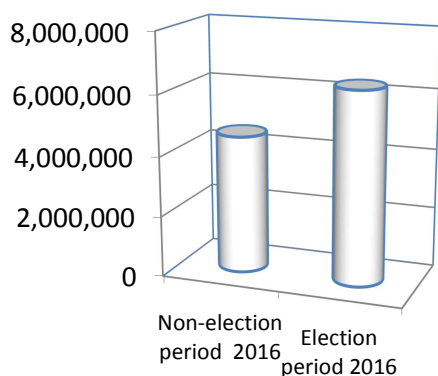


## CASE STUDY: SEVEN MUNICIPALITIES INCREASED EXPENDITURE AND SPENT 6.3 MILLION IN ELECTION PERIOD

**I: INTRODUCTION:** Seven Montenegrin municipalities, in which almost 60 percent of the electorate of Montenegro votes, during the three election months of 2016<sup>1</sup>, invested in local infrastructure three times more than in the first six and a half months of 2016, which were non-election months.

The Municipalities of Podgorica, Herceg Novi, Kotor, Tivat, Pljevlja and Cetinje<sup>2</sup> spent around €6.3 million for the local construction works in the pre-election period<sup>3</sup>, as opposed to €4.5 million<sup>4</sup>, which was the sum spent in the first six and a half months of 2016.

### Expenditure for local infrastructure



**II: THE CAPITAL SPENT THE MOST:** The Capital Podgorica spent €3.27 million in the election period for the local infrastructure or, on average, about one million euros per month. In six and a half non-election months the Capital spent roughly the same amount, i.e. €3.28 million, but an average monthly expenditure was half a million, so it follows that the expenditure doubled during the election campaign.

Municipality of Herceg Novi spent €804,000 during the election period for the local infrastructure, or an average of €268,000 per month, while in the non-election part of the year, it spent €240,000 or €37,000 per month, which means that the expenditure grew sevenfold.

Graph 3: Expenditure grew dramatically before elections

The

<sup>1</sup> Parliamentary elections in Montenegro were called for on July 11, 2016, and held on 16 October 2016

<sup>2</sup> 528,817 voters were eligible to vote in the parliamentary elections, out of which 309,566 were voters from these municipalities, which is 58.5 percent of the total electorate, <http://www.mup.gov.me/vijesti/165813/Numericki-tabelarni-prikaz-podataka-o-promjenama-u-BS-7-10-2016.html>

<sup>3</sup> The exact amount is €6,346,818; source of the data are statements of accounts of the Capital Podgorica, <http://www.podgorica.me/informacije-u-skladu-sa-zakonom-o-finansiranju-politickih-subjekata-i-izbornih-kampanja>; Municipality of Herceg Novi: <http://www.hercegnovi.me/sr/2016/2016-07-19-06-39-37>; Municipality of Niksic: <http://niksic.me/parlamentarni-izbori-2016/>; Municipality of Kotor: <http://kotor.me/me/izbori-2016>; Municipality of Tivat: [http://opstinativat.com/index.php?option=com\\_content&view=article&id=2699:finansijski-izvjestaji-parlamentarni-izbori-2016&catid=9&Itemid=101&lang=me](http://opstinativat.com/index.php?option=com_content&view=article&id=2699:finansijski-izvjestaji-parlamentarni-izbori-2016&catid=9&Itemid=101&lang=me); Municipality of Pljevlja: <http://www.pljevlja.me/navigacija.php?naziv=Parlamentarni-izbori-2016--godine&IDSP=2366>; Municipality of the royal capital Cetinje: <http://www.cetinje.me/index.php/me/dokumenta/izvjestaji-zakon>

<sup>4</sup> The exact amount is €4,557,617; source of the data are statements of accounts for the first six and a half months of 2016, which MANS collected on the basis of the Law on Free Access to Information; Decisions of the Secretariat for Finance of the Capital Podgorica numbers 16/83462-83469, 16/85126-85135, 16/87987-87996, 16/90407-90416, 16/93731-93740/16/95316-95325; Decisions of the Secretariat for Finance, Tourism and Economic Development of the Municipality of Herceg Novi numbers 16/89409-89419, 16/89440-89450, 16/89481-89491, 16/89527-89537, 16/90828-90838, 16/94094-94105, 16/95377-95388; Decisions of the Secretariat for Finance and Entrepreneurship Development of the Municipality of Niksic numbers 16/83420-83433, 16/85112-85123, 16/87948-87959, 16/90,533-90544, 16/93715-93726, 16/94928-94990; Decisions of the Secretariat for Local Revenue, Budget and Finance of the Municipality of Kotor No. 16/89333-89346, 16/89347-89360, 16/89361-89374, 16/89375-89388, 16/91028-91041, 16/94039-94053, 16/95186-95200; Decisions of the Secretariat of Finance and Economic Development of the Municipality of Tivat numbers 16/82451-82459, 16/82467-82468, 16/82479-82487, 16/82903-82911, 16/82912-82923, 16/85029-85040, 16/90446-90457, 16/93696-93707, 16/94859-94867, 16/95277-95283; Decisions of the Secretariat for Finance of the Municipality of Pljevlja No. 16/86448-86459, 16/86508-86519, 16/86631-86642, 16/88044-88055, 16/91073-91089, 16/93866-93877, 16/94939-94951; Decisions of the Secretariat for Finance and Enterprise Development of Cetinje No. 16/88854-88866, 16/88749-88761, 16/88922-88934, 16/88948-88960, 16/91043-91055, 16/94069-94081 and 16/95389-95401.

Municipality of Niksic follows a similar trend by having spent €780,000 in the three election months, or an average of €260,000 a month. At the same time, the official figures show that in the first half of 2016 the Municipality set aside about €238,000 or €37,000 a month for the local infrastructure, which means that the expenditure increased sevenfold.



*The biggest investment in the election period in Niksic was the reconstruction of Trg Slobode*

In the election period the Municipality of Kotor spent averagely €210,000 per month and in three months spent a sum of €630,000, unlike the non-election period when it used to spend averagely €69,000 per month and for six months spent €450,000, thus increasing the sum threefold.

Furthermore, in the election period the Municipality of Tivat earmarked €630,000 for the local infrastructure, which is averagely €210,000 per month, while in the non-election of the year it spent a total of €452,000 or 65,000 on a monthly basis. This means that the expenditure increased threefold.

The Municipality of Pljevlja spent €307,000 in the three election months or 100,000 per month, while it allocated a total of €138,000 in the non-election period. Therefore, it follows that the average monthly expenditure was around €21,000, so the increase in the monthly average during the election period was threefold.

Finally, in the non-election period the Municipality of Cetinje invested almost no funds in the local infrastructure, whereas in the election period it spent €118,000 for this purpose.

*Author: MANS Investigation Center  
Podgorica, November 2016*