

**mans**

#### **VISION**

Montenegro is a just, open society  
of active citizens and governance serving its people.

#### **MISSION**

MANS is fighting corruption for sustainable future.



## CONTENTS

<b>Introduction</b>	<b>7</b>
<b>1. About MANS</b>	<b>9</b>
<b>2. Key Achievements in 2010</b>	<b>10</b>
<b>3. Activities in 2010</b>	<b>13</b>
3.1. Free Legal Aid	13
3.2. Free Access to Information	17
3.3. Monitoring National Parliament	21
3.4. Monitoring Anti-Corruption policies	25
3.5. Spatial Planning and Construction	28
3.6. Privatization	31
3.7. Conflict of Interest	34
3.8. Public procurements	35
3.9. Other Activities	36
<b>4. Public Relations</b>	<b>40</b>
4.1. Media	40
4.2. Web site	41
4.3. Awareness Raising Materials and Performances	42
<b>5. Organizational Development</b>	<b>43</b>
<b>6. Finances</b>	<b>47</b>
<b>Annexes</b>	
Annex 1: MANS Publications	49
Annex 2: Key Achievements from the previous period	52

## Tables

Table 1: MANS expenditures in 2010

Table 2: List of signed contracts in 2010 (1\$=0.73822 euro)

## Schemes

Scheme 1: Free Legal Aid: distribution of information and responsibilities

Scheme 2: MANS teams using FOI as tool to obtain information

Scheme 3: MANS Teams and Type of Activities

Scheme 4: MANS Organizational Structure at the end of 2010

Scheme 5: FOI system and procedures

## Graphs

Graph 1: Cases reported by citizens

Graph 2: Initiatives submitted upon cases reported by citizens

Graph 3: FOI requests, complaints and appeals submitted to obtain information on cases reported by citizens

Graph 4: Cases from media submitted to prosecution

Graph 5: Responses to FOI requests (2010)

Graph 6: Responses to complaints (2010)

Graph 7: Verdicts of the Administrative court (2010)

Graph 8: Number of articles in printed media in 2009 and 2010

Graph 9: Number of articles in 2010 - by programs

Graph 10: Number of articles by media in 2010

Graph 11: Number of cover pages by media in 2010

Graph 12: Number of pieces in TV news in 2010

Graph 13: Number of pieces in news per TV network in 2010

Graph 14: Number of visits and page views in 2010 - [www.mans.co.me](http://www.mans.co.me)

Graph 15: Budget expenditures for 2006, 2007, 2008, 2009 and 2010

## Introduction

The Network for Affirmation of the NGO Sector - MANS is a leading anticorruption advocate in Montenegro, the largest NGO in the country with well established contacts with all stakeholders.

During 2010, MANS was providing free legal aid to citizens and supporting their initiatives, fighting corruption in construction industry, privatization and public procurements. We were monitoring reforms in fighting corruption and organized crime, and advocating for stronger role of the National Parliament. MANS was supporting investigative journalists in fighting corruption and organized crime, improving access to information held by the state, and monitoring conflict of interest among members of the Government and the Parliament.

This Annual Report is published in order to promote our achievements and activities in 2010 and contribute to transparency of our work.

The first section of this report provides information on MANS mission and the strategic goals and objectives. The second part points out our key achievements in 2010, followed with information on specific activities conducted by each program throughout the year.

Our relations with media, are also presented in this report, separate chapter is focused at MANS organizational development and it provides our organizational structure, data on employment and key issues related to internal capacity-building. The last chapter is dedicated to finances and it provides information on the budget expenditures and structure of donors.



Transparency International's  
Partner for Montenegro

FOIANet

Member of Freedom of  
Information Advocates Network



Member of international network of NGOs  
against transnational organized crime



Allies to Task Force on Financial Integrity  
and Economic Development



## 1. ABOUT MANS

MANS is a non-governmental organization that supports sustainable development of Montenegro through fight against corruption, making governance more transparent, accountable and responsive to citizens' needs and stimulating citizens to take actions in order to achieve their rights.

### **Strategic Goals and Objectives for 2009-2011**

#### **Significantly reduce corruption**

- ~ There are more judicial decisions in high level corruption cases.
- ~ Policies and practices in conflict of interest, public procurement and spatial planning and construction are changed in order to reduce serious corruption.
- ~ The Government produces and publishes data sufficient to assess progress in implementing comprehensive national anticorruption policy.

#### **Increase the level of active participation of citizens in formulating development policies and combating corruption.**

- ~ More citizens use MANS hotline for reporting corruption cases.
- ~ At least one significant civic action has been successfully carried out.
- ~ More citizens independently submit requests for information to public institutions.

#### **Make governance more transparent, accountable and responsive in the ways which eliminate corruption and increase the level of active citizenship.**

- ~ The National Parliament is holding more hearings and investigations resulting in clear findings and/or recommendations for changing policies, laws and/or practice.
- ~ More contracts on privatization of the biggest state owned companies in Montenegro are published; policies and practices are changed to be more transparent.
- ~ Freedom of Information Law is better enforced because institutions are publishing more information proactively and upon request; Administrative Court proceedings are shorter and rulings are granting access to information; Penalty Court procedures for citizens are clarified and produce results.

## **2. KEY ACHIEVEMENTS IN 2010**

### **Free Legal Aid**

- ~ More than 450 citizens and community groups were provided with free legal assistance, almost 60% of all cases submitted to responsible institutions, more than half of them are completed, out of which over 60% have satisfactory or partially satisfactory outcome.

### **Free Access to Information**

- ~ Institutions published 36% of information upon nearly 6.000 FOI requests; over 2.000 appeals submitted to supervisory institutions resulted with 50% of favorable decisions; more than 1.800 cases were initiated at the Administrative Court, 53% of them were resolved out of which 64% of court rulings were in favor of MANS;
- ~ Documents that were previously declared as confidential by the authorities are available to public due to our strategic litigation followed by advocacy campaign, including the Responses of the Government to the EU Questionnaire; the Contract between the Police and a telecommunication company allowing the Police to illegally collect data on individuals; and the Agreement between owners of the largest company in Montenegro - the Aluminum Plant of Podgorica (KAP) and the Government on over 300 million euro subsidies;
- ~ Reduced duration of court proceedings for cases of silence of administration from average five months to two months needed for a verdict to be brought, due to extensive submission of cases by MANS;
- ~ Police Directorate, the largest public institution in Montenegro and most frequently denying or ignoring FOI request reduced silence of administration from 36% in 2009 to 17%;
- ~ The Government withdrawn changes of Law limiting access to information from the Parliament's procedure following our media campaign and participation in debate in front of the responsible committee of the Parliament.



## **National Parliament**

- ~ For the first time ever, the Parliament changed a law on the basis of initiative submitted by citizens supported by MANS;
- ~ Five committees of the Parliament established practices to invite NGO representatives to participate in discussions on the basis of initiatives submitted by MANS in relation to issues of freedom of information, privatization and Parliament's operations;
- ~ Information on level of Parliament's and each MP's activities, as well as on this institution expenditures is regularly provided to public, while more information is proactively published by the Parliament;
- ~ The Parliament launched consultation process to define clear procedures for cooperation with citizens based on MANS' initiative submitted to the Deputy President of the Parliament;
- ~ MANS recommendations to improve Parliament's legislative, oversight and representative functions were used by the Secretary General for development of the Parliament's Action Plan for 2011.

## **Spatial Planning and Construction**

- ~ Police and prosecution made first arrests for organized crime and misuse of office in spatial planning and construction, based on MANS' criminal appeal submitted in 2008 and due to our continuous advocacy campaign;
- ~ The Government lowered capacities of hydro power dams on Moraca River due to strong public campaign we conducted in partnership with other NGOs and 14.000 of citizens mobilized to sign a petition;
- ~ Ministry for Spatial Planning and several local governments more proactively publish spatial plans and information on issued construction and operation permits due to previously created pressure using FOI legislation;
- ~ Increased transparency of inspection control and access to information on illegal development in Capital Podgorica and municipalities of Bar and Herceg Novi due to continuous monitoring of public institutions performances;
- ~ Revealed number of law violations involving high level public officials and reported to the prosecution.

## **Anti-corruption Policies**

- ~ Over 80 high level participants of the Fourth Annual Anti-Corruption Conference, organized by MANS, including Deputy President of the Parliament, Minister of Interior Affairs and Public Administration, numerous ambassadors and international community representatives, members of the Parliament, Government and Judiciary expressed their political support to fight against corruption and organized crime;
- ~ Factual information on results of implementation of planned reforms in fighting corruption and organized crime are available to public in final bi-lingual report and Publication on implementation of over 300 activities by more than 50 institutions;
- ~ Strategy for fighting corruption and organized crime is recognizing spatial planning, privatization and public procurements as areas of major risks due to MANS inputs.

## **Privatization**

- ~ Information on privatization of almost 50 companies are publicly available due to advocacy campaign, strategic litigation and mobilization of 150 workers and minority shareholders to submit nearly 500 requests for information;
- ~ Three major corruption cases discovered through extensive investigations conducted in cooperation with trade unions and reported to the prosecution.

## **Conflict of Interest of Public Officials**

- ~ Analyses of changes in wealth of Members of the Government in last six years is publicly available;
- ~ Revealed three conflict of interest cases and one possible illicit enrichment of high level officials.

## **Public procurements**

- ~ Identified main trends in violating public procurements and companies that are most frequently winning tenders, through analyzes of nearly 9.000 procurements;
- ~ Submitted one criminal appeal related to corruption in public procurements involving high level public official.

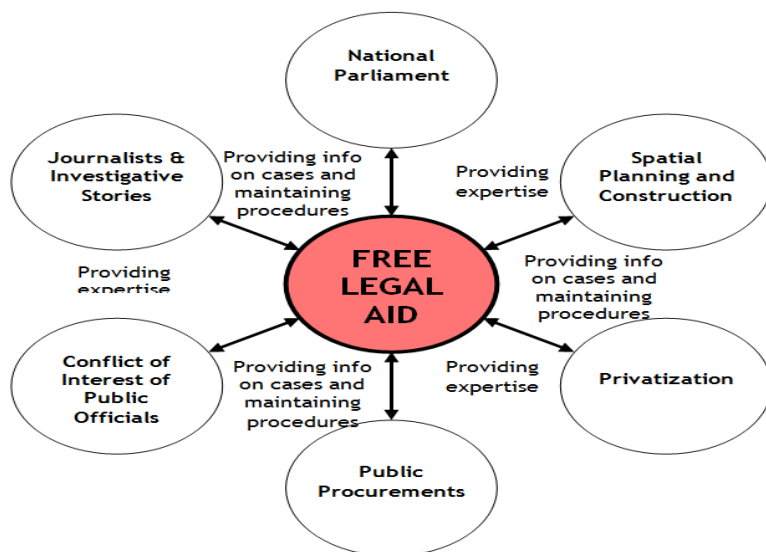
### 3. ACTIVITIES IN 2010

#### 3.1. Free Legal Aid

MANS was providing free legal aid to citizens reporting corruption, illegal construction and requesting information from public institutions. We were maintaining SOS phone line, online form for reporting cases and organizing meetings with citizens<sup>1</sup>.

Citizens were provided with an opportunity to anonymously report cases of corruption, where each of them was given a register number that they can call upon when asking for feedback. On the basis of information obtained from citizens, we submit freedom of information (FOI) requests asking for relevant documents and/or initiatives to inspections, police and prosecution, but also Parliament.

Free Legal Aid Team is receiving cases, maintaining all legal procedures using expertise of other teams in the organization. This service is provided in central office in Podgorica and two Regional Centers, in Bar and Herceg Novi.

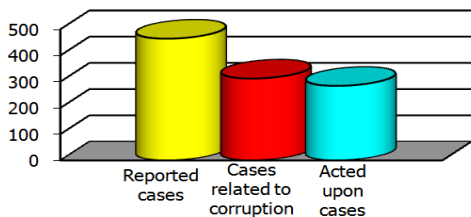


*Scheme 1: Free Legal Aid: distribution of information and responsibilities*

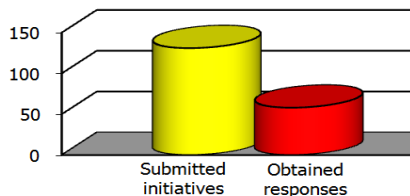
<sup>1</sup> Free legal aid includes the following stages: (i) Identification of problem reported by citizens; (ii) Identification of responsible institution and relevant legislative; (iii) Meetings with MANS' legal adviser, suggestions for legal steps; (iv) Support in submitting requests and appeals; and (v) Providing citizens with feedback and further suggestions

In 2010, **citizens reported 464 cases** out of which over 65 % or 312 cases were related to corruption. We acted upon 284 cases, 28 cases are still pending and in 152 cases we couldn't act.

On the basis of reported cases, we submitted **131 initiatives** to range of institutions<sup>2</sup>, obtained answers in 58 cases and forwarded them to citizens.

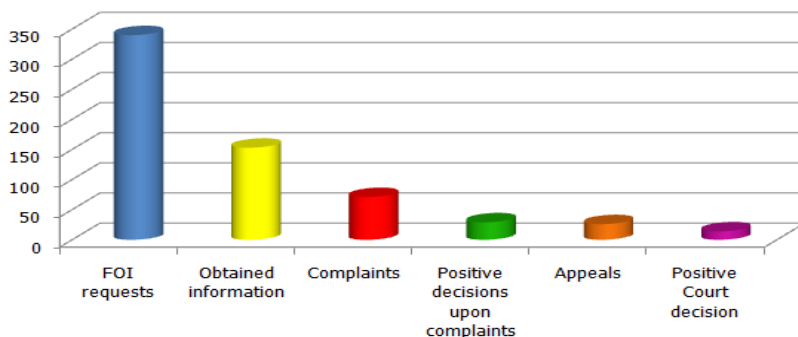


*Graph 1:  
Cases reported by citizens*



*Graph 2: Initiatives submitted upon cases reported by citizens*

We were collecting information related to possible corruption cases reported by citizens using Freedom of Information Law. **Acting upon reported cases, we submitted 340 FOI requests**, obtained information in 45% of requests and provided them to citizens<sup>3</sup>.



*Graph 3: FOI requests, complaints and appeals submitted to obtain information on cases reported by citizens*

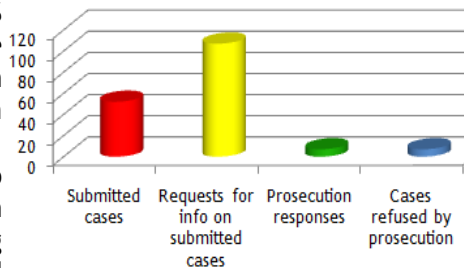
We submitted over **70 complaints to supervisory institutions** that were successfully resolved in over 40% of cases. We also submitted 26 appeals to the Administrative Court that made decision in 20 cases, with 70% of them in favor of transparency.

<sup>2</sup> Prosecution, Police, National Parliament and different inspections

<sup>3</sup> In almost every seventh case institutions stated they do not possess requested data, while in almost every fifth request, institutions did not provide any response.

According to law, public prosecutors should act ex-officio upon any information on possible crimes, including those published in media. However, prosecutors in the Montenegro almost never act upon numerous publicly disclosed cases, especially those related to corruption and misuse of power of officials.

In the reporting period MANS submitted **52 initiatives to the prosecutor's office** to act upon the information published in media. Following these initiatives, we also submitted 107 requests to prosecution to provide us with information on status of ongoing cases. The prosecution responded to only seven requests by rejecting submitted cases.



*Graph 4: Cases from media submitted to prosecution*

However, throughout the year, the prosecution publicly confirmed that they are acting upon some cases submitted by MANS<sup>4</sup>.

Some cases reported by citizens we processed to the National Parliament asking them to use control function to hold the executive accountable due to improper laws enforcement<sup>5</sup> (described in 3.3).

<sup>4</sup> For example, media published that an investment fund “Euro fond” in 2009 spent over 15 million Euro for buying shares and around 7 million Euro for buying real estate properties from connected persons - founders and/or the shareholders of the Fund. The shares were bought for the price much higher than the market one and media reported that through these transfers, over 15 000 of small shareholders were harmed. Based on this information, we submitted case to Public Prosecutor. Even though we never received official response from the prosecution on status of this case, we found out from media that the prosecution is investigating the case for six months upon our criminal appeal.

<sup>5</sup> For example, MANS was acting upon case reported by a group of citizens that the Ministry of Defense is destroying ammunition and endangering ecological and water system in their area. We submitted initiatives to Ecological and Water Inspection that never provided answers neither did the Ministry of Defense upon our FOI request. Therefore, in December 2010 we submitted initiative to the Parliament Committee for Security and Defense asking them to use their control function, review all relevant documents and conduct control hearing of all responsible persons in order to establish the facts. This initiative was reviewed by the Parliament in 2011.

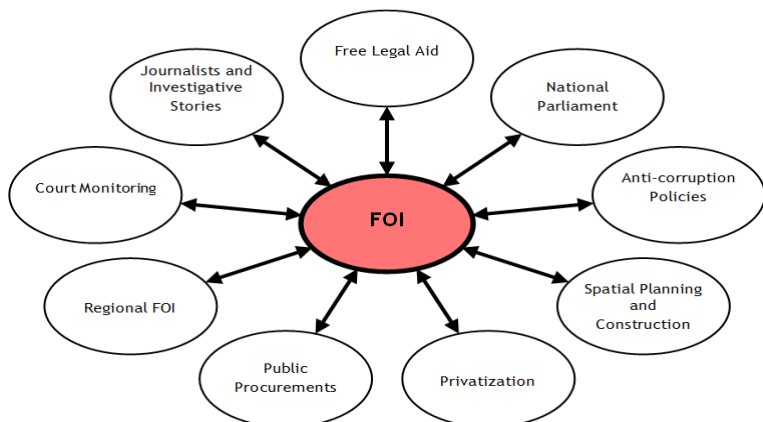
Free Legal Aid was promoted through number of **events** where we provided citizens with information on their rights and invited them to use our services.



We promoted free legal aid to citizens through paid media advertisements and the web site that also includes online form for reporting corruption cases.

### 3.2. Free Access to Information

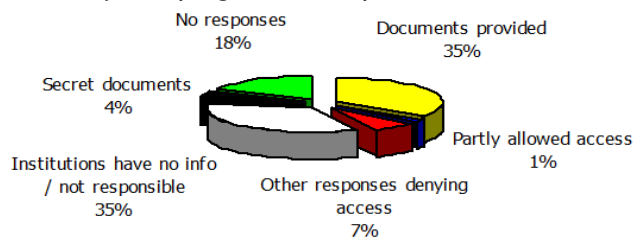
Freedom of information (FOI) is integrated into each of MANS' programs as a tool for obtaining documents from responsible institutions.



*Scheme 2: MANS teams using FOI as tool to obtain information*

Information obtained through FOI is provided to citizens requesting free legal aid, journalists working on investigative stories or members of MANS team. Some obtained responses serve as a basis for submitting initiatives to institutions responsible for fighting corruption; some are used for monitoring implementation of policies, laws and processes, or activities of particular institutions.

MANS has continued to monitor implementation of freedom of information legislative through extensive use of all legal mechanisms to obtain documents from institutions at all levels, mobilization of citizens to use their rights and provision of free legal aid, strategic litigation and advocacy campaigns based upon concrete cases.



*Graph 5: Responses to FOI requests (2010)*

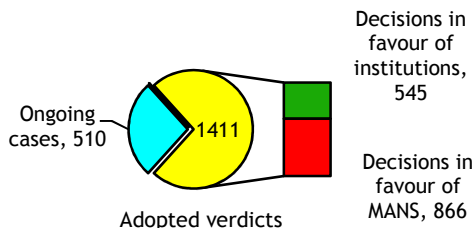
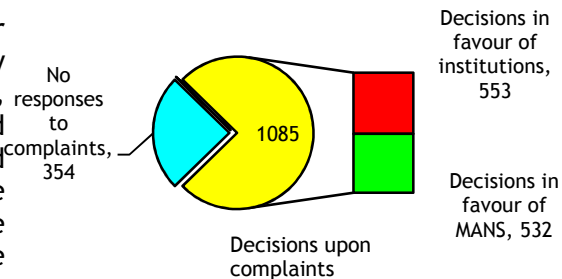
35% of requested documents, and over three quarters of all requested information for five years were obtained<sup>6</sup>.

In 2010 we submitted almost **6.000 FOI requests**, and since December 2005, when the Law was adopted, we have filed over 30.000 requests. In 2010 we received

<sup>6</sup> Level of obtained info in 2005-10 is higher than in 2010, due to responses obtained on the

17

In 2010 MANS submitted **over 2.000 appeals** to supervisory institutions. On average, supervisory institutions acted in more than 70% of cases and made less than 50% of all the decisions in our favor. Since FOI Law is in force we submitted 6.500 appeals.



*Graph 7: Verdicts of the Administrative court (2010)*

*Graph 6: Responses to complaints (2010)*

In 2010 we submitted **over 1.800 cases** to the **Administrative Court**, and over 4.800 in the six year period.

In 2010, the Court made decisions in 73% of the submitted cases and 62% of the decisions were in favor of MANS.

Since FOI Law is in force, the Court made decisions in 76% of all the cases, and 75% of them were in MANS favor. We also submitted over 170 cases to the Supreme Court that made decisions in 87% of cases, and 14 % of those decisions were in favor of MANS.

In May 2010, MANS organized **round table** with over 40 representatives of state institutions, international organizations, NGOs and media to discuss 10 recommendations for improvement of FOI practices of institutions on the basis of comparative analyses developed in regional project by partner organizations (described below).





Throughout 2010 MANS organized **street performances** to mobilize citizens to use FOI Law to obtain information held by the government. In May we organized two performances in northern Montenegrin municipalities Bijelo Polje and Berane and in July, performances were organized on three different locations in Podgorica.

On 28th September, MANS organized performances in nine municipalities across Montenegro<sup>7</sup> as a part of marking and promotion of *International Right to Know Day*. We distributed over 4000 leaflets to inform citizens on their rights to freely access information, and provided them assistance in filing templates for FOI requests.



In 2010 we managed to seize initiatives coming from the government to restrict access to information by changing the FOI Law.

Using strategic litigation and media campaign, MANS managed to access documents that revealed **violation of right to privacy by the Police** that had direct access to information held by telecommunication operators, without any control.

Strategic litigation in front of the Supreme Court contributed to more transparency of the **EU integration process**. The government published Responses to the Questionnaire of the European Commission that were previously declared as state secret as well as translation of the *Acquis Communautaire* that was previously declared as secret, justified by alleged protection of intellectual property of the Government of Croatia who provided it as their gift to Montenegro.

Due to successful mobilization of citizens we improved transparency of **privatization process**. At public debates on privatization (described in 3.6), we mobilized over 100 workers and minority shareholders that submitted 300 requests for information. In May we mobilized 50 more citizens to submit almost 200 FOI requests on privatization. When citizens did not obtain requested information, we provided them with free legal aid in submitting appeals and complaints.

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<sup>7</sup> Podgorica; Berane, Bijelo Polje, Pljevlja, Bar, Ulcinj, Tivat, Kotor and Herceg Novi.

Major change was made in relation to transparency of privatization of companies through liquidation procedure. Until MANS mobilized workers and minority shareholders of these companies to file requests for information and provided them with legal assistance in initiating court proceedings, all documents related to this type of privatization were declared secret. Finally, after our actions, followed with media campaign, citizens obtained documents for several companies.

Through extensive media campaign, we have improved access to information on privatization of the largest company in the country, the Aluminum plant of Podgorica (KAP). The Government published Settlement Agreement with that company that was signed followed by over 300 million euro of Government's subsidies.

We discovered number of cases related to illegal land use, and corruption in spatial planning and construction on the basis of documents obtained through FOI.



Throughout 2010, MANS was leading the **regional project** for monitoring level of transparency of public institutions in Montenegro, Croatia and Bosnia and Herzegovina, in partnership with Transparency International and Access Info Spain.

Through this action we strengthened capacities of the partners to use FOI to reveal corruption. We developed special request tracking software for BiH and Croatia, on the basis of Montenegrin version, and organized training for partners in using the database for monitoring transparency of state institutions in their countries.

Special communication tools and joint visual identity were developed and all partners participated in joint media campaign. Partners submitted number of comparative FOI requests in six areas prone to corruption<sup>8</sup> and developed comparative analyses of FOI legislation in all three countries, with recommendations for improvements.



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<sup>8</sup> (i) privatization, (ii) public procurement (iii) licensing procedures, (iv) wealth and potential conflict of interest of public officers, (v) financing of political parties, (vi) implementation of anticorruption policies by administrative bodies, police and prosecution

### 3.3. Monitoring National Parliament

Throughout 2010 MANS was **observing plenary and sessions of all Committees of the Parliament** of Montenegro, collecting and publishing data on Members of the Parliament (MPs) activities and Parliament's performances.

During 2010, the Parliament had 76 days of plenary sessions while 12 Parliament's committees held total of 238 meetings. MANS' Parliament Team directly observed each of those sessions and collected information on activities of each MP, level of work of the Parliament and its committees, use of the Parliament's oversight mechanisms and other control functions.

In March 2010 MANS has published Annual Report on the work of the new Parliament's Assembly in 2009<sup>9</sup>.

Following media campaign conducted by MANS, new Secretary General of the Parliament decided to increase transparency of work of that institution, and started developing new internet portal. All our major remarks were accepted by the Parliament and the new portal is in place.

We have developed Report on **Parliament's Budget Realization for 2009** which contained information on all expenditures of the Parliament in 2009, public procurements, salaries and additional fees and benefits of the MPs and the Parliament's administration.

In 2010, MANS continued to monitor Parliament budget expenditures. For that purpose, we have submitted over 370 FOI requests, obtaining almost 90% of requested information.

All information collected during 2010 were analyzed and presented in form of two **watchdog reports** on activities and expenditures of the Parliament<sup>10</sup>, published in February and November 2010.

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<sup>9</sup> Report contained all relevant information regarding activities and operations of the Parliament, political parties participating in the current Assembly and activities of each MP, as well as information on use of the Parliament's oversight mechanisms and other control functions.

<sup>10</sup> The report included information on activities and operations of the Parliament, political parties, MPs, usage of the Parliament's oversight mechanisms and other control functions, but also information on conducted public procurements, fees and benefits of MPs and Parliament's administration, and other figures ensuring its transparency.

In order to improve **information sharing between MPs and citizens**, in the reporting period MANS distributed 44 weekly newsletters on activities of the Parliament through 19 MANS e-lists with more than 3,400 members, but also to each MP. We were also informing stakeholders on laws that are in procedure in the Parliament and providing them with assistance to submit analyses, comments and proposed amendments to the MPs.

MANS developed two **Comparative Analyses** related to rules, procedures and experiences of five parliaments from the region<sup>11</sup> in dealing with citizens' initiatives and in using control functions to hold the executive accountable in relation to privatization.

We presented best practices identified in the comparative analyses at **round table on public participation in Parliament's affairs** that gathered over 50 prominent participants<sup>12</sup>. Trade Unions' leaders from the largest companies presented participants problems in almost twenty concrete cases of privatization.



We also submitted an initiative to the Deputy President of the Parliament asking for consultation process to be organized to define clear **procedure for revision of citizens' initiatives**, and proposing solutions on the basis of best practices from the region. The Deputy President processed the initiative in front of relevant Parliament's committees that are supposed to discuss it in the upcoming period.

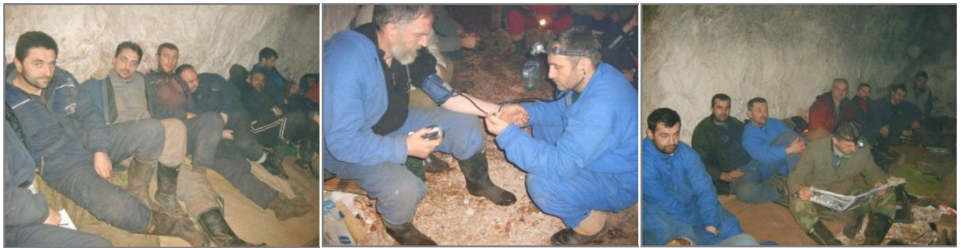
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<sup>11</sup> Croatia, Macedonia, Serbia, BiH and Montenegro

<sup>12</sup> Including Deputy Prime Minister Government of Montenegro, Acting Head of EU Delegation to Montenegro, Minister for Economy, president of the Commercial Court, MPs, members of the Government, judges, representatives of diplomatic and international and community and civil sector representatives.

Based on cases reported by citizens, MANS submitted 13 initiatives to the Parliament's working bodies, and Parliament's committees acted upon six of them.

Four initiatives referred to the case of **miners that were striking in the underground mine "Biocki stan"**<sup>13</sup>, and three of them were discussed by the Parliament's committees and the General Assembly, resulting in adoption of the changes of the Law on Pension System that was main condition for workers to abort the strike. It was the first time that a Law was changed upon citizens' initiatives. Moreover, the Parliament's Commission for Oversight of Privatization for the first time held session outside of the Parliament, since members of the Commission went down to the mine and spoke directly with miners that were in strike. After this case, the Commission acquired practice to have additional sessions outside Parliament, in order to gather more information, to involve citizens in the decision making and in order to bring more informed decisions.



One MANS initiative was related to **privatization of the company "Ironworks - Niksic"** where Commission for Oversight of Privatization scheduled special session and discussed conditions in that company. This prevented more radical strikes in that company and contributed to more active involvement of the Supreme State Prosecutor in investigating this case.

Another initiative was submitted in July 2010 to the Defense and Security Committee to review whether **National Security Agency** is conducting surveillance over NGOs, journalists and political leaders. The Committee ordered the Agency to prepare special report upon our initiative in September 2010. The report was submitted to the Parliament, but was never reviewed by the Committee.

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<sup>13</sup> MANS was contacted by over 70 workers of the Mine "Biocki stan" that were striking underground for more then 20 days with request for legal aid in processing initiatives towards National Parliament.

Next initiative, related to **changes of the FOI Law**, was submitted to two committees, one refused to invite us, but the other committee invited us and majority of MPs supported our amendments. Following that, the government redrew the law proposal.

Three initiatives were sent to Parliament's committees on Security and Defense; Human Rights and Freedoms and Agriculture, Ecology, Tourism and Spatial Planning in December, regarding **destruction of almost two tons of weapons and ammunition**<sup>14</sup>.

Other initiative was submitted to the Parliament's Committee on Economy Finance and Budget in December 2010, regarding **finances of the National Television**.

Last initiative we submitted to the Committee on Economy, Finance and Budget, also in December, and provided MPs with proposals for amendments to the **Law on Accountancy and Audit**, developed together with the Montenegrin Institute for Accountancy and Audit.

For each submitted initiative we created public pressure through media campaign, necessary for the initiatives to be reviewed by relevant committees. In 2010 relevant **Parliament's Committees invited us to participate at seven sessions** and provide them with further information related to submitted initiatives.

In this way, on the basis of concrete cases, we were able to show how the Parliament could act upon citizens' requests as well as develop practice for future civic initiatives to build on.



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<sup>14</sup> We have asked each committee to conduct hearings of responsible officials and bring conclusions regarding possible violations in relation to discrepancy between destroyed weapons and ammunitions with ones envisaged by the Contract; possible violations of human rights and effects on environment. In 2011 the Parliament's Committee for Agriculture, Ecology, Tourism and Spatial Planning has seated special session upon submitted initiative, and brought eight recommendations and conclusions to the Ministry of Defense.



### 3.4. Monitoring Anti-Corruption policies

MANS is continuously monitoring implementation of anti-corruption policies, since the first such document was adopted.

At the beginning of 2010, on the basis of all collected information we are developing Shadow Reports on implementation of the Action Plan (AP) that was in force until the end of 2009.

That material was used for developing **amendments to the official report**, adopted by the National Commission, established by the Government. At the first meeting in 2010, MANS submitted over 70 amendments to the Official Report and 6% of them were accepted by the majority in the Commission in the form of recommendations for 20 competent institutions.

We developed publication presenting activities of the National Commission from 2007 to 2009, providing information on implementation of the Action plan with case studies. The publication provides information about passive role of the Parliament in dealing with these issues, and presents overview of experiences of Parliaments in the region. The publication was used as baseline material for MANS **Fourth National Conference on Fight against Corruption and Organized Crime**.



The Conference was launched by the Minister of Interior Affairs and Public Administration while ambassadors of the European Union, United States of America and United Kingdom opened the event, providing their opinion on anti-corruption reforms in Montenegro.

The Conference was attended by about 80 participants representing all branches of power, international community, local NGOs and media. Presenters included Deputy Speaker of the Montenegrin Parliament, four MPs from three parliamentary political parties, as well as dozen foreign experts such as EULEX and the US prosecutors, expert for drug smuggling from John Hopkins University, GRECO representative etc.

MANS representative was appointed by the Minister of Interior to the **Task Force for development of the new Strategy** for Fight against Corruption and Organized Crime. We have provided numerous inputs for that document related to our field of work<sup>15</sup>, participated at nearly 30 meetings and developed the new Strategy.

In parallel with development of the Strategy, the Government was in secrecy developing new Action Plan for Fight against Corruption and Organized Crime. After analyzing that document, we advocated for its changes, with participation of civil society.

MANS representative was appointed to the new **National Commission** that is monitoring implementation of the Action Plan<sup>16</sup>. We have participated at two sessions of this body and upon our initiative the National Commission discussed the European Commission's remarks from the Analytical Report, related to organized crime and corruption and "Balkan Warrior" case related to cocaine smuggling.

We proposed the National Commission over 200 concrete **recommendations to adjust current Action Plan** with obligatory findings and remarks from the EC Opinion on Montenegrin Request for Candidacy Status, which will be debated in 2011.

In parallel, we started **monitoring new Action Plan** with more than 260 activities, by submitting over 1.200 FOI requests to 65 institutions responsible for implementation of reforms.

Since statistics is Government's only response to more and more frequent requests for concrete results in fighting corruption and organized crime, we decided to conduct analyses of final judicial verdicts to find out **what is hidden behind statistics**. However, it appeared to be quite challenging task.

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<sup>15</sup> Provided inputs were related to: Parliament's oversight role, conflict of interest, freedom of information, spatial planning and construction industry, public procurements, privatization process, media freedom, whistleblowers protection, civic sector, organized crime, money laundering, financial investigations and many more.

<sup>16</sup> Members of the Commission include: Deputy Prime Minister and Minister of Justice as a President, Minister of Interior as a Deputy President, presidents of Parliament's committees on Economy, Finance and Budget and Political System, Judiciary and Administration, President of the Supreme Court, Supreme State Prosecutor, Director of the Police Directorate, Director of Anti Money Laundering and Terrorism Finance Directorate, Advisor to the Prime Minister on Legal Matters, Director of Directorate for Anti Corruption Initiative, Secretary of the Ministry of Finance and NGOs' MANS and CEMI representatives.



We have submitted 304 FOI requests to all basic courts, but only every third court provided us with their final verdicts, and the others declared verdicts secret or in other ways avoided to provide those documents<sup>17</sup>.

The Ministry of Justice, as supervisory institution in administrative procedure, was supportive of such courts' non transparent behavior, when deciding upon our appeals<sup>18</sup>. Decisions of the Basic Courts were mostly confirmed by the Administrative Court, whose verdicts are available at their web site. On the basis of obtained information, in 2011 we will develop analyzes of type of corruption cases hidden behind the official statistics and accessibility of judicial practices.

We organized **performance to invite prosecution to start fighting corruption at the highest levels**, instead of processing administrative corruption to improve statistics. This performance was our response to statements of the prosecution that they cannot follow some of our cases including possible criminal activities abroad, due to language barriers.



At the end of 2010, we have celebrated International Anti-Corruption Day by organizing performances and distributing awareness raising materials. We asked National Parliament to more effectively use its oversight function, to reduce misuse of power by the Executive and to change legislation that is causing malpractices.



<sup>17</sup> We obtained 31% of requested documents, in 27% cases, courts declared their verdicts secret and in 12 % of cases courts provided no responses to our requests.

<sup>18</sup> We submitted 185 complaints to the Ministry of Justice that decided in 117 cases and made 33 decisions in favor of MANS, while for 68 cases they provided no response.

### 3.5. Spatial Planning and Construction

During 2010 we were working on increasing transparency of spatial planning, monitoring work of institutions responsible for spatial planning and construction in concrete cases submitted by MANS or citizens, especially those involving high level public officials.

MANS continued to bring more light into spatial planning and development processes by maintaining **16 online maps** of illegal development<sup>19</sup> from three municipalities. The maps are providing information on planned dimensions and positions of objects, photos of illegally constructed ones, construction permits, initiatives to inspections and their responses, as well as all responses obtained via free access to information act.



In order to develop maps we submitted more than 1000 requests for information, asking for spatial plans, construction permits and other urban development related documents.

During 2010, MANS visited nearly 50 public debates on urban development issues. We were providing support to citizens in fighting corruption and mobilizing them around common issues.

Together with Green Home and other NGOs, we **mobilized 14.000 citizens** to sign petition for protection of River Moraca. Forced by the public pressure, the Government had to rethink the plans for constructions of **large-scale hydro power dams** on Moraca River and redraft the spatial plan to be publicly discussed in another cycle of consultations with citizens. We have also developed a set of comments on the Plan and Strategic Environment Impact Assessment Study and submitted them to the Government.

We were monitoring illegal developments on the field in capital Podgorica and in municipalities of Ulcinj, Bar, Budva, Herceg Novi, Tivat and Kotor. On the basis of collected information we submitted more than **160 initiatives for inspection control**, predominately to national construction inspection.

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<sup>19</sup> <http://www.mans.co.me/odrziwi-razvoj/mapa-nelegalne-gradnje/bar/>



Year 2010 brought final opening of the infamous “Zavala” case with the first arrests based on MANS’ criminal appeal submitted in

2008. Mayor and Deputy Mayor of Budva were arrested on charges for misuse of office and organized crime in spatial planning and construction. Prosecution failed to process key players identified by MANS, ex Vice-Prime Minister and former Minister of Spatial Planning.

Another case is related to family connections possibly affecting spatial planning process. MANS discovered that the **Minister of Spatial Planning** provided approval for adoption of the spatial plan that is envisioning construction of apartment buildings on land owned by the Minister’s close relative. Construction capacities on that particular location were increased only when draft plan was provided to the Minister for approval. MANS also discovered that process of development of that plan was burdened by conflict of interest, as company that was awarded contract to design the plan, was closely connected to company of the Minister’s relative that owns the land. The case was reported to all responsible institution, including the prosecution.

**A case related to Mayor of Podgorica**, reported by MANS in 2007 and refused by the prosecution in 2008, without any justification, is reopened following decision of the Basic court in May 2010, nullifying the Mayor’s decision on selling the land without tender. In 2007 MANS discovered that Mayor of Podgorica might be misusing the office while selling more than 15.000 m<sup>2</sup> to a local company, without public auction, harming the budget for nearly 11 million euro. Following refusal of the prosecution, the Basic Court in Podgorica, deciding upon private law suit initiated by another company, also interested for land in dispute, found that the Mayor violated the law. MANS submitted another criminal appeal and the case is still pending.

In 2010 MANS number of cases involving **Mayor of Bar** who was legalizing illegal construction of his own company. He failed to conduct his oversight role in construction of objects and granted contracts for public works to connected companies. We have managed to pin down so-called “network of interests” of companies and individuals around the Mayor, showing that illegal influence on decision making was possible. All these findings we submitted to the prosecution.

We discovered conflict of interest among plan developers, responsible government representatives and land owners. Spatial plan defining future touristic valorization of the large part of the country's northern region "Bjelasica - Komovi" was developed by a company owned by **ex-Prime Minister's brother** who also owns construction land within the plan. Due to obvious conflict of interest in process of selecting planning company, we submitted an initiative to Directorate for Public Procurement. The case is pending.

Another major case was related to illegal construction conducted by **brother of the former Minister of Interior**. The case is focused at the fact that complex of 11 luxury villas and two apartment buildings were illegally constructed for more than three years during which period responsible inspections did almost nothing to prevent law violation and sanction the investor. Mayor of Bar was well informed about this illegal construction, and despite of that initiated development of plan to legalize the complex. We submitted criminal appeal to the prosecution.



We discovered that **public institutions are illegally constructing** and inspections are not reacting. Part of the house registered to the National Security Agency of Montenegro in Podgorica is illegally built. The Agency has illegally constructed extra annex to existing object, doubling the dimensions of the object. The object is duly reported to responsible inspection, still failing to conduct inspection control over the object.

MANS was also researching work of several **public companies established by Budva municipality** founded with purpose of managing, renting and selling municipal construction land worth over 200 million euro in total. MANS discovered a very complex scheme of interconnected public officers holding seats in boards of these companies. We found out that financial operations of these companies are nowhere to be recorded as for several years they did not submit their financial reports to their founder, local parliament of Budva municipality. MANS submitted this case to the Police and still waiting for their response.

### 3.6. Privatization

Most corruption cases reported to MANS referred to corruption in privatization, where obligations defined by social, investment and ecological plans were not fulfilled. At the same time privatization contracts were kept away from public and obligations of new owners regarding investments are frequently changed through secret annexes. Violations of laws and privatization contracts are the most severe in northern part of Montenegro, which eventually lead to collapse of local economies.

MANS was providing workers with **free legal assistance** and managed to obtain privatization contracts and annexes for 12 companies.

We collected information on over 130 privatized companies from media, through FOI requests, by researching official registers of companies and of property. Further information we collected through direct contacts with trade unions at seven **public debates** organized in February 2010 that gathered about 500 participants from 40 companies.



In cases when MANS couldn't obtain information from relevant institutions, we prepared set of FOI requests and **mobilized** workers and minority shareholders to submit them. In that process, over 150 citizens submitted nearly 500 requests for information.

On the basis of all collected information, we developed **analyzes** of privatization that is pointing out major trends in corruption and violation of the privatization contracts.



Based on analyses we submitted **over 50 initiatives to Labor and Tax inspections** which provided answers to nearly 30 initiatives and identified irregularities in 10 cases. We submitted nearly **80 initiatives to the State Prosecutor and Police** which rejected 15 cases, in one case the criminal procedure was already initiated and in the rest of the cases they did not provide us with answers.

MANS provided extensive legal assistance in cases of extreme violations of privatization contracts to workers in “Bauxite mine”, “Iron factory” and “Techno steel”.

Over seventy miners of the privatized bauxite mining company “Rudnici Boksita” started strike in mine three kilometers under the ground, which lasted for 25 days. The strike began because the new owner violated privatization contract, concessions act and legislative regulating labor rights<sup>20</sup>. MANS collected and analyzed all available documents and provided workers with free legal aid in reporting violations of laws and contracts to responsible institutions<sup>21</sup> and in approaching the National Parliament (described in 3.3). We have also collected legislative from other countries regulating rights of miners and assisted them in communication with MPs and media. Workers requests were mainly fulfilled, and they aborted the strike, but the privatization and concession contract is still in force, despite of violations. MANS reported Minister of Economy to the prosecution, on the basis of documents showing that he was allowing new owners to violate privatization contract and abolishing them from prescribed fines.



<sup>20</sup> Namely, the workers were not regularly paid their salaries, and the new owner planned mass layoffs with severance pay extremely lower than defined by collective agreement, as well as closure of a part of the mine - all contrary to privatization contract. Moreover, workers asked for resignation of Trade union leader that was allegedly involved in embezzlement of company's real estate property and money.

<sup>21</sup> We submitted initiatives to relevant institution (Labour inspection, Mining inspection, Police, State Prosecutor)

In the case of the Iron factory, we have collected and analyzed all available documents, and discovered several hundreds of off-shore companies registered at tax heaven destinations to be connected to privatization. Upon our initiative, the Parliament discussed this privatization and violations of the contracts and relevant legislative (described in 3.3), while the prosecution and Anti-money Laundering Agency are currently investigating the case. However, new owners of the Iron factory initiated two court cases against MANS for slander (described in 3.9).

Another case was related to workers of company “Techno steel” that were striking for months. We provided the workers with documents showing murky connections between current and previous owners and directors. After presentation of these facts, prosecution started investigating the case, and the strike was soon stopped.

Through cooperation in these cases, MANS established strategic partnership with Independent Trade Union, that would remain important partner in our future activities

MANS supported “Aluminum Plant” and “Iron company” Union presidents that were unlawfully fired in previous years due to performing trade union activities. The representative of “Aluminum plant” was fired due to attendance of MANS round table on the role of the Parliament in privatization (described in 3.3). After strong public pressure as well as of her co-workers she was returned to the company. The representative of the “Iron Company” Union was provided with our assistance in conducting case against Labor inspection decision in which they failed to protect his rights in an unlawful dismissal.

Due to debts of the new owner toward the State, the Government became again one of the shareholders of “Aluminum Plant” Podgorica - once the biggest Montenegrin company. However, the contract and annexes were kept secret and MANS conducted media campaign after which all relevant documents were published. Information gathered in this case we presented to the National Parliament’s Commission for Monitoring Privatization (further information is provided in 3.3).

### 3.7. Conflict of Interest

MANS was monitoring implementation of Law on conflict of interest by comparing official reports on property and income submitted by 21 members of Montenegrin Government in last six years. Developed analysis was published at MANS' website containing information on their incomes, properties, shares, and other assets.

On the basis of analyses, we submitted three high level cases of conflict of interest to the responsible Commission but all of them were rejected. One of the cases was related to the Prime Minister.

In November 2010, we have requested the Commission for the Prevention of Conflicts of Interest, to give us a Contract between the **Minister of Foreign Affairs** and one commercial bank, by which he returned 100.000 Euro worth loan in only two years, even though total income of him whole family was not enough to return even one quarter of this amount in that period of time. The Commission decided that requested information is restricted because its disclosure would significantly harm privacy of the Minister. We submitted appeal to the Administrative Court and the case is still pending.

In 2010, MANS discovered an example of severe conflict of interest among key stakeholders involved in development of spatial plan and directly benefiting from it. While analyzing the ownership structure of the land covered by the spatial plan, MANS discovered that large construction parcels are owned by the brother of the **Prime Minister**, some parts owned by the nephew of the Prime Minister, and other parcels by other close friends of the Prime Minister. The new plan was defining a large scale urbanization of significant part of the northern part of the country, predominately through construction of tourist capacities, hotels and ski resorts.

In 2010 citizens reported to MANS the case of **Mayor of Berane** for nepotism when employing at least nine members of his family in different sectors<sup>22</sup> of local self-government, mostly at managing positions. We have not received any official information from the Prosecution, but media reported that the investigation is ongoing.

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<sup>22</sup> Directorate for investments and development, Chief Administrator of the Municipality, Center for Finances, development and communications, Utility service department, Center for culture and Secretariat for agriculture



### 3.8. Public Procurements

In order to encourage public officials to report corruption in public procurements in July we organized dissemination of **awareness raising materials** in eight national and local state institutions among which are National Parliament, Supreme Court and Supreme State prosecutor. The materials contained information on main anticorruption legal provisions from the Law on public procurements and information on SOS line for reporting corruption to MANS.

In 2010 we collected **nearly 2000 decisions on awarding public contracts**, submitted about 70 FOI requests and obtained information in 65 cases. Based on almost 9000 collected decisions on awarding tenders collected from 2008 to 2010, we developed case studies on cooperation of state institutions with same companies through awarding them the contracts of high values.

We discovered that the Municipality of Bar and the Directorate for Maritime Safety are signing public procurement contracts with companies connected to the local and state officials for indefinite period of time and without precise amounts of money. Even though the Law was breached in both cases and we submitted them to the prosecution, we do not have information on activities they conducted.

### 3.9. Other Activities

#### European Integration

MANS developed a **Shadow Responses to the Questionnaire** of the European Commission focusing at key challenges identified through MANS monitoring of the National Parliament and of reforms implementation in fighting corruption and organized crime.

That document was distributed to all international stakeholders and Montenegrin media, as MANS' contribution to the objective and realistic assessment of the application of Montenegro for membership of the European Union.

Following successful advocacy conducted by MANS that resulted with the government publishing responses to the Questionnaire of the European Commission<sup>23</sup>, MANS developed **Second Shadow Report** and provided it to the EC in July 2010, and published in media. The report was focused at shortcomings of the official, Government's responses related to fight against corruption and organized crime, but also issues related to freedom of speech and environment, as well as data on performances of Parliament and judiciary.

MANS further improved its contacts among Members of the **European Parliament** (MEPs) by presenting situation in Montenegro at the workshop organised by European Parliament's Committee on Foreign Affairs<sup>24</sup>. Some of our comments were presented by MEPs as amendments to the Resolution on Montenegro and adopted by the European Parliament.

Prior to development of the Opinion on Montenegro candidacy, we were also consulted by the DG Enlargement, EU Delegation in Montenegro and experts of the EC assessing performances of the government in fighting corruption and organised crime.

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<sup>23</sup> Questionnaire for the preparation of the Opinion on the application of Montenegro for membership of the European Union

<sup>24</sup> Workshop „Fighting Corruption in the Western Balkans - Overview of the Region and Case Studies organised by European Parliament's Committee on Foreign Affairs, Brussels (October 2010)

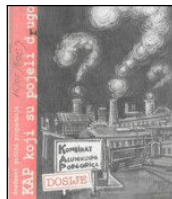
## Supporting Media in Investigating Corruption and Organized Crime

We have established team of journalists in Montenegro working on investigative stories related to corruption and organized crime that are published in two daily printed media and one weekly.



The journalists were working on stories related to privatization and MANS held several workshops with the group, developing their capacities to work in teams, to use freedom of information requests and

analyze obtained answers. Since beginning of this year, ten investigative stories were developed and published. Each story was published in daily “Dan” and “Vijesti”, and weekly “Monitor”.



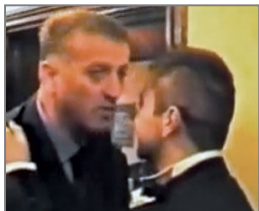
Previously established team of journalists from Montenegro, Albania, Macedonia, Kosovo, Serbia, Bosnia and Croatia was working on the investigative story related to organized crime, in particular smuggling of cocaine through Balkans.

We organized two day workshop for journalists from the region to discuss how to cooperate and exchange information, as well as to review and compare already collected data, and identify links between organized crime structures in Balkan smuggling cocaine.

The team is exchanging information through special listserv to ensure that journalists from each country are cross checking data on members of criminal structures. Furthermore, Montenegrin part of the team was provided with training in financial investigations. Joint regional story will be published in 2011.

## Drugs, Lies and Video Tapes

A journalist from weekly Monitor was writing about video showing Safet Kalic who is involved in heroin smuggling, according to public statements of the Serbian police and some documents of Montenegrin National Security Agency (NSA).

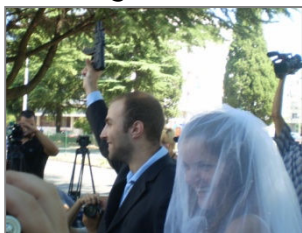


During 2010 the video was published at You Tube, showing that Kalic's wedding gathered heads of organized crime from several countries, and high level NSA's representative, who seemed very close to Kalic. MANS invited the NSA to react, but they stated that their representative was at the wedding in the official capacity.

We asked the police and prosecution to conduct investigation. Instead, Monitor journalist and MANS representative were interrogated by the police investigating who posted the video at internet.

Director of the Police stated that the video was edited by "someone" and accused MANS for working in "someone's" interest. He said that those NGOs and media saying that corruption and organized crime are serious problems are working against interests of the country and its citizens.

Following that, MANS senior staff requested the NSA to provide us with information they collected about us, if they possess such data. The NSA stated they cannot provide us with information whether they collect data on us, as it could endanger national security. MANS have organized performance in front of the NSA premises asking them to stop secretly collecting data on civil society activists.



We mobilized nearly 50 journalists and politicians to ask whether the Agency was collecting data on them. Transparency International and Civil Rights Defenders publicly reacted and sent their letters to the highest level politicians asking for pressure at civil society to be seized.

Upon our initiative, Parliament's Defense and Security Committee held a session and ordered the NSA to prepare special report regarding possible surveillance of MANS in September 2010. The report was submitted to the Parliament, but was never reviewed by the Committee.

### **Court cases against MANS**

The first court case against MANS for libel, initiated by Mayor of Cetinje was refused by the court during 2010, following number of trials. Prior to the decision, MANS organized performance in front of the court.



The performance was related to so-called “soul pain” of the Mayor that resulted from article related to criminal appeal for misuse of power.

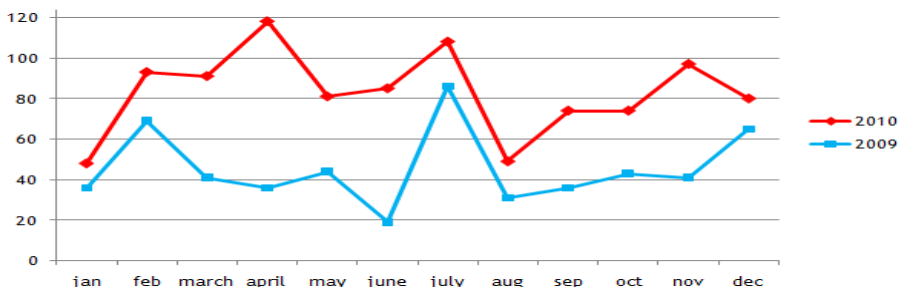
In the first half of 2010 we expressed our concerns that the owner of the Ironworks factory, a Netherlands off-shore company, through series of connected off-shore companies was avoiding taxes or laundering money. All information presented to media and submitted to relevant institutions were collected from official national and international sources and registers. The owner of Ironworks submitted civil and criminal suits for libel against MANS and its Executive Director. In both cases at the end of the year Basic Court decided in favor of MANS, but decisions are to be finally decided by Higher courts.

MANS publicly stated that we submitted criminal appeal against Head of the Construction Inspection for misuse of office while inspecting construction of several apartment buildings near Budva. In October 2010 she filled a private law suit asking for 8.000 euro as compensation for “damaged” public image and professional reputation. First court session is scheduled for the beginning of 2011.

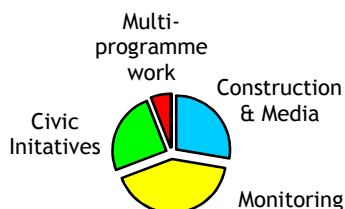
## 4. PUBLIC RELATIONS

### 4.1. Media

We have excellent cooperation with most printed media and MANS is very frequently present in public. During 2010, almost **1000** articles on our work were published in three daily, one weekly newspaper and at one news agency, 82% more than in 2009. Over 13% of all articles were published at cover pages, 86% more than in 2009.



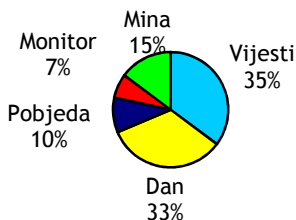
Graph 8: Number of articles in printed media in 2009 and 2010



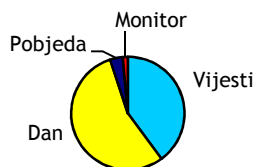
Graph 9:  
Number of articles in 2010 - by programs

Graph 9 is showing participation of each program in the total number of articles published during 2010. Most articles were related to activities of the Monitoring program, combining activities of free access to information, monitoring anti-corruption policies and parliament monitoring.

Daily „Vijesti” and „Dan” were equally following MANS work during 2010, unlike daily “Pobjeda” owned by the government. “Mina News Agency” was moderately writing about our activities.

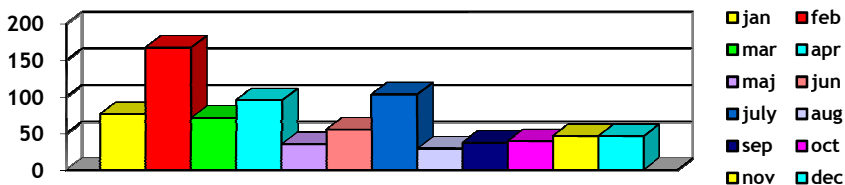


Graph 10:  
Number of articles by media in 2010

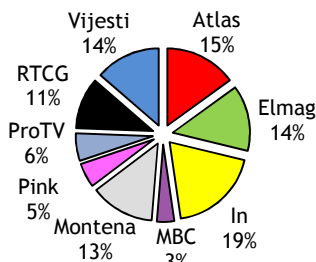


Graph 11:  
Number of cover pages by media in 2010

In 2010 nine TV networks published **800 news pieces** on MANS activities.



Graph 12: Number of pieces in TV news in 2010



Graph 13: Number of pieces in news per TV network in 2010

Most news pieces on MANS activities were published at In TV, but significant number was also published at Atlas, Vijesti and Elmag TV networks.

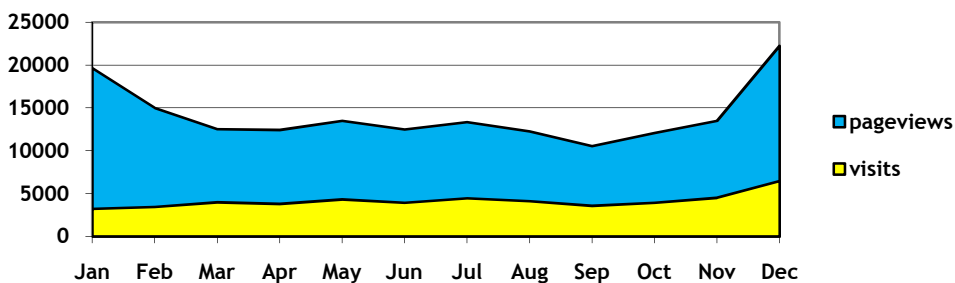
TV Montena and Public service (RTCG) are modestly reporting on our activities, and ProTV, MBC and Pink are very rarely publishing stories on MANS work.

## 4.2. Web site

MANS is maintaining its official web page [www.mans.co.me](http://www.mans.co.me) and portal with investigative stories developed by network of journalists [www.podlupom.info](http://www.podlupom.info).



In 2010 over **40.000 unique visitors** were attracted by our web page, [www.mans.co.me](http://www.mans.co.me), three times more than in 2009. The web site was visited almost 50.000 times, three times more than in the previous year, and about **170.000 pages** were viewed, twice more than in 2009.



Graph 14: Number of visits and page views in 2010 - [www.mans.co.me](http://www.mans.co.me)

Portal [www.podlupom.info](http://www.podlupom.info), that was visited over 4000 times with over 13.000 pages loaded or 85% more than in 2009.

### 4.3. Awareness Raising Materials and Performances

MANS was publishing range of awareness raising materials on issues that were in focus of our advocacy campaigns. We have published number of billboards and brochures for citizens', promoting their rights and our services, especially free legal aid.



Materials were distributed at info corners at local level, and through performances that became part of MANS public image.



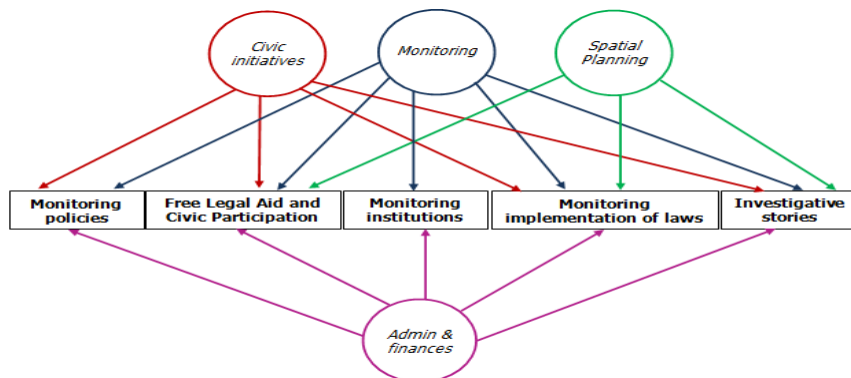
We were using performances to present problems in unusual, frequently ironic way. They were very effective tool for raising awareness of public and media, helping in mobilizing citizens and advocating for changes.

In several municipalities we were distributing awareness raising materials to citizens and providing them with free legal assistance in reporting corruption and submitting requests for information (more in 3.1 and 3.2).



## 5. ORGANIZATIONAL CAPACITIES AND DEVELOPMENT

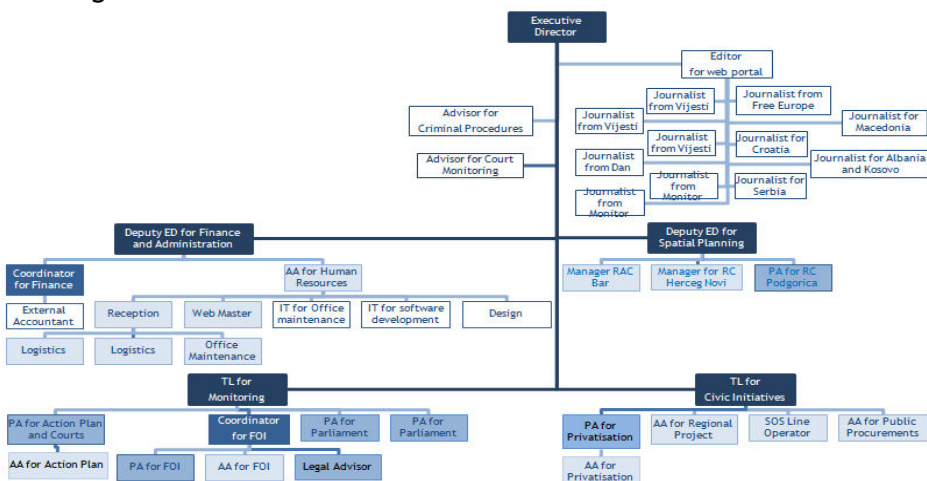
MANS is composed of four teams combining different type of activities to increase transparency and improve fight against corruption.



*Scheme 3: MANS Teams and Type of Activities*

At the end of 2010 MANS had offices in Podgorica, Herceg Novi and Bar, **29 full time employees<sup>25</sup>, six part time consultants and working with 12 journalists** on investigative stories.

Out of total 46 people engaged in MANS, 23 are women, 19 of them working full time.



*Scheme 4: MANS Organizational Structure at the end of 2010*

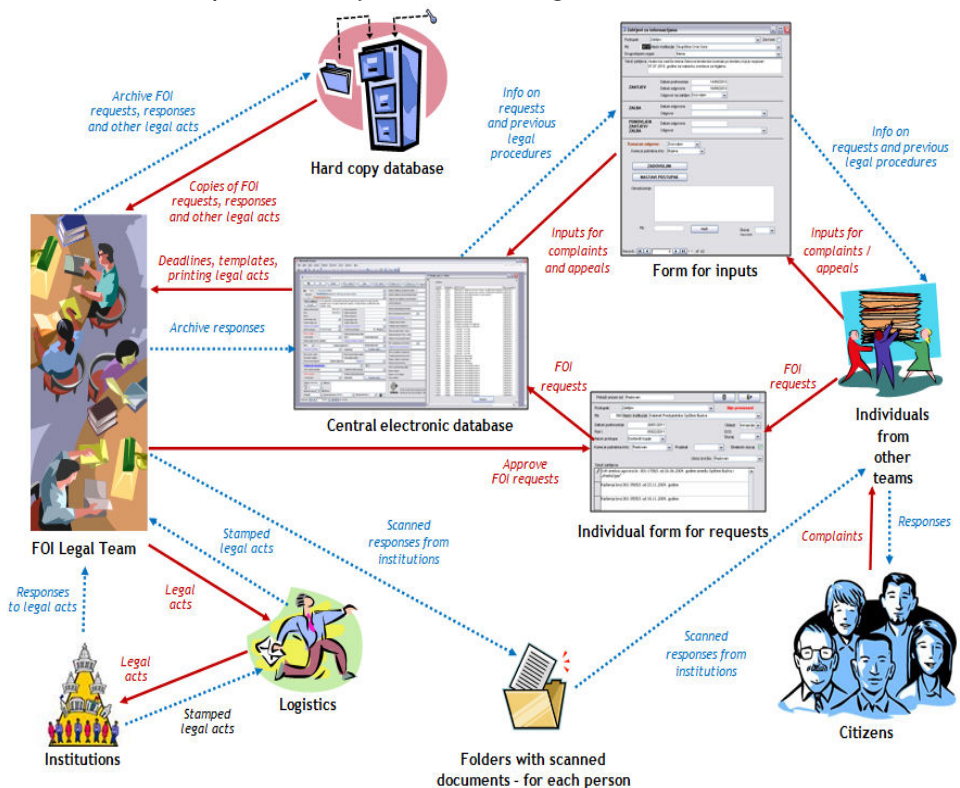
<sup>25</sup> Three employees are on maternity leave.

In the reporting period MANS was extensively upgrading software and improving efficiency in maintaining legal procedures and monitoring.

FOI software was modified to automatically generate standardized appeals and complaints. Each person in the organization is formulating FOI requests using the software that is integrating all requests into joint database.

FOI team is then maintaining all required legal procedures to obtain information, and monitoring whether FOI Law procedures are respected. The team is using the software to monitor deadlines for submission of legal acts. Templates for most common types of law violations (e.g. silence of administration) are integrated into the software, and submission of complaints and appeals for those cases is automatic.

When teams that submitted request obtain response from institution, they are providing FOI Team with inputs for complaints and appeals, based on laws or policies they are monitoring.



Scheme 5: FOI system and procedures

New database for monitoring implementation of the new **Action Plan** for Fight against Corruption and Organized Crime was created and has direct link with the FOI Central database, enabling automatic submission of FOI requests.

We also improved database for **Parliament monitoring** to automatically produce additional statistical data.

In order to systematize information, enable identification of trends in corruption and behavior of institutions, existing databases for **free legal assistance, privatization, public procurements, and criminal appeals** were linked with each other. The database on criminal appeals was also further improved to automatically generate requests for police and prosecution on status of submitted cases.

Database for managing **initiatives for construction inspection** was improved, enabling us to process more initiatives in shorter period of time. The software is now monitoring deadlines and automatically generating initiatives and appeals, on the basis of previously developed templates for different kinds of law violations. These modifications are enabling us to run administrative procedure upon initiative with less effort, better accuracy and with minimum room for mistake in terms of missed deadlines.

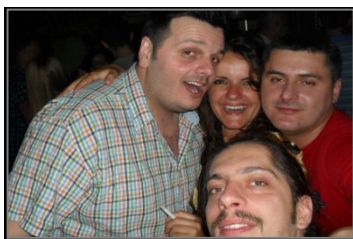
MANS was building its capacities through **coaching** for two team leaders in management and financial management. Our representatives were **visiting** institutions in the United States, participating in **trainings** related to financial investigations, human resources and leadership, and in number of **conferences and workshops** organized by Transparency International and other organizations for exchange of experiences among countries in the Balkans, EU and wider region.

We organized two retreats, one for the whole team and second for team leaders, to develop objectives for that year, discuss coordination and information exchanges.



We established cooperation with Directorate for Human Resources of the Government of Montenegro, and our three representatives participated in Training of Trainers for civil servants<sup>26</sup>, while ten MANS employees are participating in English and two in Italian language courses.

This year MANS celebrated 10<sup>th</sup> anniversary.



<sup>26</sup> The Training was organized by Regional School for Public Administration (ReSPA) and Directorate for Human Resources Management.

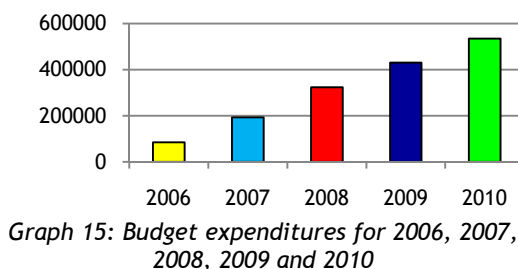
## 6. FINANCES

MANS total expenditures in 2010 were **534.584,00 euro**.

Cost category	In Euro
Salaries and fees	208.787,30
Taxes and benefits	130.241,70
Office running costs	67.156,57
Fees for consultants	32.361,41
Costs for public awareness campaigns and printed materials	57.141,11
Costs for organizing events	12.572,55
Equipment	6.997,6
Other Costs	19.325,76
<b>Total</b>	<b>534.584,00</b>

*Table 1: MANS expenditures in 2010*

In last five years, MANS' budget expenditures were increasing. The organization well managed rapid growth of the budget in 2007 and 2008, and continued with growth of 33% in 2009 and 24% in 2010 %.



During 2010, we **signed contracts** with the total budget of **841.022.87 euro** for implementation of projects in 2010 - 2012. Table below is providing information on contracts signed in 2010 and names of donors.

Donor	Amount
Rockefellers brothers Fund	€ 51.391,23
Transparency International (ALAC SEE)	€ 31.640,00
Charles Stewart MOTT Foundation	€ 36.708,02
Civil Rights Defenders	€ 20.000,00
German Embassy	€ 69.496,00
British Embassy	€ 104.957,24
Human Right and Governance Grants Program	€ 73.416,05
Delegation of the European Union - Montenegro	€ 290.887,38
Delegation of the European Union - Montenegro	€ 146.947,39
US Embassy in Montenegro, Democracy commission	€ 15.579,56
<b>TOTAL</b>	<b>€ 841.022,87</b>

*Table 2: List of signed contracts in 2010 (1\$=0.73822 euro)*

Through years, we have developed partnerships and cooperation with numerous donors including:

- Balkan Trust for Democracy,
- British Embassy,
- Catholic Relief Services,
- Center on Budget and Policy Priorities
- Charles Steward Mott Foundation,
- Council of Europe,
- European Union Delegation in Montenegro
- European Union Delegation in Brussels
- German Government, Stability Pact for South East Europe,
- German Embassy,
- HIVOS - Netherlands,
- International Rescue Committee
- Microsoft
- National Endowment for Democracy
- Norwegian People's Aid
- Open Society Institute - Human Rights & Governance Grants Program and Office in Montenegro
- Organization for Security and Cooperation in Europe
- Regional Environmental Center
- Rockefeller Brothers Fund,
- Royal Netherlands Embassy
- Swedish Helsinki Committee for Human Rights,
- UN Development Programme
- USAID / ORT and IRD
- Civil Rights Defenders
- US Embassy in Montenegro (Democracy commission)

## Annex 1: MANS Publications

### TACKLING CORRUPTION FOR EU INTEGRATION (III)

Implementation of the Action Plan for the Fight Against Corruption and Organized Crime in Montenegro in 2009, 2010



Purpose of this publication is to present the results of implementation of anti-corruption reforms in 2009. The publication is presenting the role of the Parliament of Montenegro in combating organized crime and corruption and best practices of anti-corruption bodies in the region.

### SERVING PRIVATE INTEREST

Conflict of Interest Law enforcement in 2008 and adoption of the new law, 2009



This publication is highlight lack of political will for quality regulation and application of regulations in the area of conflict of interests among which the key role has the law on combat against corruption at highest levels. It documents the process of drafting, deliberation and adoption of the set of Bills, major objections to the text of the present Law, examples in practice and statistical data on application of the Law.

### TACKLING CORRUPTION FOR EU INTEGRATION (II)

Implementation of the Action Plan for the Fight Against Corruption and Organized Crime in Montenegro in 2008, 2009



Purpose of this publication is to point out shortcomings in work of the National Commission and present regional experiences, document shortcomings of the official system for Action Plan monitoring and provide a clearer picture on reforms implementation in 2008, problems in accessing information and attitude towards civil society.

### SKADAR LAKE - National park or oasis of illegal construction?

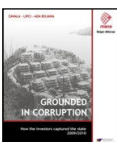
Monitoring illegal development in National Park Skadar Lake, 2009



The publication is summarizing a 6-month experience of monitoring illegal construction in protected zone of Skadar Lake. Publication is bringing description of responsible inspection behavior toward illegal development, case studies of most severe law violations in this area and statistics related to processing cases of illegal construction in National park.

### GROUNDING IN CORRUPTION

How the investors captured the state, 2009



This publication shows how the investors together with the decision makers trapped state institutions which eventually led to the destruction of the most precious locations on Montenegrin coast. A series of case studies documents how strong public pressure stopped some illegal activities while the consequences of illegal construction have not been remedied nor have their key actors been held responsible yet.

## **CAPTURED BY PRIVATE INTERESTS**

### **Adoption and enforcement of the Law on Conflict of Interests in Montenegro, 2008**



This publication is documenting our experiences in exposing and preventing conflict of interest from 2004 to 2007 and contains chronology of events related to adoption of the legislation, competences and performance of institutions implementing the legislation and case studies with most frequent law violations.

## **TACKLING CORRUPTION FOR EU INTEGRATIONS**

### **Implementation of the Action plan for the fight against corruption and organized crime in Montenegro, September 2006-december 2007, 2008**



This publication summarizes our experiences gained through participation in the work of the National Commission and monitoring implementation of the Action Plan for the Fight against Corruption and Organized Crime. An integral part of the publication is the shadow Report on implementation of the Action Plan.

## **DO YOU KNOW THAT YOU HAVE THE RIGHT TO KNOW**

### **Free access to information serving citizens, 2008**



This publication incorporates all experiences gathered through raising awareness on public right to information, providing legal assistance to citizens and advocating for the institutions to properly implement the legislation.

## **THE GREEN MAZE**

### **Access to Information on Environment, 2008**



This publication presents key challenges in obtaining information on environment. It includes case studies related to accessing information on assessments of environmental pollution, investments into protection and charges paid by the largest polluters.

## **EYES WIDE SHUT**

### **or how the state does not punish illegal construction of objects, 2007**



Through a series of concrete examples, this publication points out to a lack of political will to resolve problems of illegal construction of objects by enforcing the existing legislation. It includes case studies and data on performance of responsible institutions in three regions with different causes and types of illegal construction.



## **DO I HAVE THE RIGHT TO KNOW?!**

### **Enforcement of the Law on Free Access to Information in Montenegro, 2007**



This publication presents key achievements and main obstacles in accessing information. It consists of a series of case studies referring to the most frequent law violations, judicial practice and experiences with institutions intimidating citizens using their rights to information.

## **FREE ACCESS TO INFORMATION & SECRECY OF DATA IN MONTENEGRO**

### **Law comments with recommendations, 2007**



This publication contains an analysis and recommendations for ensuring that Montenegrin legislation is in compliance with international standards and best practices in establishing secrecy legislation and respecting public rights to access information.

## **BEHIND THE CLOSED DOOR**

### **Free access to Privatization Information - Case study Aluminum Plant (KAP), 2006**



This publication reveals almost complete unwillingness to allow the public to be informed about the conditions under which state-owned companies are privatised. It points out the problems experienced when attempting to access information on privatisation and aims at encouraging changes in legislation and practice.

## **RIGHT TO KNOW**

### **Experiences in the application of the Law on free access to information: Case study Montenegro, 2006**



This publication focuses on the first year of implementation of freedom of information legislation and it includes a number of case studies pointing out early practices of institutions to forbid or avoid providing information as well as the first judicial decisions.

## **CORRUPTION IN SPATIAL PLANNING AND DEVELOPMENT**

### **Case study - Montenegro, 2005**



This publication presents research on causes, consequences and possible forms of corruption in spatial planning and construction. It includes over forty case studies from Montenegro and abroad, showing that the process of planning and construction is controlled by cartels connected to decision makers at the highest levels.

## Annex 2: Key Achievements from previous period

### Anticorruption Policies and Conflict of Interest

#### Legislative Changes

- MANS advocacy campaign resulted in adoption of the new and somewhat improved legislation on the conflict of interest (2008).
- MANS established working group for development of the new legislation on conflict of interest holding over 2/3 majority in the National Parliament. (2006-2007)
- Following our initiative, the Constitutional Court decided that members of the Government are no longer able to hold other public functions, and four deputy prime ministers and six ministers were forced to resign from their positions in boards of directors of companies, on the basis of conflict of interest. (2005)
- Publicly presented cases of conflicts of interests at the highest levels of government led to adoption of the Law on Conflict of Interest and public disclosure of property and income reports of public officials. (2004)

#### Policy Changes

- Our recommendations, developed on the basis of the European Commission's Progress Report for 2009, were adopted by consensus of all members of the National Commission for fighting corruption and organized crime, established by the Government, as baseline documents for development of new Strategy and Action Plan (2009).
- Over 80 high level participants of the Third Annual Anti-Corruption Conference, organized by MANS, including Deputy Prime Minister, numerous ambassadors and international community representatives, members of the Parliament, Government and Judiciary expressed their political support to fight against corruption and organized crime (2009).
- The National Commission monitoring implementation of reforms in fighting corruption and organized crime, composed of the highest representatives of competent institutions, reviewed the European Commission's Progress Report on and adopted recommendations for institutions, upon MANS initiative (2008).
- At the National Anticorruption Conference, the largest national event of such kind, organized by MANS, authorities committed themselves to improve monitoring and reporting on reforms implementation. Our advocacy raised awareness on shortcomings of the official system of reporting, while our timely reports provided realistic picture on implementation of reforms (2008).

- Awareness raising and advocacy campaign conducted in partnership with international organizations led to Government developing and adopting the Action Plan for Implementation of the Program for Combating Corruption and Organized Crime and establishing the National Commission for its monitoring. (2007)
- Following our advocacy campaign, the Government established a working group to develop local anti-corruption plans, using our model as baseline materials. (2007)
- Due to advocacy campaign conducted by MANS, the Joint Staff Assessment prepared by the World Bank and the International Monetary Fund requested the Government to respect citizens' opinions and recommended incorporation of anti-corruption policies into the PRSP. (2002 - 2003)

### Changes in Practices

- Factual information on results of implementation of over 300 planned reforms by more than 50 institutions fighting corruption and organized crime are available to public in four bi-lingual quarterly reports (2009).
- Possible cases of illicit enrichment of members of the Parliament and the Government, judges, prosecutors and key members of all local governments are submitted to the prosecution, on the basis of analyzes of their official reports on property and income for last five years (2009).
- The first ever partnership among two daily and one weekly independent printed media established, and joint team of journalists developed series of investigative stories on corruption at high levels (2009).
- Regional team of investigative journalists from Serbia, Bosnia and Herzegovina, Croatia, Macedonia, Kosovo, Albania and Montenegro is developing joint investigative story on narcotic smuggling in Balkans (2009).
- Over 80 public officials were forced to report their property, transfer management rights and resign on multiple public positions including memberships in boards of directors, upon our legal initiatives (2008).
- Upon reviewing over 150 our initiatives, the Commission for conflict of interest reported 23 officials for illegal generation of income and/or force them to resign from positions in boards of directors (2006-2007).

## Corruption in Spatial Planning and Construction Industry

### Legislative Changes

- Successful advocacy campaign on a high-scale illegal construction case led to changes of legislation resulting in defining illegal construction as a criminal act (2008).

### Policy Changes

- Media campaign and submission of numerous cases of illegal construction to responsible institutions, resulted with Ministry for Spatial Planning, Police and Prosecution signing Memorandum of Understanding to improve cooperation in fight against corruption and organized crime in construction industry, while the Ministry also started developing special action plan for all responsible institutions (2009).
- Following public petition on subsidies in electricity prices provided to large industrial consumers, signed by almost 30.000 citizens, representing the largest public support obtained for civic initiative, the Government developed a social program for vulnerable groups, while the Regulatory Agency removed oscillations in electricity prices for households, small and medium enterprises. (2007)
- Mobilization of citizens and NGOs in public hearings on the National Spatial Plan decreased number of envisaged large hydro power plants that might affect environment and the Government committed themselves to perform environmental impact assessment. (2007)
- MANS watchdog role led to cessation of human rights violations in resolving problem of illegal developments. (2006)

### Changes in Practices

- Number of initiatives and strong media campaign led to the first trial and the first judicial verdict against investors that significantly devastated protected areas at the coast through large scale illegal construction and against responsible public officers (2009).
- On the basis of MANS criminal complaint, the first case related to organized crime in construction industry is being reviewed by the Special Prosecutor for Corruption and Organized Crime (2008).
- Our media campaign on a large scale illegal construction in protected areas resulted in the first arrests of investors and responsible public officers and the first trials have started (2008).
- Public disclosure of illegal construction in protected areas resulted in the first joint and successful action of the police and construction inspection (2008).

- Our research in spatial planning and construction led to the first criminal investigations in that area and establishment of indicators for monitoring money laundering. MANS was presented as a credible source of information on corruption and organized crime at the training organized by US Ministry of Justice at the conference for prosecutors and police representatives (2006-2007)
- MANS increased capacities of citizens and their groups in Podgorica Municipality to more independently advocate for their rights and more easily recognize and report corruption in the field of construction. (2006-2007)

## **Freedom of information**

- Institutions published 50% of information upon almost 10.000 requests; over 1.500 submitted appeals to supervisory institutions resulted with 50% of favorable decisions; more than 1.000 cases were initiated at the Administrative Court, 62% of them were resolved out of which 98% of court rulings were in favor of MANS (2009).
- Extensive and permanent submission of requests for information, numerous judicial verdicts in favor of transparency, and mobilization of citizens to request information resulted with establishment of the web site of the Council for Privatization, more than a decade after privatization started, and publication of 37 privatization contracts, although without annexes (2009).
- Nearly 8.000 requests for information were submitted to public institutions in 2008 out of 16.000 submitted in past three years, resulting in improved practices of institutions providing over 75% of requested information (2008).
- Over 250 complaints submitted to the Administrative Court in 2008 resulted in the development of judicial practice and in over 100 court decisions, out of which 94% were in our favor (2008).
- Created institutional practice in the area of right to free access to information through over 7800 requests for information and 38% of obtained information, published in online database, 70% of decisions upon appeals made in our favor (2006-2007)
- Created judicial practice through 524 decisions of the Administrative Court with 66% of decisions in our favor, and 26 of the Supreme Court, with 50% decisions in favor of MANS (2006-2007)
- The first privatization agreement was disclosed after two-year legal process (2007)
- Following MANS appeal related to free access to information on environment, the first criminal case was initiated against a high level public official refusing to provide information (2007)
- Following the decision of the court reached upon MANS' initiative, the National Security Agency was forced to disclose a number of persons that were subject to secret surveillance during 2005, which was unique case in Europe (2006)

## Free Legal Aid

- Free legal assistance in fighting corruption provided to almost 400 citizens and their groups, and we acted upon two thirds of cases. Over 80 cases submitted to the prosecution, resulting with one investigation (2009).
- The Public Procurement Agency established clear procedures for reporting corruption in public procurement, after MANS submitted dozens of our appeals to the Ministry of Finance (2009);
- Developed capacities of three local offices and provided legal assistance to over 270 citizens and their groups, and initiated legal procedures in nearly 60% of reported cases of corruption (2008).
- Twenty initiatives on corruption cases reported in media submitted to the prosecutor's office resulted in investigations in 20% of cases (2008).
- Provided free legal assistance to over 60 citizens to obtain information held by public institutions (2008).
- Provided assistance to over 200 citizens when obtaining information held by public institutions (2006-2007)

## Parliament Operations

- Information on level of activities the Parliament and each MP is available to public in regular intervals as well as the first, detailed information on expenditures of the Parliament and financial reports for each MP (2009).
- Upon our initiative, the Constitutional Court ruled that ex presidents, ministers and MPs are no longer able to enjoy high retirement fees and obtain pensions easier than other citizens (2009).
- The first ever civic initiative, submitted by MANS and human rights NGOs, was reviewed in the Montenegrin Parliament and resulted in recommendations for the Government to change practices influencing disabled persons (2008).
- Four members of the Parliament identified by MANS' watchdog reports as the least active resigned from their positions, while their caucuses committed themselves to introduce a more professional approach in serving the MP position. (2007)
- After pointing out the key shortcomings in transparency of public voting of MPs during plenary sessions, the Parliament Administration initiated procedure for technical improving of the voting procedure by installing the necessary technical equipment. (2007)