precise information on type and volume of activities in field of education of public in following quarter reporting.

**C. INTERNAL AUDIT OF THE BUDGET**

In reporting period Ministry of Finance - Department for Internal Audit continuously performed activities related to operational planning, organizing and completing internal audits over budgetary beneficiaries determined by Law on budget. Audits were conducted in accordance with competencies defined by the Law on Budget and according to procedure prescribed by the Instruction on internal audit performance manner and procedure.

On basis of **Annual Audit Plan for 2008**, approved by the Minister of Finance, in reporting period, internal audit of budgetary spending was performed in **8 budgetary beneficiaries** (in period for Third report - 8 audits realized). These audits included budgetary expenditure execution process, and for each individual audit, report was prepared consisting of **memorandum, scope, and aims of audit, findings, and recommendations for elimination-determined insufficiencies**. Reports submitted to all audit subjects.

Audits of budgetary beneficiaries were conducted in order to determine following: whether all transactions were performed in accordance with current regulations and procedures; whether all transactions were timely handled; rightness of all payments related to transactions; accuracy and fulfillment of accountancy records and documentation; functioning internal audits regarding implementation of determined rules and procedures.

Along with above mentioned, and in accordance with Internal Financial control Development Strategy in public sector of Montenegro, Law on internal financial control system was prepared and adopted (November 2008). Adoption of this Law provided establishment of internal control system in accordance with internal control international standards for public sector, international standards in internal audit and best EU practice, in order to ensure economic and efficient state resources management and provide their control.

GOAL	MEASURE	COMPETENT INSTITUTION	DEADLINE	INDICATORS OF THE SUCCESS	ASSESSMENT / RECOMMENDATION
<b>SUPERVISION OF THE LEGALITY OF OPERATION OF BUDGETARY BENEFICIARIES</b>	83. Internal audit of budgetary spending by budgetary beneficiaries	Ministry of Finance– Department for Internal Audit	Continuous	Budgetary audit report; No. of non-conformities and No. of recommendations, No. of corrective measures compared to total No. of non-conformities; No. of criminal charges after the audit	<b>ASSESSMENT 218: Measure is being continuously realized</b> 8 audits of budgetary beneficiaries realized; reports with recommendations submitted to audit subjects.
<b>STRENGTHENING ADMINISTRATIVE CAPACITIES OF NEW SECTOR FOR PUBLIC INTERNAL FINANCIAL CONTROL (PIFC)</b>	84. Determining bylaws in accordance with new Law, reorganization of sector, recruitment, training	Ministry of Finance	2009.	No. of determined bylaws; Rulebook on internal organization and systematization of the Ministry of Finance changed; sector reorganized; No. of new employees; No. of trainings; No. of established units for internal audit of budgetary beneficiaries; Guide book for internal auditing determined	<b>ASSESSMENT 219:</b> Law on internal financial control system is prepared and adopted (November 2008)

**RECOMENDATIONS:**

1. Ministry of finance is to initiate activities on raising level of awareness on internal audits - **NC RECOMMENDATION PURSUNAT TO EC 2008 REPORT**

**D. INSTITUTIONAL CAPACITY BUILDING FOR IMPLEMENTATION OF ANTICORRUPTION POLICY IN PRIVATIZATION PROCESS**

**State Audit institution** continuously performs external (State) audit capacity building in control of privatization process, by performing audit of regularity and efficiency management of state property. In reporting period, 10 single handed audits of budgetary beneficiaries were initiated, at the state and municipality level – Pension Fund, Constitutional Court, Ministry of Defense, Weather Bureau, Ministry of Culture, Sport and Media, National Museum, Veterinary Institution, Municipality of Rozaje, Railway of Montenegro and Agency for Telecommunications. In the same period, in compendium of these individual reports, 73 recommendations were given to audit subjects, which were accepted by these institutions as well. Also, audit procedures were initiated in following institutions: Ombudsman's Office, Human Resource Agency, Ministry of Tourism and Environmental Protection, National Tourist Organization, Tourist Organizations of Herceg Novi, Budva, Bar and Kolasin, as well as in competent tax bodies in abovementioned municipalities. Reports are integrally posted at [www.dri.cg.yu](http://www.dri.cg.yu)

Parliament of Montenegro adopted Decision on establishing Commission for monitoring and controlling transparency in privatization process (Official Gazette of MNE, No. 16/07), and Decision on selection of president and members of the Commission (eight members - 4 out of parliamentary ruling coalition and 4 from opposition). In reporting period, Commission held two sessions, whereon members did not reach consensus for initiating one control hearing, as well as for initiating three privatization process controls.

With the aim of observing the principle of transparency in privatization in Montenegro, **Privatization Council and Agency of Montenegro for Economic Restructuring and Foreign Investments** initiated drafting of project "Effects of previous privatizations in Montenegro". After international public advertisement carried out, the Consortium of Economy Faculty from Podgorica and Belgrade and independent experts from Ljubljana and Sarajevo's Economy Faculties was selected. Consortium will prepare analysis of quality of established investment control system as well as review of previous privatizations. Selection procedures of legal and financial consultants in privatization is being performed continuously in open and transparent manner, via public advertisement made by competent tender commission, in accordance with the Regulation on selling shares and property via public tender. Activities on selection legal and financial consultants for realization of project of tourist location valorization were also posted.

Regarding **informing the public and the employees on decision-making in privatization process**, activities related to informing the public and the employees of their rights to participate in decision-making and monitoring of the privatization process, were continuously performed; in reporting period, neither requests nor questions of citizens regarding privatization process were submitted.

In this reporting period Ministry for Economic Development, Ministry of Tourism and Environmental Protection, Ministry of Agriculture, Forestry and Water Management, according to working program, did not prepare privatization strategies for strategic important entities, so there were no round tables as it was the case during preparation of Third Report. Restructuring Programs of Ministry of Transport, Maritime Affairs and Telecommunications /MTMA&T/ - (Harbor, Railway, Montenegro Airlines) were prepared in cooperation with EU and EBRD consultants. These Programs are available at web site. Plans for these companies to be privatized were adopted through Privatization Plan for 2008.

In addition, obligations, in accordance with the Law on Free Access to information, were being realized continuously – in reporting period, NGO MANS submitted 44 requests (20 requests to Agency and 24 to Council - all requests timely replied at). At the same time, Constitutional Court submitted 2 sentences to the Agency and one sentence to the Council, out of which two were prejudicially for Agency, namely Council, and one in favor of Agency.

**All documents significant for transparency in privatization process**, tenders (11) and other materials related to privatization (2) **are published at the web site of the Agency [www.agencijacg.org](http://www.agencijacg.org) and [www.vlada.antikorup.cg.yu](http://www.vlada.antikorup.cg.yu)**

Regarding integrity development of officers involved in privatization process, Government of Montenegro established the **Commission for examining comments, complaints, prepositions, and suggestions of citizens and other subjects on privatization process** (Decision No. 03- 2979/3 from 10.05.2007). In reporting period, Commission held one session, whereon initiatives and requests submitted by NGO MANS (5 initiatives) and citizens (4 requests) were discussed. In the same period, one complaint on privatization process was submitted and considered. Directorate for anti corruption initiatives, in cooperation with **Commission for examining comments, complaints, prepositions, and suggestions of citizens and other subjects on privatization process**, prepared brochure for reporting corruption in privatization process.

GOAL	MEASURE	COMPETENT INSTITUTION	DEADLINE	INDICATORS OF THE SUCCESS	ASSESSMENT / RECOMMENDATION
<b>ESTABLISH EFFICIENT PRIVATIZATION PROCESS CONTROL BY PARLIAMENT</b>	85. Establishment the Commission for monitoring transparency in privatization process 2. Development Rules of procedure of Commission 3. Efficient work of the Commission and cooperation with institutions involved in privatization	1. Parliament  2. 3. Commission for monitoring and controlling transparency in privatization process	1. Immediately after adoption AP 2. 30 days after adoption AP 3. Ongoing	1. Commission established 2. Rules of procedure adopted 3. No. of meetings of Commission; No. of inquiries submitted to institutions involved in privatization and No. of acquired responses; No. of consultative hearings and recommendations and level of recommendation accomplishment	<b>ASSESSMENT 220: Measure is realized</b> Commission for monitoring and controlling transparency in privatization process established on December 18, 2007. Decision on selection president and members of Commission was adopted on March 19, 2008.
					<b>ASSESSMENT 221: Measure is realized</b> Rules of Procedure adopted.
					<b>ASSESSMENT 222: Measure partly realized</b> From its establishment Commission held 4 sessions, 2 in reporting period. No consensus reached for initiating one control hearing, as well as for initiating tree privatization process controls.
<b>CAPACITY BUILDING OF EXTERNAL (STATE) AUDIT IN PRIVATIZATION PROCESS CONTROL</b>	86. Auditing legality and efficiency of management the state assets and obligations, budgets and all financial affairs of subjects whose financial resources are public or issued by using state assets	State Auditors Institution	Continuous	No. of included new kinds of audit into the annual audit plans (preliminary, control, intersection audit, efficiency audit of subject's operations); No. of performed audits and submitted reports; No. of recommendations given and % of accepted recommendations by audit subject out of individual audits; periodical reporting to the National Commission	<b>ASSESSMENT 223: Measure is being continuously realized</b> SAI submitted report on number of performed audits. Reports available at <a href="http://www.dri.cg.yu">www.dri.cg.yu</a>



<b>OBSERVE THE PRINCIPLE OF TRANSPARENCY IN PRIVATIZATION</b>	87. Organizing public discussions on privatization plans and strategies for entities of strategic significance, particularly in the area of energetic, traffic, tourism and public companies privatization	MED, MTMA&T, Ministry of Agriculture, Ministry of Tourism and Environmental Protection	Continuous	Reports on number of organized public discussions; No. of participants, No. of comments; No. of accepted compared to No. of rejected comments; Manner of submitting feedbacks on accepting/rejecting comments to the public discussion participants	<b>ASSESSMENT 224: Measure partly realized</b> Ministry for Economic Development, Ministry of Tourism and Environmental Protection, Ministry of Agriculture, Forestry and Water Management, according to working program did not prepare privatization strategies for strategic important entities, so there were no round tables as it was the case during preparation of Third Report. MTMA&T organized public debates in systems themselves that are in restructuring and privatization preparation process, these activities programs available at MTMA&T web site
	88. Establish a system to control investments in privatized companies	Privatization Council Agency of Montenegro for Economic Restructuring and Foreign Investments	Continuous	System established; No. of companies included in system; No. of violations of privatization contracts; No. of terminated contracts due to non-compliance with contractual obligations	<b>ASSESSMENT 225: Measure partly realized</b> Each privatization control is being established trough defining contracted control obligations, for major entities, respectable consultants for control performance hired via public tender.
	89. Making reports on published public tenders for election legal and financial advisers in privatization	Privatization Council	Continuous	No. of published tenders and other related information in reporting period	<b>ASSESSMENT 226: Measure is being continuously realized</b> In reporting period, activities on selection legal and financial consultant for realization of project of tourist location valorization were completed. Total 13 public tenders announced.
	90. Informing the public and the employees of their rights to participate in decision-making and monitoring of the privatization process	Privatization Council, Agency of MNE for Economic Restructuring and Foreign Investments	Continuous	No. of submitted inquiries and questions in written form, directly to Privatization Council and Montenegrin Agency or to the News-paper "Pobjeda"; No. of responses sent to citizens and employees	<b>ASSESSMENT 227: Measure is being continuously realized</b> In reporting period, there were neither requests nor questions of citizens regarding privatization process.
	91. Providing access to all information related to privatization on the basis of Law on free access to information	Agency of Montenegro for Economic Restructuring and Foreign Investments	Continuous	No. of positive/negative replies compared to No. of requests received; No. of decisions revoked by court	<b>ASSESSMENT 228: Measure is being continuously realized</b> 44 requests submitted (20 for Agency and 24 for Council) all timely replied at. At the same time, Constitutional Court submitted 2 sentences to the Agency and one sentence to the Council, out of which two were prejudicially for Agency, namely Council, and one in favor of Agency.
	92. Posting all the documents significant for privatization process transparency at the Agency web site (tenders and other materials related to privatization under the competency of Privatization Council and Montenegrin Agency for Economic Restructuring and Foreign Investments)	Agency of Montenegro for Economic Restructuring and Foreign Investments	Continuous	No. of posted tenders and other documents at the web site of the Agency in the reporting period	<b>ASSESSMENT 229: Measure is being continuously realized</b> 13 tenders (11 for tender, 1 for BOT and one for long-term lease) detail information available at <a href="http://www.antikorup.vlada.cg.yu">www.antikorup.vlada.cg.yu</a> .
	<b>INTEGRITY DEVELOPMENT OF OFFICERS INVOLVED IN</b>	93. 1. Implementing procedures for reporting non-compliances and	1. 2. Commission for examining comments,	Continuous	1. 2. – Report on work of the Commission; total number of reports,

<b>PRIVATIZATION PROCESS</b>	corruption in privatization 2. Implementing procedures for reporting conflict of interest in privatization	complaints, prepositions and suggestions of citizens and other subjects on privatization process		anonymous reports; institutions whom reports were submitted; feedbacks form competent institutions	<b>ASSESSMENT 231 Measure is being continuously realized</b> Procedures defined. One session held submitted, initiatives (MANS - 5 initiatives) and requests (citizens - 4 requests) considered; one complaint on privatization process submitted.
	94. Developing Booklet for reporting instances of corruption in privatization process	DACI, in cooperation with Commission for examining comments, complaints, prepositions and suggestions of citizens and other subjects on privatization process	2008	Booklet developed	<b>ASSESSMENT 232: Measure is realized</b> DACI in cooperation with the Commission prepared brochure for reporting corruption in privatization process.

**RECOMENDATIONS:**

1. Ministry for Economic Development, Ministry of Maritime Affairs, Transport and Telecommunications, Ministry of Agriculture Forestry and Water Management and Ministry of Tourism and Environmental Protection are to organize continuously public discussions on privatization plans and strategies for entities of strategic significance, in accordance with privatization plans of companies that are under the competency of these institutions. These institutions are to inform National Commission about it.
2. Commission for monitoring and controlling transparency in privatization process in Parliament of Montenegro is to initiate activities on realization of its activities in accordance with measures from Innovated Action plan and to inform National Commission about it. - **NC RECOMMENDATION PURSUNAT TO 2008 EC REPORT.**
3. Privatization Council, i.e. Agency of Montenegro for Economic Restructuring and Foreign Investments, is to improve access to all information related to privatization on the basis of Law on free access to information - **NC RECOMMENDATION PURSUNAT TO 2008 EC REPORT**
4. Privatization Council, i.e. MNE Agency for Restructuring of Economy and for Foreign Investments is to publish and announce structure of tender commissions in the following period as well.
5. Commission for examining comments, complaints, prepositions, and suggestions of citizens and other subjects on privatization process is to submit information on number of reports on corruption in privatization process.

**E. DIRECTORATE FOR PREVENTION OF MONEY LAUNDERING AND TERRORISM FINANCING /DPML&FT/**

Directorate for Prevention of Money Laundering and Terrorism Financing adopted the **Rulebook on Internal Organization and Systematization** in accordance with the Law on Prevention of Money Laundering and Terrorism Financing. Pursuant to that Rulebook, Department for the Supervision of reporting entities was established (ten vacancies fulfilled). Further more, this Directorate continuously participates at working meetings of the **EGMONT Group**, as well as at the international seminars and conferences of the **MONEYVAL Committee and CoE Committee for crime issues**. Trainings, seminars, and conferences, on prevention of money laundering, for authorized persons and employees having direct contact with clients were conducted. Directorate performs, continuously, state of play analysis and needs assessment for defining **amended list of indicators** (expert basis for innovation of list of indicators with the aim to identify suspicious transactions prepared). In field of **cooperation with other countries**, Directorate continuously performs **analysis on implementation of existing agreement on cooperation** with financial intelligence units (FIU) within the region (signed Agreements with FIU of Romania and FINCEN, USA), and **needs assessment** for signing of new agreements as well. Furthermore, within the scope of activities on enhancing regional cooperation, regional meetings were held on regular basis. In that sense, **Regional Protocol on fight against money laundering and terrorism financing** was signed, while several meetings with representatives of FIU Serbia and Romania were held, while, it is worth mentioning, the Regional Conference of FIU services was held in Sarajevo. On national level, Directorate for Prevention of Money Laundering and Terrorism Financing keeps regular communication with other authorized state bodies and organizations. As the result of that communication and cooperation, 7 reports on suspicious transactions were submitted, while, on international level, 15 reports on suspicious transactions were submitted.

GOAL	MEASURE	COMPETENT INSTITUTION	DEADLINE	INDICATORS OF THE SUCCESS	ASSESSMENT / RECOMMENDATION
<b>HARMONIZATION OF THE OPERATION OF THE ADMINISTRATION FOR PREVENTION OF MONEY LAUNDERING AND TERRORISM FINANCING WITH THE NEW</b>	95. Capacity building of the Administration for Prevention of Money Laundering and Terrorism Financing through: 1. Changing and adoption of the new Regulations on Internal Organization and Systematization	Directorate for Prevention of Money Laundering and Terrorism Financing / DPML&FT/, Ministry of Finance, Government of MNE	1, 2 - III Q of 2008	1. Regulations adopted 2. Department established 3. Increased No. of new employees within the Administration; no. of new employed; Total No. of trainings; No. of trainees	<b>ASSESSMENT 233: Measure is realized</b> Rulebook adopted
			3. 2008		<b>ASSESSMENT 234: Measure is realized</b> Department established



<b>LEGISLATIVE FRAMEWORK</b>	in accordance with the Law on Prevention of Money Laundering and Terrorism Financing 2. Establishment of the Department for the Supervision of reporting entities 3. Recruiting personnel as per the new Regulations on Internal Organization and Systematization and new staff training				<b>ASSESSMENT 235: Measure partly realized</b> In reporting period, ten vacancies fulfilled in accordance with Rulebook.
	96. Determining risk analysis directives	DPML&FT and other in line bodies out of the article 86 of the Law on Prevention of Money Laundering and Terrorism Financing (except physical persons)	2008	Directives determined by DPML&FT, Central Bank of MNE, Agency for insurance Supervision, Administration for games of chance, Commission for valuable papers, Prevention of Money Laundering and Terrorism Financing Strategy	<b>ASSESSMENT 236: Measure is not realized</b>
<b>TRAINING OF THE EMPLOYEES OF THE ADMINISTRATION FOR PREVENTION OF MONEY LAUNDERING AND TERRORISM FINANCING</b>	97. Participation to seminars organized by international institutions	DPML&FT	Continuous	No. of attendees; No. of seminars whereon the representatives of the Administration participated	<b>ASSESSMENT 237: Measure is being continuously realized</b> 6 seminars, 10 participants
	98. Participation of the representatives of the Administration in the working groups of the EGMONT Group	DPML&FT	Continuous	No. of meetings of EGMONT whereon the representatives of the Administration participated	<b>ASSESSMENT 238: Measure is being continuously realized</b> 1 meeting of EGMONT group
<b>UPDATING /AMENDING LIST OF INDICATORS OF SUSPICIOUS TRANSACTIONS RELATED TO NEW METHODS OF MONEY LAUNDERING AND TERRORISM FINANCING</b>	99. Current status analysis and, accordingly needs assessment for defining amended list of indicators (in accordance with the article 46 of the Law, list of indicators is being determined by Ministry of Finance on the basis of professional ground prepared by the Administration for Prevention of Money Laundering and Terrorism Financing in cooperation with other in line bodies)	Ministry of Finance, DPML&FT, Central Bank of MNE, in cooperation with other in line bodies out of the article 86 of the Law on Prevention of Money Laundering and Terrorism Financing (except physical persons)	Continuous	Total number of new indicators; Potentially, amended list of indicators of suspicious transactions determined	<b>ASSESSMENT 239: Measure is being continuously realized</b> Expert basis for innovation of list of indicators with the aim to identify suspicious transactions prepared.
<b>TRAINING OF AUTHORIZED PERSONS AND EMPLOYEES OF REPORTING ENTITIES</b>	100. Making training plan for the purpose of organizing seminars for authorized persons of reporting entities and the employees having direct contact with clients	DPML&FT	Continuous	Training plan made; Total number of seminars and conferences as per institutions and areas	<b>ASSESSMENT 240: Measure is being continuously realized</b> - OSCE and DPML&FT / 3 seminars – topic: Prevention of money laundering and terrorism financing - 1 Work shop – topic: strengthening cooperation in preventing money laundering and terrorism financing - 1 advanced seminar – topic: MNE financial system protection of suspicious assets entry - 1 seminar – topic: Prevention of money laundering and terrorism financing - 1 conference with representatives of authorized participants at assets market
<b>ENHANCING REGIONAL COOPERATION</b>	101. Agreement implementation analysis on cooperation with	DPML&FT	2008, Continuous	Needs assessment analysis made on signing bilateral on exchange financial-	<b>ASSESSMENT 241: Measure is being continuously realized</b>

	financial intelligence units within the region, and needs assessment for signing new agreements			intelligence data, information and documentation with authorized bodies of other countries, as well as international organizations; No. of submitted reports on suspicious transactions to prosecution/police, as a result of international cooperation	5 reports on suspicious transactions submitted to SSP Office as result of international
	102. Innovate current or signing new cooperation agreements with FIU from the region on the basis of conducted analysis	DPML&FT	2008, Continuous	Total number of agreements compared to assessed needs for signing new or innovating current agreements	<b>ASSESSMENT 242: Measure is being continuously realized</b> Agreements with FIU of Romania and FINCEN, USA signed
	103. Maintaining regional meetings with the FIU from the neighboring countries	DPML&FT	Continuous	No. of regional meetings	<b>ASSESSMENT 243: Measure is being continuously realized</b> 7 meetings held
<b>ENHANCING INTERNAL COOPERATION</b>	104. Agreement implementation analysis on cooperation with other authorized state bodies and organizations	DPML&FT and other bodies (Police Administration, Tax Administration, Customs Administration, Commission for valuable papers, Central Bank of MNE), and in line ministries	Continuous	Analysis made; No. of submitted reports on suspicious transactions to prosecution/police as a result of inter institutional cooperation	<b>ASSESSMENT 244: Measure is being continuously realized</b> 15 reports on suspicious transactions submitted as result of inter agency cooperation
	105. Innovate individual cooperation agreements with other authorized state bodies and organizations and signing new agreements in accordance with conducted analysis	DPML&FT and other bodies (Police Administration, Tax Administration, Customs Administration, Securities Commission MNE, Central Bank of MNE), and in line ministries	Continuous	Total number of new agreements as well as No. of innovated agreements	<b>ASSESSMENT 245: Measure is being continuously realized</b> 2 new Agreements signed: Agreement on cooperation with FIU Romania Agreement on cooperation with FINCEN SAD
<b>PREPARATION OF PARTICULAR PROGRAM FOR FIGHT AGAINST MONEY LAUNDERING AND TERRORISM FINANCING</b>	106. In accordance with the need to prepare new Program for fight against corruption and organized crime, it is necessary to prepare and develop its significant segment – Program for fight money laundering and terrorism financing for period 2010 – 2012	DPML&FT in cooperation with: MoJ, MoIA&PA, Agency for National Security, Police Administration, Tax Administration, Customs Administration, Supreme State Prosecutor, courts, DACI, Securities Commission MNE, State Auditors Institution, Central Bank of MNE Agency for insurance Supervision, Administration for games of chance, Bank Association, NGO	2009	Analytical background prepared for Program making; Program for fight money laundering and terrorism financing for period 2010 – 2012 prepared Action plan for its implementation prepared	<b>ASSESSMENT 246:</b>

**RECOMENDATIONS:**

1. Ministry of Finance, in accordance with the Law on Prevention of Money Laundering and Terrorism Financing, is to adopt, as soon as possible, relevant legal act, which will determine further criteria for making risk analysis directives, and to inform National Commission about it by the end of I quarter of 2009.
2. Directorate for Prevention of Money Laundering and Terrorism Financing is to make needs assessment analysis for signing bilateral agreements on exchange of financial-intelligence data, information and documentation with authorized bodies of other countries, as well as international organizations, and to inform National Commission about it by the end of I quarter of 2009.
3. Directorate for Prevention of Money Laundering and Terrorism Financing, in cooperation with other bodies (Police Administration, Tax Administration, Customs Administration, Securities Commission MNE, Central Bank of MNE) and line ministries, is to provide information on agreement implementation analysis in field of fight against money laundering, by the end of I quarter of 2009.
4. Directorate for Prevention of Money Laundering and Terrorism Financing is to provide information on preparation of Program for fight against money laundering and terrorism financing for period 20010-2012, in accordance with recognized needs for amending Program for fight against organized crime and corruption, by the end of I quarter of 2009.

5. Directorate for Prevention of Money Laundering and Terrorism Financing is to intensify activities on final personnel recruitment according to new Rulebook on internal organization and systematization.
6. Directorate for Prevention of Money Laundering and Terrorism Financing is to prepare and deliver to the NC analysis on necessary signing of additional bilateral agreements on exchange of financial-intelligence data, so as analysis on implementation of agreements on cooperation with other competent bodies and organizations.

## F. PUBLIC PROCUREMENT

With the aim of capacity building for implementation of the Public Procurement Law, and in accordance with the Rulebook on Systematization and Internal Organization, **Public Procurement Directorate, and Commission for the Control of Public Procurement Procedure** carry out additional recruitment. It means that in the Commission 4 civil servants and state employees and 2 trainees were recruited, while in the Directorate, in accordance with current Rulebook it is planned to fill one working position in 2009.

In accordance with aforementioned, Quarter training plans are being continuously prepared and carried out in cooperation with the Human Resource Management Agency. In reporting period, one two-day seminar for 30 participants and one three-week training for Public Procurement Sector officers in Public Procurement Directorate were realized on topic "Public procurement policy legal aspects and best practice", in order to improve public procurement management and tender procedure – FINEUROPE. The Training plan for 2009 is prepared as well. Regarding IT training programs, Public Procurement Directorate pointed out that realization of this activity depends on establishment of an adequate public procurement electronic system, after overall legislative is completed as to provide elementary preconditions for implementation of public procurement electronic system.

Regarding efficient implementation of the **Law on Public Procurement**, in the field of fight against corruption, set of measures is realized. **Public Procurement Manual** is developed in cooperation with the Human Resource Management Agency, published, and distributed in 500 copies; Commission for the Control of Public Procurement Procedure, in cooperation with the EAR, within the project "Capacity building of the Commission for public procurement," created the electronic register book for the Commission needs. Commission also developed and published in June 2008 "**Analysis on the protection of the rights of bidders in the Western Balkan countries**" (available at web site of the Commission). Public Procurement Directorate published brochure "Guidebook through public procurement system of Montenegro." Public Procurement Directorate, in cooperation with Commission for the Control of Public Procurement Procedure, is preparing Comments on Law on public procurements.

Furthermore, phone line to report public procurement procedure violations, was established back in 2007. Information on introduced claims is available at [www.djn.vlada.cg.yu](http://www.djn.vlada.cg.yu). All claims are being submitted in accordance with law, and reporters were informed if known. In addition, reports on work of phone line for reporting corruption are being prepared in period of six months and available at [www.djn.vlada.cg.yu](http://www.djn.vlada.cg.yu). Furthermore, Public Procurement Directorate prepared and published practical instruction "Manner of reporting irregularities and illegality in public procurement procedures" also available at [www.djn.vlada.cg.yu](http://www.djn.vlada.cg.yu).

In accordance with the Law on public procurement, Public Procurement Directorate is to submit annual report for 2008, until May 31, 2009. Report for 2007, as well as Statistical report on public procurement procedures via shopping method for first half of 2008 is available at [www.djn.vlada.cg.yu](http://www.djn.vlada.cg.yu)

Statistical report on public procurement procedures via shopping method for period January – June 2008 was prepared by the Public Procurement Directorate, by uniting published decisions on contract assignment in public procurement procedure. This Report states that **240 public procurement procedures related to goods were carried out, so as 121 public procurement procedures relating to services, and 162 public procurement procedures relating to concession of work performance. Total 523 public procurement procedures via shopping method were carried out. Public procurement values, under decisions on contract assignment and according to public procurement subject manner, were 678.532,21 € for goods, 900.859,67 € for services and 900.859,67 € for concession of work performance. Total of contracted public procurement value was 15.946.277, 17 €.** Within total number of public procurement procedures carried out via shopping method (523), 46% were goods, 23% services and 31% work performance. According to value of assigned contracts in public procurement procedures via shopping method, at most contracts regarding public procurement subject manner were assigned for public procurement of goods – in January and February 2008, then for work performance – in January and February 2008 and for services – in May and June 2008. Having in mind published decisions on assigned contracts via shopping method, regarding public procurement subject manner 55% were goods, 39% work performance and 6% services (detail statistical data schedule available at [www.djn.vlada.cg.yu](http://www.djn.vlada.cg.yu))

**Transparency and efficiency in the public procurement procedure and protection of the rights of bidders** is being continuously ensured in a manner that all **decisions upon submitted complaints are being posted at the Commission's web site – [www.nabavka.cg.yu](http://www.nabavka.cg.yu)** by the day of determining decision. In addition Public procurement Directorate continuously post **public procurement plans of all enforcers** in accordance with the Law - [www.djn.vlada.cg.yu](http://www.djn.vlada.cg.yu). In reporting period 131 complaints were applied, out of which 36 were accepted, 78 refused, 12 rejected and procedure was suspended for 5 complaints. In addition, with the aim of realization obligations from this part of Action plan, Public Procurement Directorate continuously publishes **public procurement a plan of all enforcers**, for next year. Public procurement plan for this year will be published until January 2009, considering that preparation is in final faze, and it will be available at [www.djn.vlada.cg.yu](http://www.djn.vlada.cg.yu)

GOAL	MEASURE	COMPETENT INSTITUTION	DEADLINE	INDICATORS OF THE SUCCESS	ASSESSMENT / RECOMMENDATION
CAPACITY BUILDING FOR IMPLEMENTATION OF LAW	107. Needs assessment and recruiting new staff	Public Procurement Directorate, Commission for the Control of Public Procurement Procedure	Continuous	No. of recruited staff compared to No. of capacity needs	<b>ASSESSMENT 247: Measure is being continuously realized</b> Directorate plans to fill one working position in accordance with Rule book, in the Commission 4 civil servants and state employees and 2 trainees were recruited

	108. Making training needs plan and conducting trainings for implementation of Law on Public Procurement (Public Procurement Directorate, public procurement officers and bidders)	Public Procurement Directorate, Human Resources Management Agency	Continuous	Training needs plan made; No. of trainings compared to no. of needed; No. of trained staff	<b>ASSESSMENT 248: Measure is being continuously realized</b> One two days seminar for 30 participants and one tree week training for Public Procurement Sector officers in Public Procurement Directorate were realized. In cooperation with Human Resource Management prepared Training plan for 2009. Commission for the Control of Public Procurement Procedure in cooperation with Human Resource Management realized 5 seminars for 46 officers/ topic –public procurement / and 5 seminars for 35 officers / topic – fight against corruption in public procurement.
	109. IT Training for public procurement officers and bidders	Public Procurement Directorate in cooperation with Ministry for Information Society	2009.	No. of trainings, No. of trained staff	<b>ASSESSMENT 249:</b> <b>Remark PPD:</b> Realization of trainings depends on establishment of an adequate public procurement electronic system, after overall electronic system legislation completion, and that will be possible to plan after 2011, when elementary preconditions for implementation of public procurement electronic system will be provided. PPD suggest erasing this measure.
<b>PROVISION FOR EFFICIENT IMPLEMENTATION OF THE LAW ON PUBLIC PROCUREMENT IN FIGHT AGAINST CORRUPTION</b>	110. Develop Public Procurement Manual	Public Procurement Directorate, in cooperation with Commission for the Control of Public Procurement Procedure	III Q of 2008	Public Procurement Manual developed	<b>ASSESSMENT 250: Measure is realized</b> Manual prepared in cooperation with Human Resource Management, published in 500 copies. Guidebook trough public procurement system of Montenegro also prepared, available at <a href="http://www.djn.vlada.cg.yu">www.djn.vlada.cg.yu</a>
	111. Provisions of conditions for the implementation of the Public Procurement Law regarding the electronic public procurement system	Public Procurement Directorate in cooperation with Ministry for Information Society	2009	The electronic public procurement system established	<b>ASSESSMENT 251:</b> PPD ensured enforces of Law on public procurement, to submit them: public procurement plans, biddings, decisions on contract assignment in public procurement procedures as well as decisions on cancellation, amendments on biddings and reports on public procurements, in electronic manner, individually for each year. All abovementioned documents are available immediately at web side of PPD, wherewith public procurement basic principles are being respected such as – transparency and equality. In that way solid basis for overall implementation of modern electronic system is being introduced. Public procurement electronic system introduction is not possible to realize before 2012, which means no sooner than overall legislation completion in the area of electronic distribution and establishment adequate institution.
	112. Creation of the electronic register book	Commission for the Control of Public Procurement Procedure	2008-09	Electronic register book established	<b>ASSESSMENT 252: Measure is realized</b>
	113. Develop comparative analysis on the protection of the rights of bidders in the WB countries	Public Procurement Directorate Commission for the Control of Public Procurement Procedure	2008. Continuous	Comparative analysis done	<b>ASSESSMENT 253: Measure is realized</b> Analysis published

	<p>114. Report irregularities with the elements of corruption in the public procurement procedures</p> <ol style="list-style-type: none"> <li>1. Creating precise directives on corruption reporting procedure in public procurement and manner of handling reports of citizens</li> <li>2. Operating of a phone line to report corruption</li> <li>3. Informing the prosecution and police on determined irregularities with the elements of corruption in the public procurement procedures</li> </ol> <p>2. Making six-month reports on work of a phone line to report corruption and posting reports at the website</p>	Public Procurement Directorate	1. III Q of 2008 2, 3.4 Continuous	<ol style="list-style-type: none"> <li>1. Precise directives created and published</li> <li>2. No. of reported cases; No. of non proceeded reported cases; No. of cases submitted to prosecution/police; No. of tenders canceled due to reported cases; No. of criminal charges</li> <li>3. No. of submitted information to the Police Administration compared to determined irregularities; No. of criminal charges submitted to prosecution/police based on irregularities observed by the Commission for the Control of Public Procurement Procedure</li> <li>4. Reports on work of a phone line made and posted at the web site</li> </ol>	<p><b>ASSESSMENT 254: Measure is realized</b> PPD prepared and published practical instruction „Manner of reporting irregularities and illegality in public procurement procedures” also available at <a href="http://www.djn.vlada.cg.yu">www.djn.vlada.cg.yu</a></p> <p><b>ASSESSMENT 255: Measure is being continuously realized</b> Information on introduced claims and work of phone line available at <a href="http://www.djn.vlada.cg.yu">www.djn.vlada.cg.yu</a>. All claims submitted in accordance with law, and herein informed reporters if known. Information available at the <a href="http://www.gov.me/files/1231748567.doc">http://www.gov.me/files/1231748567.doc</a></p> <p><b>ASSESSMENT 256: Measure is being continuously realized</b> In reporting period, there were no irregularities determined by PPD, which were delivered to PD and Prosecution, but only to the State Audit Institution, pursuant to Art 17. of the Law. Information available at the web site of the PPD.</p> <p><b>ASSESSMENT 257: Measure is being continuously realized</b> Report and information available at <a href="http://www.djn.vlada.cg.yu">www.djn.vlada.cg.yu</a>, claims submitted in accordance with law, and herein informed reporters if known.</p>
	<p>115. Making and submitting reports on procurement plans monitoring compared to envisaged and accomplished shopping methods (regarding to legal limitation to announce the shopping method not more than twice a year for services, goods and pursuits) and canceling procedures in the cases of legal offences</p>	Public Procurement Directorate	III Q of 2008, Continuous	No. of reports made; No. of enforcers of the Law whose public procurement plans are monitored; No. of tenders canceled due to announcing more than two shopping methods; No. of charges submitted to prosecution/police based on received information	<p><b>ASSESSMENT 258: Measure partly realized</b> PPD, in accordance with Law submits annual reports, Government of Montenegro confirmed report for 2007, in time limit /III Q /. PPD prepared and published Statistical report on public procurement procedures via shopping method for first half of 2008, available at <a href="http://www.djn.vlada.cg.yu">www.djn.vlada.cg.yu</a>.</p>
	<p>116. Making and posting six-month reports on state of affairs of the public procurement, observed irregularities and proposed measures to improve the system</p>	Public Procurement Directorate	III Q of 2008, Continuous	No. of posted reports; No. of proposed measures; No. of accomplished proposed measures	<p><b>ASSESSMENT 259: Measure realized</b> <b>Remark of PPD:</b> In accordance with Law on public procurement (article 17 paragraph 1 point 18 and article 84 paragraph 5) PPD is engaged to prepare and according to clearly defined procedure submit to the Government report on public procurement <b>for previous year</b> no longer than May 31 of current year, for analyzing and confirmation. Due to determined organizational and functional structure, PPD quotes that it is not possible to realize this measure in time limits shorter than those defined by Law.</p>
<b>PROVISION OF BETTER TRANSPARENCY AND EFFICIENCY IN THE PUBLIC PROCUREMENT PROCEDURE AND</b>	<p>117. Posting issuing of complaints at the particular part of the Commission for the Control of Public Procurement Procedure web site</p>	Commission for the Control of Public Procurement Procedure	III Q of 2008, Continuous	No. of positive/negative issuing of complaints; No. of charges submitted to prosecution/police based on irregularities determined during the complaint procedure	<p><b>ASSESSMENT 260 Measure is being continuously realized</b> In reporting period 131 complaints submitted, out of which 36 were accepted, 78 refused, 12 rejected and procedure was suspended for 5 complaints.</p>

<b>PROTECTION OF THE RIGHTS OF BIDDERS</b>	118. Posting at the web site procurement plans of all enforcers of the Law in a time limit envisaged by Law	Public Procurement Directorate	III Q of 2008, Continuous	No. of posted procurement plans compared to No. of enforcers	<b>ASSESSMENT 261: Measure is being continuously realized</b> Plans for 2008 available at <a href="http://www.djn.vlada.cg.yu">www.djn.vlada.cg.yu</a> . Plan for 2009 will be available soon, considering that data acquisition process from institutions is in final faze of elaboration.
<b>RECOMENDATIONS:</b>					
<ol style="list-style-type: none"> <li>Public Procurement Directorate is to inform continuously prosecution office and police on determined irregularities with elements of corruption in public procurement procedure.</li> <li>Public Procurement Directorate is to submit continuously semi annual reports on work of phone line to report corruption and to post it at web site.</li> <li>Public Procurement Directorate is to intensify activities related to monitoring over public procurement procedures and to inform timely National Commission about it. – <b>NC RECOMMENDATION PURSUNAT TO 2008 EC REPORT.</b></li> <li>Ministry of Finance and Public Procurement Directorate are to analyze the need to prepare proposal changes and amendments of Law on public procurement, particularly for public procurement system in the area of utility services, with the aim of harmonization with EU legislation. - <b>NC RECOMMENDATION PURSUNAT TO 2008 EC REPORT.</b></li> </ol>					
<b>G. COMMISSION FOR DETERMINING CONFLICT OF INTEREST</b>					
<p>Out of total number of public officials (1773), 92, 3% submitted report on income and assets for 2007; out of that number, 776 were state public officials (98, 1%), and 1007 were local public officials (88, 3%). Commission for determining conflict of interest regularly initiates procedures against public officials, due to missing and lack of data in reports on incomes and assets (175 public officials) and monitors changes in property state of play of public officials (88,3 public officials); information available at web site of Commission <a href="http://www.konfliktinteresa.cg.yu">www.konfliktinteresa.cg.yu</a>. Due to deficiencies in filled reports, Commission initiated procedures against 182 public officials and submitted 25 requests for public official's dismissal for violating Law on Prevention of Conflict of Interest in exercising public function.</p> <p>Commission for Determining Conflict of Interests implements control of the accuracy of submitted data through ongoing realization of several measures. In that sense, in reporting period, 5 information were submitted to the State Prosecutor on giving inaccurate data on assets. Supreme State Prosecutor office submitted feedback information only for one public official, where procedure is ongoing. However, since the Law on Prevention of Conflict of Interest in exercising public function has been adopted by the Parliament of Montenegro on December 30, 2008 (end of reporting period), in upcoming period, Commission would harmonize its organizational structure as envisaged by adopted Law.</p> <p>In addition, training for public officials, NGO representatives, and media representatives is being continuously carried out. In reporting period, in cooperation with NGO CEMI, 11 seminars were realized for public officials, NGOs, and media, whereon 400 participants attended.</p>					
<b>GOAL</b>	<b>MEASURE</b>	<b>COMPETENT INSTITUTION</b>	<b>DEADLINE</b>	<b>INDICATORS OF THE SUCCESS</b>	<b>ASSESSMENT / RECOMMENDATION</b>
<b>EFFICIENT CONTROL OF THE ACCURACY OF SUBMITTED DATA</b>	119. Application of the obligation to submit information to the State prosecutor on false declaration off assets	Commission for Determining the Conflict of Interests	Continuous	No. of submitted pieces of information compared to the no of irregularities determined	<b>ASSESSMENT 262: Measure is being continuously realized</b> Commission regularly submits information to competent prosecutor office if any irregularities found. In reporting period, there were no irregularities found.
	120. Making needs analysis for capacity building of Commission for Establishing the Conflict of Interests due to new competencies envisaged by new Law on Prevention of Conflict of Interest in carrying out public function 1. In accordance with determined needs, modify the Rulebook on internal organization and systematization of working positions 2. Accordingly to modified Rulebook, enhance human resources	Commission for Determining the Conflict of Interests	2008	Analysis made  1. Rulebook modified  2. New staff recruited due to modified Rulebook	<b>ASSESSMENT 263: Measure is not realized</b> Law on Prevention of Conflict of Interest in carrying out public function adopted on December 30, 2008 and corresponds as legal basis for adoption of new Rulebook on internal organization and systematization of working positions.  <b>ASSESSMENT 264: Measure is not realized</b> <b>Remark for 263 and 264:</b> Law on Prevention of Conflict of Interest in carrying out public function adopted on December 30, 2008, adoption of new Rule book on internal organization and systematization of working positions will follow up as well as adequate recruitment, as planned for I Q of 2009.
<b>TRAINING FOR ALL THOSE INVOLVED IN THE IMPLEMENTATION OF LAW</b>	121. Training for public officials (local officials), NGO representatives, Media	Commission for Determining the Conflict of Interests, in cooperation with NGOs and the	Continuous	No. of trainings; no of persons who have undergone training	<b>ASSESSMENT 265: Measure is being continuously realized</b> Cycle of 11 seminars for public officials, NGO and

<b>ON PREVENTION OF CONFLICT OF INTEREST IN CARRYING OUT PUBLIC FUNCTION</b>	representatives	media			media completed in cooperation with NGO CEMI. NO. of participants: 400
<b>RECOMENDATIONS:</b>					
1. Commission for Determining the Conflict of Interests is to intensify activities on amending Rulebook, which is to be followed by necessary recruitment in accordance with amended Rulebook.					
<b>H. STATE ELECTION COMMISSION</b>					
<b>NOTE:</b> This is a completely new chapter in the IAP. Realization of measures from this chapter mostly requires adoption of Law on State Election Commission, planed for IV quarter of 2008. Only after its adoption by Parliament, legal background will be set up for changing of current Statute and realization of activities determined by these measures. Also regarding implementation of Law on Financing Political Parties, and Law on Financing Election Campaign for President of Montenegro, Mayors, and Presidents of Municipalities, State Election Commission points out that such obligation is not defined by this Law, and beside this there is no technical service required for fulfilling these obligations. State Election Commission President suggests for all these measures to be assessed in 2009 and later.					
<b>GOAL</b>	<b>MEASURE</b>	<b>COMPETENT INSTITUTION</b>	<b>DEADLINE</b>	<b>INDICATORS OF THE SUCCESS</b>	<b>ASSESSMENT / RECOMMENDATION</b>
<b>CONTINUE WITH THE HARMONIZATION OF FUNCTIONING WITH LEGISLATION FRAMEWORK AND CAPACITY BUILDING OF THE STATE ELECTION COMMISSION</b>	<b>122.</b> Adopting new Rulebook on internal organization and systematization of the State Election Commission	State Election Commission	2009.	Rulebook adopted	<b>ASSESSMENT 266:</b>
	<b>123.</b> Establishing Department for monitoring transparency of political parties and candidates financing, in accordance with the Law on State Election Commission	State Election Commission	2009.	Department for monitoring transparency of political parties and candidates financing established	<b>ASSESSMENT 267:</b>
	<b>124.</b> Establishing the Unit within the State Election Commission for submitting and processing reports on instances of misuses and pressures put on electors during the election process	State Election Commission	2009	No. of reports of citizens; No. of reports submitted to the Police Administration; No. of submitted misdemeanor or criminal charges; No. of sentences	<b>ASSESSMENT 268:</b>
	<b>125.</b> Enhance human resources according to new Rulebook on internal organization and systematization	State Election Commission	2009.	No. of new staff	<b>ASSESSMENT 269:</b>
	<b>126.</b> Training plan making and education of employees and members of both the State Election Commission and election commissions in the municipalities	NGO, State Election Commission	2009, Continuous	Training plan made; No. of trainings compared to planned; No. of participants	<b>ASSESSMENT 270:</b>
<b>INTEGRITY DEVELOPMENT OF THE STATE AND MUNICIPALITY ELECTION COMMISSIONS</b>	<b>127.</b> Development of a Code of Ethics for public servants within the State Election Commission and election commissions in the municipalities	State Election Commission	2009.	Code of Ethics developed	<b>ASSESSMENT 271:</b>
	<b>128.</b> Establishing Ethical Board	State Election Commission	2009.	Ethical Board established	<b>ASSESSMENT 272:</b>
	<b>129.</b> Making annual analysis on implementation of the Code of Ethics	Ethical Board of the State Election Commission	2009	Annual analysis on implementation of the Code of Ethics made; No. of disciplinary initiatives for non observance of the Code of ethics	<b>ASSESSMENT 273:</b>
	<b>130.</b> Organizing periodical trainings on implementation of the	Ethical Board and NGO	2009	No. of trainings held; No. of State and Municipal members of election	<b>ASSESSMENT 274:</b>



	Code of Ethics			commissions participated at trainings	
	131. Building technical capacities via embedding needs and required equipment acquisition	State Election Commission	2009	Required equipment acquired in accordance with identified needs.	<b>ASSESSMENT 275:</b>
<b>ENHANCING FINANCIAL TRANSPARENCY IN WORK OF THE STATE ELECTION COMMISSION</b>	132. Making detailed financial annual report for elections carried out by State Election Commission and election commissions in the municipalities and posting reports at the website	State Election Commission and election commissions in the municipalities	Continuous	No. of posted reports	<b>ASSESSMENT 276:</b>

## I. TAX ADMINISTRATION

With the aim of prevention of corruption, **Tax Administration** periodically prepares and publishes reports on work of a phone line 9707 at the web site [www.poreskauprava.vlada.cg.yu](http://www.poreskauprava.vlada.cg.yu). In reporting period – II half of 2008, 376 citizens called this number, but none of these calls related to corruptive behavior of tax officers. In addition, in this period, there were no complaints with elements of corruption of citizen, via boxes for complaints located in all organizational units.

Strengthening the **Internal Control Department** is being continuously carried out via trainings of officers of this department (55 general and specialized trainings as well as trainings abroad were realized **where on 110 tax officers participated**) as well as efficient internal control performance as for six month reports are being made (available at web site). In addition, English language course on three levels was realized for 97 employees (detail information available in Tax Administration report, reports on realized trainings available at web site).

Total 3211 internal controls of procedures were carried out, no irregularities with elements of corruption determined. In reporting period inspection monitoring of tax officers in district units were carried out continuously, by comparison of expected and achieved results, in accordance with Working Program. Control procedure was also carried out in Charging Sector and no irregularities found in this Sector performance – **achieved remuneration in last quarter of 2008, via phone contact when delivered 7417 warnings to tax payer, in order to charge delinquent depth were 17.947.416 €.**

In addition, in the framework of preventive anti-corruptive activities, **Code of ethics of public servants within the Tax Administration** is continuously promoted. In reporting period, three disciplinary procedures were carried out. In one case, responsibility was determined, while in two cases acquittal decision was brought.

Regarding external control continuously carried out by Ministry of Finance, in reporting period, comprised by Annual report for 2008, **944 cases were handled**. Out of that number, there were 864 complaints and 80 responses to complaint (585 from tax area). **569 complaints were solved, as to - 255 complaints are rejected, 305 complaints are returned to first instance procedure, and 9 complaints are solved in meritum** (in 3 cases decision is changed and in 6 cases procedure is suspended; detail information are in the report of Ministry of Finance, available at web site [www.minfin.cg.yu](http://www.minfin.cg.yu)).

**IT training of staff** was realized in accordance with the Tax Administration education plan, so that, in reporting period 1 IT training was carried out for 9 employees (in total reporting period 310 tax officers participated at IT trainings). Drafting of project for implementation of Law on conjoint registration and reporting system, tax accounting, and charging is in progress (and accordingly implementation training plan).

Tax Administration inter-institutional cooperation with other bodies is being carried out in the framework of legislation, signed agreements and in a spirit of good practice. In reporting period, Directorate for Prevention of Money Laundering and Terrorism Financing submitted to Tax Administration (Sector for providing services to taxpayers, and registration) **28 requests for data verification for 26 legal entities and 57 persons**. Verification was carried out in a very short time and requested data were submitted on basis of official record and tax register. In reporting period, Tax Administration submitted to Directorate for Prevention of Money Laundering and Terrorism Financing **19 information** relating to property trading for further verification and authority. In addition, in reporting period, after inspections carried out, Tax Administration submitted to Police Directorate **13 information**. Joint inspections were initiated for 7 taxpayers. Tax Administration carried out data exchange with Agency for national security, Police Directorate, local self governments and Ministry for tourism and environmental protection, based on whose instructions inspection were carried out at **14 legal entities and 2 persons**.

GOAL	MEASURE	COMPETENT INSTITUTION	DEADLINE	INDICATORS OF THE SUCCESS	ASSESSMENT / RECOMMENDATION
<b>PREVENTION OF CORRUPTION WITHIN THE TAX ADMINISTRATION</b>	133. Making six-month reports on Prevention of corruption to report corruption and posting reports at the website	Tax Administration	Continuous	No. of reported instances of corruption; No of filed complaints to the in line bodies compared to No. of reported cases; reports posted at the website of Tax Administration	<b>ASSESSMENT 277: Measure is being continuously realized</b> 376 calls of citizens, reports available at web site <a href="http://www.poreskauprava.vlada.cg.yu">www.poreskauprava.vlada.cg.yu</a>
	134. Strengthening the Internal Control Department of the Tax Administration 1) Training of staff of the Internal Control Department 2) Making six-month reports on	Tax Administration	1; 2; Continuous	1) No. of trainings undertaken and no of persons who have undergone training 2) Reports made: No. of irregularities identified; No. of disciplinary initiatives compared to no. of irregularities identified; No. of	<b>ASSESSMENT 278: Measure is being continuously realized</b> 55 general and specialized trainings as well as trainings abroad were realized, 110 tax officers participated. Also, English language course realized for 97 employees; Reports available at web site



	performed internal controls			denunciation/information submitted to the prosecution/police	<a href="http://www.poreskauprava.vlada.cg.yu">www.poreskauprava.vlada.cg.yu</a> <b>ASSESSMENT 279: Measure is being continuously realized</b> Reports on conducted internal controls available are at web site. Total of 3211 internal controls of procedures were carried out, no irregularities determined
	135. Strengthening external control through: Six-month reporting on supervision and their posting on the websites of the Ministry of Finance and the Tax Administration	Ministry of Finance	III Q of 2008 Continuous	Reports made and posted at the websites; No. of irregularities identified; No. of denunciation compared to no. of irregularities identified	<b>ASSESSMENT 280: Measure is realized</b> Report for 2008 is prepared and available at web site of Ministry of finance. <b>944 cases were handled</b> , out of which 864 complaints and 80 responses to complaint, out of which <b>585</b> from tax area; out of whose <b>569</b> complaints were solved, as to - 255 complaints are rejected, 305 complaints are returned to first instance procedure and 9 complaints are solved (in 3 cases decision is changed and in 6 cases procedure is suspended).
	136. Monitoring the observance of the Code of ethics of public servants within the Tax Administration	Tax Administration	Continuous	Number of servants disciplinary sentenced for non observance of the Code of ethics	<b>ASSESSMENT 281: Measure is being continuously realized</b> <b>Code of ethics of public servants within the Tax Administration</b> is continuously promoted by carrying out control measures athwart senior officers and through accessibility of these documents to all Tax Administration employees. In reporting period tree disciplinary procedures were carried out, in one case responsibility was determined.
<b>AUTOMATION OF THE TAXING PROCEDURE</b>	137. IT training of staff	Tax Administration	Continuous	No. of trainings; No. of trainees	<b>ASSESSMENT 282: Measure is being continuously realized</b> 1 training for 310 officers
<b>ENHANCED COOPERATION WITH THE POLICE AND PROSECUTORS</b>	138. Making reports on realization of the signed agreements on cooperation	Tax Administration	Continuous (quarterly)	Reports made and submitted to the National Commission: No. of denunciation/information submitted to the prosecution/police compared to signed agreements	<b>ASSESSMENT 283: Measure is being continuously realized</b> Replies to all requests of Administration for prevention of money laundering delivered (28) and vice versus (19), 13 information submitted to the Police Directorate. Joint inspections were initiated for 7 taxpayers. Tax Administration carried out data exchange with Administration for prevention of money laundering delivered, based on whose instructions inspection were carries out at 14 legal entities and 2 persons.
	139. Enable the police to have direct access to Tax Administration databases	Tax Administration, Police Directorate	II Q of 2008, Continuous	Direct access to Tax Administration databases enabled due to signed agreements	<b>ASSESSMENT 284: Measure is not realized</b>

**RECOMENDATIONS:**

1. Tax Administration is to submit detailed information on number of reported corruption cases to State Prosecution office and Police Directorate.
2. Tax Administration is to amend, in cooperation with Police Directorate, as soon as possible, Agreement on cooperation in order to enable the police to have direct access to Tax Administration databases.

**J. CUSTOMS ADMINISTRATION**

Customs Administration undertook suitable activities on enhancing communication with citizens. Flyers “**How to make a complaint to the Customs**” are made to inform public about the ways of submitting comments and complaints to customs service. Flyer also involves information about the “**Open line**” as one of the ways to report about customs offences and all irregularities detected in

customs service and customs officers performance (total number of calls is 7). Furthermore, **Sector for Customs Affairs** provides adequate information about customs procedures and regulations (Number of information and responses by Sector: to Customs Administration organizational units- 400; to state bodies and administrations – 74; to economic entities – 47; to physical persons – 15, to foreign customs services and organizations – 174). In addition, Manual for citizens is made composed of all necessary information about customs procedures with goods. Customs Administration makes annual and semi-annual reports on Customs Administration performance. Within the scope of annual report, there is a special part related to activities carried out in the area of fight against corruption. Customs Administration submits annual report to Ministry of finance and posts it at its web site.

**Integrity Development Action Plan** in customs service of Montenegro is revised and adopted (November 24, 2008), whereby defined areas where new initiatives will be focused on (more details in Customs Administration report)

In order to strengthen the **Internal Control Department** of the Customs Administration, training for officers of this department is being carried out continuously (in reporting period two seminars carried out). **Rules of Procedures** for the Internal Control Department is adopted. This department submits on regular basis annual and semi-annual reports on conducted internal controls (15 controls conducted, out of which 1 case with corruptive elements was submitted to Police Directorate, and based on one investigation, information regarding interference of customs officer work was submitted to Ministry of tourism and Environmental Protection)

In terms of external control continuously carried out by Ministry of Finance, in reporting period comprised by Annual report for 2008, **944 cases were submitted**. Out of that number, there were 864 complaints and 80 responses to complaint (out of which, **279** from customs). **273** complaints were solved, as to – **32 complaints are rejected, 177 complaints are returned to first instance procedure and 64 complaints are solved in merit** (in 24 cases decision is changed and in 40 cases procedure is suspended; detail information are in Annual report of Ministry of Finance, available at web site [www.minfin.cg.yu](http://www.minfin.cg.yu) ).

Within working program of the **EU TACTA Project** for 2008, under sub project MON 08/01.03 key tasks have been defined, and one of them is setting up data base of the Internal Control Department whose realization started on September 1, 2008. In addition, **Code of Ethics** for customs officers was adopted; Code expresses particularities compared to the Code of Ethics of state servants and employees as well as becomes integral part of the revised Law on customs service. Code of Ethics was adopted and published on December 11, 2008, and distributed to all customs officers (1000 copies). In reporting period, one disciplinary procedure was initiated for violating Code of Ethics standards.

Customs Administration carries out adequate staff trainings via trainings and lectures for passing customs exam. Customs informational system is one of subjects - detail information are on web site [www.antikorup.vlada.cg.yu](http://www.antikorup.vlada.cg.yu).

With the aim of enhancing technical capacities at border crossing points, construction of joint border crossing between Montenegro and Albania, in Muricani at Albanian territory is in progress. The work is to be completed during this year. Control cabins are being set up at border crossing points Dobrakovo, Dracenovac, Debeli Brijeg and Sitnica, in order to simplify customs procedures and reduce waiting time for state border transit. In cooperation with Office for Public Work, drafting project for new building of the Customs House of Podgorica with CTC (Customs Training Centre) is also in progress. In cooperation with Airports of Montenegro, reconstruction of premises of customs outpost Airport Podgorica is completed. New object for the needs of Customs House of Kotor, was built in industrial zone in Kotor, is completed. Mobile scanner for examining vehicles and containers with goods were acquired. On some border crossing points, weighbridges carrying 50 tones were being installed. In addition, 9 steelyards at border crossing points, and 2 steelyards at internal customs outposts were being installed. Realization of project regarding networking of border crossing points within integral database is in progress. For remaining customs outposts that are still not connected, dynamic of networking depends on technical possibilities of telecommunication companies. Drafting project task, as well as project for reconstruction of border crossing points Dobrakovo and Dracenovac is in progress. Resources for 2.500.000, 00€ have been provided from IPA Program for Montenegro.

In order to improve cooperation with the Police Directorate, Customs Administration signed **Agreement on Cooperation with Police Directorate** on October 7, 2008. On the other hand, cooperation with State Prosecutor Office is being carried out continuously on basis of Instruction on obligatory performance of customs service via Supreme State Prosecutor in case of committed criminal offence, adopted at joint meeting held on December 11, 2006. In accordance with agreement with Police Directorate, physical connection via optical cable between these two information systems is realized, and additional equipment acquisition and defining way of data exchange is to follow.

GOAL	MEASURE	COMPETENT INSTITUTION	DEADLINE	INDICATORS OF THE SUCCESS	ASSESSMENT / RECOMMENDATION
PREVENTION OF CORRUPTION IN CUSTOMS SERVICES	140. Enhance the system of communication with the public 1) Create a campaign whereby the public will be informed that on a current phone line for reporting instances of smuggling, instances of corruption in the Customs Administration can be reported as well 2.) Establish an orderly operating centre for informing the public on customs procedures	Customs Administration	1. 2008	1. Campaign created and conducted	<b>ASSESSMENT 285: Measure partly realized.</b> 7 calls received Flyers "How to make a complaint to the Customs" made, this campaign also involves information about "Open line"
			2. 2008	2. Orderly Operating Centre established	
			3. Continuous	3. Six-month reports made: number of reported instances of corruption, no of complaints filed with competent bodies compared to the number of instances, reports posted at the Customs Administration website and submitted to the National Commission	<b>ASSESSMENT 286: Measure is realized</b> <b>Remark:</b> Customs Administration does not have an orderly operating centre, than Sector for customs affairs operate tasks of operating centre.
			4. III quarter of 2008	4. Guidelines developed	

Submitted information: to organizational units- 400; to state bodies and administrations – 74; to economic entities – 47; to physical persons – 15, to foreign

	3.) Making six-month reports on reporting instances of corruption 4) Development of Guidelines for the public				customs services and organizations – 174) <b>ASSESSMENT 287: Measure is being continuously realized</b> Customs Administration makes annual and semi-annual reports on Customs Administration performance that includes special part related to activities carried out in the area of fight against corruption. Customs Administration submits annual report to Ministry of finance and posts it at its web site. In reporting period, there was no reported corruption case. <b>ASSESSMENT 288: Measure is realized</b> Manual for citizens is made
	141. Revision of the Action Plan on integrity development in customs service	Customs Administration	2008.	Action Plan revised, in accordance with the Arusha Declaration	<b>ASSESSMENT 289: Measure is realized</b> Revised Action plan adopted (November 24, 2008) in accordance with the Arusha Declaration. Printed in 100 copies and distributed.
	142. Strengthening the Internal Control Department of the Customs Administration : 2) Training of staff of the Internal Control Department 3) Development of Rules of Operation for the Internal Control Department 4) Making six-month reports on performed internal controls 5) Establishing a data base of the Internal Control Department	Customs Administration	1.Continuous 2. III Q 2008 3.Continuous 4. 2008	1) No. of trainings undertaken and No. of persons who have undergone training 2) Rules of Operation made, 3) Reports made and submitted to the National Commission: No. of denunciation/information submitted to the prosecution/police compared to irregularities identified in the customs officers performance 4) Database established	<b>ASSESSMENT 290: Measure is being continuously realized</b> 2 seminars <b>ASSESSMENT 291: Measure is realized</b> Rule book adopted <b>ASSESSMENT 292: Measure is being continuously realized</b> 15 controls conducted, out of which 1 case was submitted to Police Directorate for determination of individual responsibility. <b>ASSESSMENT 293: Measure is not realized</b> Planned for 2009
	143. Strengthening external control through making six-month reports supervision and their posting on the websites of the Ministry of Finance and the Customs Administration	Ministry of Finance	I quarter of 2008.	Reports made and submitted to the National Commission: No. of denunciation/information submitted to the prosecution/police compared to irregularities identified	<b>ASSESSMENT 294: Measure is realized</b> According to Annual report for 2008, <b>944 cases were submitted</b> , out of which 864 complaints and 80 responses to complaint, out of which <b>279</b> from customs area, out of whose <b>273</b> complaints were solved, as to – <b>32 complaints are rejected, 177 complaints are returned to first instance procedure and 64 complaints are solved</b> (in 24 cases decision is changed and in 40 cases procedure is suspended).
	144. Development of a Code of Ethics for public servants within the Customs Administration	Customs Administration	III Q of 2008	Code of Ethics made	<b>ASSESSMENT 295: Measure is realized</b> Code of Ethics adopted and published on December 11, 2008. 1000 copies printed and distributed to all customs officers.
	145. Monitoring the observance of the Code of ethics of public servants within the Customs Administration	Customs Administration	Continuous	Number of servants disciplinary sentenced for non observance of the Code of ethics	<b>ASSESSMENT 296: Measure is being continuously realized</b> In reporting period one disciplinary procedure was initiated for violating Code of Ethics standards.
<b>AUTOMATION OF CUSTOMS PROCEDURE</b>	146. IT training of staff	Customs Administration	Continuous	No of trainings, no of trainees	<b>ASSESSMENT 297: Measure is being continuously realized</b> Realization via trainings for passing customs exam

	147. Strengthening technical capacities in terms of acquisition of modern technical equipment at the border crossing points for identification of goods illegally transported over border crossings	Customs Administration	2008, Continuous	Equipment purchased for scanning vehicles at border crossings for finding hidden goods	<b>ASSESSMENT 298: Measure is being continuously realized</b> One mobile scanner for examining vehicles and containers with goods, 11 weighbridges, and 4 control cabins acquired.
<b>ENHANCED COOPERATION WITH THE POLICE AND PROSECUTORS</b>	148. Sign agreements on cooperation	Customs Administration, Police Administration, Supreme State Prosecution	II Q of 2008	Agreements signed	<b>ASSESSMENT 299: : Measure is realized</b> Agreement on Cooperation with Police Directorate signed, while in previous report - Instruction on obligatory performance of customs service via Supreme State Prosecutor in case of committed criminal offence, have been adopted at joint meeting held on December 11, 2006 based on which continuous cooperation with State Prosecutor Office is being carried out.
	149. Making reports on realization of the signed agreements on cooperation	Customs Administration	Continuous (quarterly)	Reports made and submitted to the National Commission: No. of denunciation/information submitted to the prosecution/police compared to signed agreements	<b>ASSESSMENT 300: : Measure is not realized</b>
	150. Enable the police to have direct access to Customs Administration databases	Customs Administration, Police Administration	I quarter of 2008. Continuous	Direct access to Customs Administration databases enabled due to signed agreements	<b>ASSESSMENT 301: Measure partly realized</b> Physical connection via optical cable installed

**RECOMMENDATIONS:**

1. Customs Administration is to intensify campaign whereby the public will be informed that on a current phone line for reporting instances of smuggling, instances of corruption in the Customs Administration can be reported as well
2. Customs Administration is to establish a database of the Internal Control Department, in time defined.
3. Customs Administration is to prepare and submit to the National Commission reports on realization of agreements on cooperation, in time defined.

**K. DIRECTORATE FOR ANTI-CORRUPTION INITIATIVE /DACI/**

In order to make a clear picture on corruption phenomenon, causes, and mechanisms of its emergence, **Directorate for Anti-corruption Initiative**, in cooperation with UNDP Office in Podgorica and Ministry of Finance, defined three areas encompassed by survey (**judiciary, education, and local self-government**). Research "Assessment of Integrity and judiciary system capacity in Montenegro" was carried out in the framework of project funded by UNDEF and implemented by UNDP Office and DACI. Center for Entrepreneurship and Economic Development (CEED) performed field research realized in 19 Montenegrin municipalities on a sampler of 1.788 examinees. Research results analysis on extent of corruption and its appearance forms and characteristics will be presented to public. Research results were presented on October 8, 2008 and after that DACI distributed research analysis, (295 printed publications in Montenegrin language, 44 in English and 106 compact disks). In continuance of mutual project with the UNDP Office in Podgorica, DACI conducts researching of phenomenon, causes, and cost implications of corruption in local self-government. Approximate deadlines for completing field research, methodology analysis were agreed. Methodology will be used for further cooperation in research realization as well.

In addition, in reporting period, DACI, at its web site, **posted research results from universities** under the campaign "Chose right way and report corruption" carried out during lecturing in academic 2007/2008 at the University "Mediterranean" (Law Faculty in Podgorica and Business Management Faculty in Bar) and at the Police Academy in Danilovgrad.

In a framework of promoting international conventions on fight against corruption, DACI continued its cooperation with the UNDP Office in Podgorica. Harmonization level analysis of the Law on criminal responsibility of legal persons, Law on free access to information, Law on financing political parties, and Law on international legal assistance in criminal matters with the UN Convention against Corruption is being expected. DACI submitted opinion on Proposal Law on Preventing Conflict of Interest in performing public functions regarding recommendations XXVI, XXVII, and XXIX of the GRECO Report on First and Second Evaluation of Montenegro. DACI provided analysis of specific provisions of the Law on public servants and state employees treating whistle blowers. This analysis was submitted to the Ministry of Internal Affairs and Public Administration. Legislation harmonization with CE standards has been considered within the GRECO's procedure of Joint First and Second evaluation of Montenegro DACI, under its competences, coordinates activities carried out in the framework of **Regional Anticorruption Initiative (RAI)**. With the aim of improving regional cooperation, on July 5, 2008, DACI signed Memorandum on cooperation with the State Commission for prevention corruption of the Republic of Macedonia. Working plan for 2009, involving set of activities to be conducted at national and regional level, was adopted on the Twelve meeting of the RAI Managing Group (October 2008). On that occasion, proposed project related to integrity research of the South East Europe countries judicial system was also adopted. DACI also submitted annual report on realization of Declaration on ten joint measures for fight against corruption in South Eastern Europe to the Regional Anticorruption Initiative Secretariat.

Furthermore, in May 2008, **Analysis on realization level of 24 obligatory recommendations** that are integral part of this Action plan has been submitted to GRECO. On its 40th Plenary Meeting (1 – 5

December 2008), GRECO adopted the **Report on compliance for Montenegro**, whereby it was concluded that Montenegro implemented in satisfactory manner 16 of 24 recommendations (respectively two third) and that progress was accomplished in almost every area whereon recommendations were addressed. Government of Montenegro, on its session held on December 11, 2008, got down confidential index from this document, and after that Report on compliance for Montenegro was posted at web sites of DACI and GRECO. In addition, DACI presented this report on working breakfast with journalists, on December 24, 2008.

With the aim to administrative capacity building, DACI adopted Rulebook on internal organization and systematization whereby number of systematized servant places is increased for 7 more (out of which 6 are fulfilled) within the Department for promotion preventive activities. In cooperation with the UNDP Office in Podgorica, DACI is taking part in regional UNDP project (Regional Center in Bratislava) dedicated to improvement of administrative capacities of DACI. In that sense, tree day **PR training** for DACI staff was organized and **Communication Strategy of DACI for 2009** was made.

GOAL	MEASURE	COMPETENT INSTITUTION	DEADLINE	INDICATORS OF THE SUCCESS	ASSESSMENT / RECOMMENDATION
<b>CAPACITY BUILDING OF THE ADMINISTRATION FOR ANTI-CORRUPTION INITIATIVE</b>	151. Enhance human and financial resources of the Administration for Anti-corruption Initiative for carrying out new competencies, according to the Changes and amendments of the Regulation trough: 1. Systematization of new working positions in the Department for promotion preventive performance (7 new working positions) 2. Providing adequate working premises 3. Acquisition of required computer and office equipment	DACI	Continuous	1. New Systematization adopted, open competition announced, new staff employed, number of trainings	<b>ASSESSMENT 302: Measure is realized</b> New Rulebook adopted, systematized additional 7 servant places, out of which 6 are fulfilled, organized 7 trainings.
			1. 2008	2. Adequate working premises provided	<b>ASSESSMENT 303: : Measure is realized</b> DACI rented adequate workspace
			2. 2009 3. 2008	3. Equipment purchased	<b>ASSESSMENT 304: : Measure is realized</b> From available budget resources, DACI provided 10 computers, 4 monitors, 4 laptops, 3 desks, 2 phones, and 1 fax.
<b>RAISING THE LEVEL OF AWARENESS AND ENCOURAGE THE PUBLIC TO REPORT INSTANCES OF CORRUPTION</b>	152. Development and distribution of surveys on the existing forms, causes and methods of the appearance of corruption	DACI, NGO, Media	Continuous	Number and scope of conducted researches, number of fields covered by researches, reports published at the website	<b>ASSESSMENT 305: Measure is being continuously realized</b> Research "Assessment of Integrity and judiciary system capacity in Montenegro" was carried out and presented to public. Research in local self government area initiated, realization dynamic determined
	153. Development and dissemination of information and promotion materials	DACI	Continuous	Information and promotion materials developed and disseminated	<b>ASSESSMENT 306: Measure is being continuously realized</b> Distributed: -50 copies of brochure "About corruption-anti corruptive activities and measures", 500 copies of brochure "Corruption – Your NO counts", 2000 copies of calendars and 300 posters, 640 copies of the Civil legal Convention, 515 copies of the UN Convention against corruption, 1860 copies of brochure for high schools, 3000 copies of brochure for private sector, 4000 flyers and 500 posters for Professional Directive, 24 posters, 970 flyers and 180 informatory material , as general promoting material of DACI
<b>PROPOSALS FOR INTRODUCTION AND APPLICATION OF EUROPEAN AND OTHER</b>	154. Coordinate the activities on promotion and implementation of the Council of Europe's Civil and Legal Convention on Corruption	DACI in cooperation with competent bodies	Continuous	Report on realized activities	<b>ASSESSMENT 307: Measure is being continuously realized</b>

<b>INTERNATIONAL ANTICORRUPTION STANDARDS AND INSTRUMENTS</b>	155. Coordinate activities regarding full implementation of the UN Convention against Corruption 1) Preparation of current legislation amendment proposals in accordance with the Analysis results on level of harmonization with the UN Convention against Corruption and undertaking specific measures towards full implementation of the UN Convention against Corruption	Ministry of Internal affairs and Public Administration, Ministry of Finance, DACI	2008-2009	Prepared proposals on law changes	<b>ASSESSMENT 308: Measure is being continuously realized</b> Harmonization assessment of Law on Law on criminal responsibility of legal persons, Law on free access to information, Law on financing political parties and Law on international legal assistance in criminal matters is in progress. Analysis of specific provisions of the Law on public servants and state employees treating whistle blowers is done and submitted to National Commission and Ministry of Internal Affairs and Public Administration
<b>COMPLIANCE WITH THE OBLIGATIONS UNDERTAKEN UNDER RAI (REGIONAL ANTICORRUPTION INITIATIVE) AND GRECO (COUNCIL OF EUROPE'S GROUP OF STATES AGAINST CORRUPTION</b>	156. Coordinate activities undertaken within the RAI (Regional Anticorruption Initiative) and GRECO)	DACI	Continuous	Report on realized activities	<b>ASSESSMENT 309: Measure is being continuously realized</b> Annual report on realization of Declaration on ten joint measures for fight against corruption in South Eastern Europe submitted to the Regional Anticorruption Initiative Secretariat. Report on compliance for Montenegro adopted on GRECO's 40th Plenary Meeting (1-5 December 2008). Montenegro implemented in satisfactory manner 16 of 24 recommendations (respectively two third) Progress was accomplished in almost every area whereon recommendations were addressed
<b>RECOMMENDATIONS:</b> <ol style="list-style-type: none"> <li>1. Directorate for anti-corruption initiative is to continue with administrative capacity building via training program realization.</li> <li>2. Directorate for anti-corruption initiative is to intensify activities stated in the GRECO Report on compliance for Montenegro, particularly regarding 8 recommendations assessed as partially applied.</li> </ol>					

**FINAL ASSESSMENT AND RECOMMENDATIONS**
**1. STATISTICS OF IMPLEMENTED MEASURES – INNOVATED ACTION PLAN FOR PERIOD JULY – DECEMBER 2008.**

THE LEVEL OF IMPLEMENTATION OF MEASURES AND SUB MEASURES FROM THE INNOVATED ACTION PLAN BY CHAPTERS FOR PERIOD 1.07.2008. – 31.12.2008.g.	R		R / CONT		DR		NR		In 2008	2008-09 TOTAL	R + R/Cont IV REPORT	
	Realized		Obligation realized continuously		Partly realized		Not realized				Total	%
	Msr.	%	Msr.	%	Msr.	%	Msr.	%				
<b>I POLITICAL AND INTERNATIONAL OBLIGATION TO ACT</b>	<b>24</b>	<b>42,1%</b>	<b>14</b>	<b>24,6%</b>	<b>2</b>	<b>3,5%</b>	<b>17</b>	<b>29,8%</b>	<b>57</b>	<b>61</b>	<b>38</b>	<b>66,7%</b>
<b>II GENERAL OBJECTIVES</b>												
A- EFFICIENT CRIMINAL PROSECUTION WITH THE OBJECTIVES OF PREVENTING CORRUPTION AND ORGANIZED CRIME	<b>3</b>	<b>33,3%</b>	<b>5</b>	<b>55,6%</b>	<b>0</b>	<b>0,0%</b>	<b>1</b>	<b>11,1%</b>	<b>9</b>	<b>9</b>	<b>8</b>	<b>88,9%</b>
B- PREVENTION AND EDUCATION	<b>5</b>	<b>25,0%</b>	<b>10</b>	<b>50,0%</b>	<b>1</b>	<b>5,0%</b>	<b>4</b>	<b>20,0%</b>	<b>20</b>	<b>27</b>	<b>15</b>	<b>75,0%</b>
C- PUBLIC, CIVIL SOCIETY( INCL. PRIVATE SECTOR) AND MEDIA	<b>1</b>	<b>12,5%</b>	<b>4</b>	<b>50,0%</b>	<b>0</b>	<b>0,0%</b>	<b>3</b>	<b>37,5%</b>	<b>8</b>	<b>8</b>	<b>5</b>	<b>62,5%</b>
D- LOCAL SELF GOVERNMENT	<b>2</b>	<b>66,7%</b>	<b>0</b>	<b>0,0%</b>	<b>1</b>	<b>33,3%</b>	<b>0</b>	<b>0,0%</b>	<b>3</b>	<b>3</b>	<b>2</b>	<b>66,7%</b>
<b>III SPECIFIC MEASURES AGAINST CORRUPTION AND ORG. CRIME</b>												
A- EFFICIENT CRIMINAL PROSECUTION AND TRIAL												
A1 – Prosecutor's office	<b>3</b>	<b>16,7%</b>	<b>10</b>	<b>55,6%</b>	<b>2</b>	<b>11,1%</b>	<b>3</b>	<b>16,7%</b>	<b>18</b>	<b>23</b>	<b>13</b>	<b>72,2%</b>
A2 – Police	<b>13</b>	<b>21,0%</b>	<b>25</b>	<b>40,3%</b>	<b>13</b>	<b>21,0%</b>	<b>11</b>	<b>17,7%</b>	<b>62</b>	<b>67</b>	<b>38</b>	<b>61,3%</b>
A3 – Judiciary	<b>4</b>	<b>36,4%</b>	<b>5</b>	<b>45,5%</b>	<b>1</b>	<b>9,1%</b>	<b>1</b>	<b>9,1%</b>	<b>11</b>	<b>12</b>	<b>9</b>	<b>81,8%</b>
B. EXTERNAL AUDIT OF THE BUDGET	<b>1</b>	<b>20,0%</b>	<b>3</b>	<b>60,0%</b>	<b>1</b>	<b>20,0%</b>	<b>0</b>	<b>0,0%</b>	<b>5</b>	<b>8</b>	<b>4</b>	<b>80,0%</b>
C. INTERNAL AUDIT OF THE BUDGET	<b>0</b>	<b>0,0%</b>	<b>1</b>	<b>100,0%</b>	<b>0</b>	<b>0,0%</b>	<b>0</b>	<b>0,0%</b>	<b>1</b>	<b>2</b>	<b>1</b>	<b>100,0%</b>
D. INSTITUTIONAL CAPACITY BUILDING FOR ANTICORRUPTION POLICY IMPLEMENTATION IN PRIVATIZATION PROCESS	<b>3</b>	<b>23,1%</b>	<b>6</b>	<b>46,2%</b>	<b>4</b>	<b>30,8%</b>	<b>0</b>	<b>0,0%</b>	<b>13</b>	<b>13</b>	<b>9</b>	<b>69,2%</b>
E. DIRECTORATE FOR PREVENTION OF MONEY LAUNDERING AND TERRORISM FINANCING	<b>2</b>	<b>15,4%</b>	<b>8</b>	<b>61,5%</b>	<b>2</b>	<b>15,4%</b>	<b>1</b>	<b>7,7%</b>	<b>13</b>	<b>14</b>	<b>10</b>	<b>76,9%</b>
F. PUBLIC PROCUREMENT	<b>5</b>	<b>38,5%</b>	<b>7</b>	<b>53,8%</b>	<b>1</b>	<b>7,7%</b>	<b>0</b>	<b>0,0%</b>	<b>13</b>	<b>15</b>	<b>12</b>	<b>92,3%</b>
G. COMMISSION FOR DETERMINING CONFLICT OF INTERESTS	<b>0</b>	<b>0,0%</b>	<b>2</b>	<b>50,0%</b>	<b>0</b>	<b>0,0%</b>	<b>2</b>	<b>50,0%</b>	<b>4</b>	<b>4</b>	<b>2</b>	<b>50,0%</b>
H. STATE ELECTION COMMISSION	<b>0</b>		<b>0</b>		<b>0</b>		<b>0</b>		<b>0</b>	<b>11</b>	<b>0</b>	
I. TAX ADMINISTRATION	<b>1</b>	<b>12,5%</b>	<b>6</b>	<b>75,0%</b>	<b>0</b>	<b>0,0%</b>	<b>1</b>	<b>12,5%</b>	<b>8</b>	<b>8</b>	<b>7</b>	<b>87,5%</b>
J. CUSTOMS ADMINISTRATION	<b>7</b>	<b>41,2%</b>	<b>6</b>	<b>35,3%</b>	<b>2</b>	<b>11,8%</b>	<b>2</b>	<b>11,8%</b>	<b>17</b>	<b>17</b>	<b>13</b>	<b>76,5%</b>
K. DIRECTORATE FOR ANTI-CORRUPTION INITIATIVE	<b>3</b>	<b>37,5%</b>	<b>5</b>	<b>62,5%</b>	<b>0</b>	<b>0,0%</b>	<b>0</b>	<b>0,0%</b>	<b>8</b>	<b>8</b>	<b>8</b>	<b>100,0%</b>
<b>TOTAL</b>	<b>77</b>	<b>28,5%</b>	<b>117</b>	<b>43,3%</b>	<b>30</b>	<b>11,1%</b>	<b>46</b>	<b>17,0%</b>	<b>270</b>	<b>310</b>	<b>194</b>	<b>71,9%</b>

**87,1%**

**1.1 STATISTICS OF IMPLEMENTED MEASURES** – Within the Innovated Action Plan there are total of 310 measures out of which 270 are in plan to be realized in 2008. (Increase for 30 measures compared to first AP).

**In this report, measures planed in 2008 (as ‘one activity’ or as continually followed and assessed) are being statistically analyzed.** There are **270** such measures, which is **87, 1% of total number of measures.**

In period July – December 2008, **77 measures are completely implemented (28, 5%), 117 measures have been continually realized (43, 3%).** In other words, summary of completely implemented and continually realized measures is **194, which is 71, 9% of total number of measures planed in 2008.** Therefore it can be observed that **statistics of implemented measures is on satisfactory level**, having in mind that IAP is adopted in May 2008 and includes a whole set of new measures and activities required to be implemented until the end of 2009.

At the same time, **30** measures are partially implemented (11, 1%) and **46** are not implemented (17%). In 2009, remaining 40 measures will also be assessed.

In reporting period **number of measures completely implemented and those implemented continuously (194)** is increased for **52** regarding first half of year (**142**), meaning that realization of these measures is increased for **37%** compared with previous period. At the same time, number **of measures not implemented is decreased from 88 in first half of year to 46 in second reporting period,** i.e. for 42 measures (from 32% to 17%). Number of **partly implemented measures is also decreased from 45 in previous period to 30 in period July-December 2008, i.e. from 16% to 11%.**

The highest level of realization (R+R/Cont) achieved **Directorate for Anti Corruption Initiative (100%), Internal Audit (100%)** as well as Public Procurement area (92%). Very high level has also been achieved in the area “Efficient criminal prosecution with the objective of preventing corruption and organized crime” (88, 9%).

Significant contribution to quality of this report is by all means, **statistical review submitted by THREE-PARTY COMMISSION** relate to statistics of reported and proceeded criminal cases with elements of corruption and organized crime, **with review of effective court sentences in period January 2006 – December 2008.**

**Number of institutions obligated to report increased from 32 to 54,** which is also contribution to better transparency of whole process and to horizontal coordination during report preparation as well as in implementation of measures in whole.

**2. COOPERATION WITH INSTITUTIONS/ REPORTERS, ENHANCING COOPERATION WITH LOCAL COMMUNITY, BUSINESS ASSOCIATIONS AND CIVIL SOCIETY** - Having in mind more than a year long work experience of the National Commission, the cooperation with all the institutions, i.e. horizontal cooperation with all forms of the authority should be continuously improved. Another aspect of cooperation is the improvement of cooperation with other bearers of the activities in the field of fight against corruption and organized crime. In that field, special attention and encouragement should be given to cooperation with the local community, business associations, and civil society, as bridges for 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. In that sense, one of significant **conclusions from VIII session of National Commission** was to organize a **meeting between National Commission members and representatives of reporting institutions** after adoption of Fourth Report in order of further **improvement of reporting quality and timely fulfillment of defined obligations affirmation.**

**3. SPECIFIC WEIGHT OF RECOMMENDATIONS** - each evaluation area including individual so called anti-corruption institutions and bodies, apart from the implementation assessment, **has several recommendation.** They are the result of previous 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 realization. It is extremely important for realization of the measures, as much as after adoption previous three Reports of the Commission, that, **on the suggestion of the National commission,** the Government of Montenegro, the Parliament of Montenegro, the State Prosecutor’s office, the Judiciary and the local self-government accept the recommendations listed for each measure separately. The most important recommendations per chapters should be obligatory to the feasible degree to all involved.



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. COMPREHENSIVENESS OF DOCUMENT AND ITS 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 for fight against organized crime. Without strong institutions and good and efficient cooperation, we cannot achieve better results in these policies. A special value of this kind of reporting is that it is still **the first of this 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 as well as now Innovated Action Plan. It will anyhow contribute to the improvement of the general image and assessment on Montenegro that recognizes the values of strengthening its institutions and judiciary, necessary for strategic process of joining the EU. In that sense significance of Fourth Report is even bigger, particularly because it includes recommendations from EC Report on progress of Montenegro in stabilization and association process, related to areas that are comprised into the Innovated Action Plan. EC recommendations have been additionally précised via National Commission recommendations and Integrated into this Report.

#### **5. TRANSPARENCY OF REPORTING AND ENHANCED PERMANENT DIALOGUE WITH EUROPEAN COMMISSION –**

upon the adoption of this Report on realization of measures from Innovated Action Plan by the National Commission, and later by the Government of Montenegro, it will, just as it was the case with the previous three Reports, be delivered to the mentioned Parliament committees. It will also be translated in English language and delivered to the interested international organizations and institutions. In addition, 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 enhanced permanent dialogue EC- Montenegro, on the subject of justice, freedom and security that are organized at least twice a year.

Contribution to better transparency will certainly be **regularly posting of all delivered reports by institutions at the DACI web site**, which allowed general report to be made **in form that is more concise**. All interested subjects can obtain additional information on realization of measures via direct insight into institution's reports.

/ <http://www.vlada.cg.yu/eng/antikorup/vijesti.php?akcija=rubrika&rubrika=288> /

## ANNEX 1

<b>CRIMINAL ACTS WITH ELEMENTS OF CORRUPTION</b> By criminal claims received within the period from 01.01.2006 - 31.12.2008.			
Police Directorate and other applicants of criminal claims		<b>No. of cases</b>	<b>No. of persons</b>
		776	1247
STATE PROSECUTORS	<b>Prosecutors decisions by claims</b>	<b>No. of cases</b>	<b>No. of persons</b>
	Claims refusal	370	605
	Accusatory suggestion	14	19
	Prosecution without performing investigation – immediate accusation	10	12
	Request for performing the investigation acts	277	425
	Suggestion to perform the investigation acts	/	/
	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	101	176
	Claims delegated to Special Prosecutor due to broadening of competencies of the Special Prosecutor for organized crime (01.09.2008.)	4	10
COURTS	<b>Previous procedure – investigation</b>	<b>No. of cases</b>	<b>No. of persons</b>
	Received requests for performing the investigation	277	425
	Decision on performing the investigation	270	417
	Decision on performing the investigation was not brought up	7	8
	Investigation completed and files returned to the prosecutor	175	239
	On going investigation	90	170
STATE PROSECUTORS	<b>Prosecutors decisions in cases by the concluded investigations</b>	<b>No. of cases</b>	<b>No. of persons</b>
	Renunciation of prosecution	44	58
	Accusation after the performed investigation	133	183
	<b>TOTAL:</b>	177	241
COURTS	<b>Court accusations</b>	<b>No. of cases</b>	<b>No. of persons</b>
	Received accusations (accusation suggestion, immediate charge and charge after the performed investigation)	157	214
	<b>Main hearing and decision</b>	<b>No. of cases</b>	<b>No. of persons</b>
	<b>Criminal procedure with concluded decision</b>	105	129
	On going criminal procedure	52	85
	Judgment of guilty decision	53	69
	Dismissal decision	8	11
	Suspension of the decision	44	49
	<b>Proceedings upon legal remedies</b>	<b>No. of cases</b>	<b>No. of persons</b>
	Prosecutor complaints	61	80

	Proceeding upon complaint concluded	46	48
	Proceedings upon complaint not concluded	15	32
	Complaint accepted	13	13
	Complaint refused	33	35
	Accused complaints	2	2
	<b>Sentences into effect</b>	<b>69</b>	<b>74</b>
<b>CRIMINAL ACTS OF ORGANIZED CRIME</b>		<b>No. of cases</b>	<b>No. of persons</b>
	<b>TOTAL:</b>	<b>40 Cases</b>	<b>230 persons</b>
	Claims refusal	1	1
	Conceded claims	2	11
	Received requests for performing the investigation	37	217
	Criminal charges brought up after performing investigation	30	176
	On going investigation	6	35
	Suspended investigation	1	5
	Immediate accusation	--	1*
	Cases where accusation is solved	15	88
	Cases where accusation is not solved	15	88
	Solved in other way – witness associate	1	1
	<b>Proceedings upon legal remedies</b>	<b>No. of cases</b>	<b>No. of persons</b>
	Prosecutor complaints	11**	51
	Proceeding upon complaint concluded	4	18
	Proceedings upon complaint not concluded	7	33
	Complaint accepted	3	12
	Complaint refused	1	6

\* In order to avoid double data in column „Number of cases – Number of persons“ no data cited, since after investigation against 9 persons one person were accused along with them (against that person prosecution was raised without performing investigation- immediate accusation).

\*\*In four cases five complaints submitted (in one case two complaints since there were two sentences)

<b>CRIMINAL ACTS WITH ELEMENTS OF CORRUPTION UNDER COMPETENCIES OF THE DEPARTMENT FOR FIGHT AGAINST ORGANIZED CRIME, CORRUPTION, TERRORISM AND WAR CRIMES- STATE PROSECUTION OFFICE</b>			
Period / 04.07. – 31.12.2008.		<b>No. of cases</b>	<b>No. of persons</b>
	<b>TOTAL:</b>	<b>8 caese</b>	<b>34 persons</b>
	Claims refusal	-	-
	Delegated claims	-	-
	Received requests for performing the investigation	6	26
	Criminal charges brought up after performing investigation	1	2
	On going investigation	5	24
	Suspended investigation	-	-
	Immediate accusation	-	-
	Cases where accusation is solved	1	2
	Cases where accusation is not solved	-	-
	Claims in phase of previous information	2	7
	Solved in other way – witness associate	-	-
	Delegated case – accusation	1	1
	<b>Proceedings upon legal remedies</b>	<b>No. of cases</b>	<b>No. of persons</b>
	Prosecutor complaints	1	2
	Proceeding upon complaint concluded	-	-
	Proceedings upon complaint not concluded	1	2
	Complaint accepted	-	-
	Complaint refused	-	-

- Prosecution data, since Law on changes and amendments of Law on state prosecution came into effect (July 4 2008; Official Gazette No. 40/08) whereby Special Prosecution Office for organized crime authority have been broaden on criminal acts with elements of corruption, terrorism and war crimes

## ANNEX 2

## REVIEW OF BACKLOG CASES FROM 2007 AND PREVIOUS YEARS

SUPREME COURT OF MONTENEGRO							
Supreme Court MNE	Unclosed cases on 31.12.2007.	Closed cases from 2004 and previous years	Closed cases from 2005.	Closed cases from 2006	Closed cases from 2007	TOTAL OF CLOSED BACKLOG CASES	PERCENTAGE OF DECREASE OF BACKLOG CASES on 31.12.2008.
	80	-	7	6	67	80	100 %
<b>TOTAL</b>	<b>80</b>	<b>-</b>	<b>7</b>	<b>6</b>	<b>67</b>	<b>80</b>	<b>100 %</b>
APPELLATIVE COURT OF MONTENEGRO							
Appellative Court MNE	Unclosed cases on 31.12.2007.	Closed cases from 2004 and previous years	Closed cases from 2005.	Closed cases from 2006	Closed cases from 2007	TOTAL OF CLOSED BACKLOG CASES	PERCENTAGE OF DECREASE OF BACKLOG CASES on 31.12.2008.
	609	-	-	-	-	609	100%
<b>TOTAL</b>	<b>609</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>609</b>	<b>100%</b>
ADMINISTRATIVE COURT OF MONTENEGRO							
Administrative Court MNE	Unclosed cases on 31.12.2007.	Closed cases from 2004 and previous years	Closed cases from 2005.	Closed cases from 2006	Closed cases from 2007	TOTAL OF CLOSED BACKLOG CASES	PERCENTAGE OF DECREASE OF BACKLOG CASES on 31.12.2008.
	1519	-	-	-	-	1506	99 %
<b>TOTAL</b>	<b>1519</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1506</b>	<b>99 %</b>
HIGH COURT IN PODGORICA							
High Court in Podgorica	Unclosed cases on 31.12.2007.	Closed cases from 2004 and previous years	Closed cases from 2005.	Closed cases from 2006	Closed cases from 2007	TOTAL OF CLOSED BACKLOG CASES	PERCENTAGE OF DECREASE OF BACKLOG CASES on 31.12.2008.
	5620	-	-	-	-	4412	78,50 %
<b>TOTAL</b>	<b>5620</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4412</b>	<b>78,50 %</b>
HIGH COURT IN BIJELO POLJE							
High Court in Bijelo Polje	Unclosed cases on 31.12.2007.	Closed cases from 2004 and previous years	Closed cases from 2005.	Closed cases from 2006	Closed cases from 2007	TOTAL OF CLOSED BACKLOG CASES	PERCENTAGE OF DECREASE OF BACKLOG CASES on 31.12.2008.
	2648	-	-	-	-	2446	92,37 %
<b>TOTAL</b>	<b>2648</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2446</b>	<b>92,37 %</b>
COMMERCIAL COURT IN PODGORICA							
Commercial Court in Podgorici	Unclosed cases on 31.12.2007.	Closed cases from 2004 and previous years	Closed cases from 2005.	Closed cases from 2006	Closed cases from 2007	TOTAL OF CLOSED BACKLOG CASES	PERCENTAGE OF DECREASE OF BACKLOG CASES on 31.12.2008.
	1388	-	-	-	-	958	69 %
<b>TOTAL</b>	<b>1388</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>958</b>	<b>69 %</b>
COMMERCIAL COURT IN BIJELO POLJE							
Commercial Court in Bijelo Polje	Unclosed cases on 31.12.2007.	Closed cases from 2004 and previous years	Closed cases from 2005.	Closed cases from 2006	Closed cases from 2007	TOTAL OF CLOSED BACKLOG CASES	PERCENTAGE OF DECREASE OF BACKLOG CASES on 31.12.2008.
	124	-	-	-	-	95	76,67 %
<b>TOTAL</b>	<b>124</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>95</b>	<b>76,67 %</b>

BASIC COURTS							
Basic Court	Unclosed cases on 31.12.2007.	Closed cases from 2004 and previous years	Closed cases from 2005.	Closed cases from 2006	Closed cases from 2007	TOTAL OF CLOSED BACKLOG CASES	PERCENTAGE OF DECREASE OF BACKLOG CASES on 31.12.2008.
Herceg Novi	2646	-	-	-	-	1698	64,00 %
Bijelo Polje	1369	-	-	-	-	1208	88,23 %
Cetinje	857	-	-	-	-	638	74,40 %
Ulcinj	2319	-	-	-	-	1039	44,80%
Rožaje	251	-	-	-	-	217	86,45 %
Pljevlja	223	-	-	-	-	155	89,50 %
Žabljak	44	-	-	-	-	43	97,73 %
Plav	215	-	-	-	-	199	92,55 %
Berane	674	-	-	-	-	566	83,97%
Kolašin	268	-	-	-	-	213	79,47%
Bar	3200	-	-	-	-	1982	61,93%
Nikšić	5377	-	-	-	-	4619	86,00 %
Danilovgrad	667	-	-	-	-	489	73,31 %
Kotor	5078	-	-	-	-	3216	63,33 %
Podgorica	18448	-	-	-	-	9145	49,57 %
<b>TOTAL</b>	<b>41636</b>	-	-	-	-	<b>25427</b>	<b>61,06 %</b>
TOTAL OF CLOSED BACKLOG CASES AT ALL COURTS IN MONTENEGRO							
All courts in Montenegro	Unclosed cases on 31.12.2007.	Closed cases from 2004 and previous years	Closed cases from 2005.	Closed cases from 2006	Closed cases from 2007	TOTAL OF CLOSED BACKLOG CASES	PERCENTAGE OF DECREASE OF BACKLOG CASES on 31.12.2008.
	53624	-	-	-	-	35533	66,26 %
<b>TOTAL</b>	<b>53624</b>	-	-	-	-	<b>35533</b>	<b>66,26%</b>

It is interesting to mention that, due to increasing court performance and decreasing number of backlog cases from previous years as well, Supreme Court Report submitted following data:

**a) Criminal acts with elements of corruption:**

- On December 31 2008, at basic and high courts there were total number of 630 cases with elements of corruption
- Out of that number 429 were solved and out of that 243 are sentences into effect
- 201 cases are unsolved, while in 186 cases proceedings upon complaint is on going

**b) Criminal acts of organized crime**

- There are 31 organized crime cases, out of which 9 solved
- 22 unsolved cases remain
- Out of total number of solved cases, in one case sentence is into effect, while in other cases proceedings upon complaint is on going.

## ANNEX 3

### REALIZED MEASURES FROM THE ACTION PLAN FOR PERIOD SEPTEMBER 2006 – DECEMBER 2007

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#### I POLITICAL AND INTERNATIONAL OBLIGATION TO ACT

- Adopted Resolution on fight against corruption and organized crime -
- Established National Commission for monitoring implementation of the Program and Action Plan – Adopted Rules of Procedure of the National Commission, defined model of monthly reporting with monitoring plan, defined list of institutions obliged to submit reports, regularly delivered periodical reports,
- **Adopted laws directly relevant for fight against corruption and organized crime:**
- Law on liability of legal entities for criminal acts; Law on international legal assistance in criminal matters; Law on Amendments of the Law on preventing the money laundering and financing of terrorism; Law on wages of the judicial function bearers; Law on Public Procurement;
- Law on banks; Law on Amendments of the Customs Law; Data Secrecy Law; Law on liability of legal entities for criminal acts;
- **Drafted and adopted laws in domain of general legislative reform, the most important among them:**
- Law on Asylum; Law on Competition Protection; Law on Amendments of the Law on Financing of local self-government; Proposal Law on Aliens;
- **Ratified** CoE Civic-legal Convention on Corruption with supplementing Protocol on corruption;
- **Continuous analyzing of approximation of legislation** with international standards in field of fight against corruption and organized crime, and continuous approximation of legislation with the UN Convention (Palermo, UNTOC Convention), and other conventions in field of fight against organized crime;
- Continuous increasing of number of signed bilateral agreements on cooperation, especially in the region, gradual implementation of Declaration on ten common measures for fight against corruption in SEE, implementation of obligatory GRECO recommendations on assessment of anti-corruption measures and activities within Montenegro
- Continuous strengthening of technical and financial support for competent bodies through the MNE Budget; defining of priorities, drafting of project proposals and candidate them in international organization and institutions;
- European Commission and Council of Europe organized a number of missions and regularly reported on realized progress and defined relevant recommendations;

#### II GENERAL OBJECTIVES

##### A. EFFICIENT CRIMINAL PROSECUTION IN COMBATING CORRUPTION AND ORGANIZED CRIME

- Needs assessment for training of prosecutors, judges, and police is underway; continuous carrying out of the trainings and seminars;
- **Three-party Commission was established** (representatives of the Supreme Court, Supreme State Prosecutor's Office, and Police Directorate), which prepares quarter reports and evaluation of the number of cases; this Commission started to work on systematization of statistical indicators and preparation of the analysis of proving procedures and acts in pre-trial and investigation proceedings, and preparation of recommendations for future work
- **Statistic of cases-** Defined work methodology and unique statistic indicators on reported and processed cases in 2007 and 2006;
- Continuous reporting on activities undertaken in preventing abuse of application of secret surveillance measures (court control, parliamentary control, and police internal control)

##### B. PREVENTION AND EDUCATION

- **Continuous activities on improvement of working conditions and general standard of the judges and prosecutors:** technical equipping, providing of functional working premises, increase of wages of judges and prosecutors, prepared Code of Ethics of the prosecutors; established Office for reporting corruption in judiciary;
- **Police capacity strengthening** - continuous application of the Police Code of Ethics and strengthening of Ethical Committee; reorganized Internal Control Department in the Police Directorate; objectified criteria for selection of the police staff;
- **Strengthening of capacities of state employees and civil servants** – promoting of Code of Ethics of state employees and civil servants; significantly increased number of fulfilled obligation of public officials to regularly report on incomes and property; initiated registration of the gifts that officials receive through internal control system and reporting to the Commission; continuous updating and monitoring of the public register, which ensures transparency of the financial and property status of public officials;
- **Trainings** – Continuous training of state employees and civil servants, and education of the citizens and NGOs on implementation of the Law on Free Access to Information; prepared guidelines and manuals for access to information owned by the state bodies;

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

- Continuous creating and implementing of various **public campaigns** aimed for more efficient participation of the citizens in fight against corruption and organized crime; prepared large number of informative material on corruption issues and manners to combat it; a number of institutions initiated preparing of the Integrity Plans; carrying out of first surveys on forms, causes, and mechanisms of corruption emergence;
- Amended Decree on Organization and Manner of Work of the Public Administration strengthened **Directorate for Anti-Corruption Initiative's** competencies. It will enable carrying out of survey and preparation of the studies on status and fields of corruption within Montenegro, together with the recommendations for upgrading of activities in field of fight against corruption.
- Directorate carries out periodical **lectures** in high schools and faculties on corruption and organized crime;
- Continuous carrying out of the **media education** on corruption and organized crime, and on investigative journalism;
- In cooperation with the private sector, activities in field of enhancing the **fair and competitive business and investing** have been initiated and carried out;

### D. LOCAL SELF-GOVERNMENT

- Ministry of Internal Affairs and Public Administration prepared the draft model for preparation of the local anti-corruption action plans relating to the competencies of the local self-government, on basis of which every local self-government should adopt own action plan in period to come;

## III SPECIFIC MEASURES AGAINST CORRUPTION AND ORGANIZED CRIME

### A. EFFICIENT CRIMINAL PROSECUTION AND TRIAL

#### A.1. PROSECUTOR'S OFFICE

- Increased number of prosecutors and partly ensured increase of wages and improvement of working conditions in the reporting period
- **Further implementation of the training of prosecutors** – continuous activities: informing prosecutors on international standards in field of fight against corruption and organized crime, implementation of the program, education of prosecutors in regard to crime cases with elements of corruption and organized crime (CC and CPC); implementation of the education program for criminal acts described in Chapter XXIII of CC, and Chapter XXVIII of CC, training on new forms of crime, on application of SSM;
- Acquisition of the equipment and expert literature for Department for combating organized crime is underway; specialization of prosecutors for prosecuting criminal acts with elements of corruption and organized crime, and strengthening of material and human resource capacities of this Department;
- Deputy Special Prosecutor for combating organized crime was appointed;
- A number of multilateral and bilateral agreements on cooperation was signed;
- Rules of Procedure on Internal Work of the State Prosecutor was adopted;

#### A.2. POLICE

- Rulebook on Internal Organization and Systematization of the Police Directorate was adopted, so as the Rulebook on application of police authorizations;
- Informant networks were created and rules for engagement of informants were defined;
- Organizational unit dealing with investigations of the criminal acts of corruption was established;
- Existing **Department for fight against organized crime** was reorganized, and organizational units in field of classical-general organized crime and financial organized crime were established (in framework of the last one, organizational unit for money laundering issues was established as well);
- Continuous carrying out of trainings for officers dealing with corruption and organized crime;
- Activities on establishment of operative database in field of organized crime have been initiated;
- Reorganization of the existing **Department for fight against economic crime** in sense of defining organizational level and scope of work; established organizational unit in framework of Department for combating economic crime, which will deal with money laundering issues and financial investigations;
- Continuous trainings of the employed persons in **Department for fight against organized crime and corruption** in field of investigating corruption and financial investigations;
- **Special Verification Unit** was reorganized and organizational level was defined; functionality has been increased through establishment of units for: application of SSM and Operative analytics; necessary staff was partly engaged and educated;
- **Reorganization of the special team for fight against trafficking in human beings in sense of defining legal framework of work, organizational level, and scope of work – established teams for fight against trafficking in human beings** within all territorial organizational units; establishing of the database in order to collect and centralize data; continuous carrying out of



necessary specialized trainings, especially trainings and education of the police officers in regard to identification of the victims of the human trafficking (criminal prosecution, victims protection, and prevention);

- A number of memorandums on cooperation between line ministries and NGOs were signed in field of fight against trafficking in human trafficking;
- Reorganized **Center for fight against illicit drugs**; continuous specialized trainings for members of this Center, and trainings and education of the police members on procedure of fighting illicit drugs;
- Reorganized **Witness Protection Unit**; partly carried out trainings of the Witness Protection Unit members; specialized equipment acquired; signing of bilateral agreements with respective services of other countries is underway, aiming to exchange protected witnesses; provided adequate premises for functioning of Witness Protection Unit;
- **Crime Technique Department** – technical equipment of the Crime Technique Center (reorganized forensic unit, continuous trainings of the staff, equipment of the modern laboratory and other equipment);
- Reorganized existing **Working line for fight against terrorism** (established specialized units for collecting and processing of data, mine protection unit, organizational units in regional security centers); continuous specialized trainings for: IED operations (elimination of danger from improvised explosive devices), for CDP (counter-diversion protection), and negotiations with hijackers (terrorists); upgraded and improved horizontal and vertical linkage of all working lines;
- **Special ant-terrorist unit (SAT)** – continuous trainings and acquisition of modern equipment and weapons
- Reorganized **State Border and Border Affairs Department** – organizing of continuous trainings for the members of this department; partly acquired surveillance equipment and equipment for securing the state border and discovering of cross-border crime; signing of bilateral and regional agreements on cooperation is underway, organizing of consultative meetings, planning and carrying out of joint activities;
- **NCB Interpol in Podgorica** has been opened; established direct connection with the communication system I-24/7 for global communication; continuous trainings for strengthening international police cooperation: trainings for using Police Directorate system, trainings for using of information system I-24/7, trainings for using analytical program I-2, specialized Interpol courses; partly acquired equipment necessary for work;

### A.3. JUDICIARY

Partly introduced initial training and specialization, in accordance with the Law on Education in Judiciary; carrying out of regular and continuous monitoring of judicial administration by the Ministry of Justice, in accordance with the Law on Courts; strengthening of intern-institutional cooperation between the courts and other competent bodies (Prosecutor's Office, Police Directorate, Anti-Corruption Initiative Directorate).

### B. EXTERNAL AND INTERNAL AUDIT OF THE BUDGET

Continuous realization of the external audit of final budgetary account by the State Audit Institution, and internal audit of budgetary spending of budgetary beneficiaries; continuous education of the persons responsible for budget management and allocation of the budgetary means;

### C. PRIVATIZATION COUNCIL

Defined and established procedures for reporting conflict of interest in privatization and National Commission is being regularly reported about it; established sub-web site of the Privatization Council; defined procedures for realization of publicity and transparency when electing the advisors – esteemed consultancy agencies; continuous implementation of the Law on Free Access to Information; defined procedures for reporting irregularities and corruption in privatization, and also the phone line was opened for reporting the corruption in Agency for restructuring of the economy and foreign investments; established Commission for examination of the complaints, objections, proposals and suggestions of the citizens on privatization process;

### D. DIRECTORATE FOR PREVENTING MONEY LAUNDERING AND TERRORISM FINANCING

Adopted new Rulebook on internal organization and systematization; Directorate regularly participates in Working groups of Egromont Group; prepared expanded and amended list of indicators of suspicious transactions and it was delivered to reporting entities; continuous organization of seminars for authorized persons of the reporting entities and employees who are in direct contact with the clients; partly innovated single agreements on cooperation with FIU from the region, so as a number of single agreements on cooperation with other competent state bodies and organizations of other countries; continuous strengthening of inter-institutional cooperation of the competent bodies in field of implementation of the Law on Preventing Money Laundering and Terrorism Financing;

## **E. PUBLIC PROCUREMENT COMMISSION**

Established Directorate for Public Procurement, strengthened capacities of it; continuous education of the staff for implementation of the new Law (Public Procurement Commission, officers for public procurement and bidders); drafted and adopted bylaws; opened phone line for reporting irregularities in public procurement procedures (with elements of corruption);

## **F. COMMISSION FOR DETERMINING CONFLICT OF INTEREST**

Increased number of delivered annual reports by the public officials on incomes and property; continuous delivering of information to the State Prosecutor on false reporting of property; partly realized educations for: public officials (local officials), NGO representatives and journalists;

## **G. TAX ADMINISTRATION**

- Established phone line for reporting corruption within Tax Administration, National Commission has been periodically reported on it; partly carrying out of the annual surveys on existing conditions, forms, causes and methods of the corruption emergence within tax administration; **strengthened Department for Internal Control of Tax Administration; adopted** Rules of Procedure of Internal Control Department, which continuously prepares six-month reports; initiated trainings of the Internal Control Department members; strengthened external control through: appointment of the authorized officer for surveillance over the Tax Administration work and fractional rotation of the employees within the Tax Administration (Financial Police);
- Adopted Code of Ethics for employees and servants of the Tax Administration; introduced information system with the unique database; continuous IT trainings; signed relevant agreements on cooperation, including the drafting of the Agreement on cooperation with the Police Directorate for providing Police Directorate direct access and using of Tax Administration's database;

## **H. CUSTOMS ADMINISTRATION**

- **Enhanced system of communication with the citizens through** establishing the phone line for reporting the corruption within the Customs Administration, and preparation of the six-month reports that are being delivered to the National Commission; strengthened Internal Control Department of the Customs Administration through: trainings of employees, preparation of the Rules of Procedures of the Internal Control Department and preparation of the six-month reports on realized internal control; strengthened external control through: appointment of the authorized officer for surveillance over the Customs Administration work;
- Drafted proposal of the Code of Ethics for employees and servants of the Customs Administration; realization of the model of rotation of the employees within the Customs Administration; introduced information system with the unique database; continuous IT trainings; a number of agreements on cooperation signed with the customs services of other countries;

## **I. DIRECTORATE FOR ANTI-CORRUPTION INITIATIVE**

- Staff and financial strengthening of the Directorate for Anti-Corruption Initiative; adopted new Rulebook on internal organization and systematization of the DACI; establishing of the Department for Citizens' Complaints is underway; prepared and distributed information-advertising material;
- Coordination of the analyzing activities of the current legislation, and harmonization of legislation and full implementation of CoE Civic Legal Convention on corruption, and implementation of the UN Convention against corruption; coordination of the activities in relation to fulfillment of obligatory recommendations from the CoE Report (GRECCO); coordination of the activities that are being implemented in framework of Anti-Corruption Initiative of the Stability Pact (SPAI); finalized activities being carried out on framework of CoE PACO Impact project;

## ABBREVIATIONS

<b>AP</b>	Action plan
<b>CC</b>	Criminal Code
<b>CCCR</b>	Commercial Court Central Register (in Podgorica)
<b>CDP</b>	Counter-Diversion Protection
<b>CoE</b>	Council of Europe
<b>CEBJF</b>	Center for Education of Bearers of Judicial Functions
<b>CPC</b>	Criminal Procedure Code
<b>DACI</b>	Directorate for Anti-Corruption Initiative
<b>DNA</b>	Deoxyribonucleic Acid
<b>DPML&amp;TF</b>	Directorate for Prevention of Money Laundering and Terrorism Financing
<b>EAR</b>	European Agency for Reconstruction
<b>EU</b>	European Union
<b>FIU</b>	Financial Intelligence Unit
<b>GRECCO</b>	Group of Countries of South East Europe for fight against Corruption
<b>HRMA</b>	Human Resources Management Agency
<b>IAP</b>	Innovated Action Plan
<b>IED</b>	Improvised Explosive Devices
<b>IT</b>	Informational technologies
<b>MAfER&amp;FI</b>	Montenegrin Agency for Economic Restructuring and Foreign Investments
<b>MED</b>	Ministry for Economic Development
<b>MFA</b>	Ministry of Foreign Affairs
<b>MoF</b>	Ministry of Finance
<b>MoHLSA</b>	Ministry of Health, Labor and Social Affairs
<b>MoI&amp;PA</b>	Ministry of Internal Affairs and Public Administration
<b>MoJ</b>	Ministry of Justice
<b>MoTMT</b>	Ministry of Transport, Maritime, and Telecommunication
<b>NCB</b>	National Central Bureau
<b>NGO</b>	Non-Governmental Organizations
<b>PACO</b>	Program Against Corruption and Organized Crime in South East Europe
<b>PIFC</b>	Public Internal Financial Control
<b>PPD</b>	Public Procurement Directorate
<b>RAI</b>	Regional Anti-corruption Initiative
<b>RMNE</b>	Republic of Montenegro
<b>SAI</b>	State Audit institution
<b>SAT</b>	Special Anti Terrorist Unit
<b>SEE</b>	South East Europe
<b>SEI</b>	Secretariat for European Integrations
<b>SSM</b>	Secret Surveillance Measures
<b>SSP</b>	Supreme State Prosecution
<b>UN</b>	United Nations
<b>UNTOC</b>	United Nations Convention against Transnational Organized Crime

## **INSTITUTIONS / REPORTERS:**

- 1) The Parliament of Montenegro
- 2) Ministry of Interior and Public Administration
- 3) Ministry of Justice
- 4) Ministry of Foreign Affairs
- 5) Ministry of Finance
- 6) Ministry for Economic Development
- 7) Ministry of Culture, Sport and Media
- 8) Ministry of Education and Science
- 9) Ministry of Transport, Maritime and Telecommunication
- 10) Ministry of Health, Labor and Social Affairs
- 11) Ministry of Tourism and Environmental Protection
- 12) Ministry of Agriculture, Forestry and Water Management
- 13) General Secretariat of the Government
- 14) Secretariat for European Integration
- 15) Secretariat for Development / Ministry for Information Society
- 16) Secretariat for Legislation
- 17) Supreme State Prosecutor
- 18) Supreme Court
- 19) Centre for Education of the Bearers of Judicial Function
- 20) State Audit Institution
- 21) Commission for Determining Conflict of Interest
- 22) Commission for the Control of Public Procurement Procedure
- 23) Commission for monitoring transparency in privatization process
- 24) Security Commission Montenegro
- 25) Commission for examining comments, complaints, proposals and suggestions of citizens and other subjects on privatization process
- 26) State Election Commission
- 27) Judicial Council
- 28) Prosecutors' Council
- 29) Privatization Council
- 30) Police Directorate
- 31) Police Academy
- 32) Directorate for Anti-corruption Initiative
- 33) Directorate for Prevention of Money Laundering and Terrorism Financing
- 34) Human Resource Management Agency
- 35) Tax Administration
- 36) Customs Administration
- 37) Administration for games of chance
- 38) Real Estate Directorate
- 39) Public Procurement Directorate
- 40) Commercial Court
- 41) Chamber of Commerce
- 42) Central Bank of Montenegro
- 43) Bank Association
- 44) State Prosecutors' Association
- 45) Agency for Insurance Supervision
- 46) Central Deposit Agency
- 47) Montenegrin Agency for Economic Restructuring and Foreign Investments
- 48) National Security Agency
- 49) NGO MANS
- 50) Union of Employers
- 51) Communities' Association
- 52) Media Institute
- 53) Official Gazette of Montenegro
- 54) Office of the National Coordinator for fight against trafficking in human beings