## **CASE STUDY: AZMONT ACADEMY FOR ELECTION PURPOSES**

**I: INTRODUCTION** In March 2014, right before local elections in 11 Montenegrin municipalities, the Training Center for Unemployed People - Azmont Academy - was opened in Bijelo Polje. The purpose of the Center was providing training for a large number of individuals and for their subsequent employment in the construction of a luxury tourist complex "Portonovi" in Herceg Novi, which is the investment of an Azerbaijani company "Azmont Investments."



This study shows that the establishment of the Academy for providing employment was announced in the pre-election period, and that creating new jobs did not happen. The opening of the Academy, attended by officials leading of the Democratic Party of Socialists, was used to gain political advantage of the

party in this field.

II: PREPARATIONS FOR ESTABLISHING THE ACADEMY As early as in January 2013, the Government of Montenegro granted the right to the Municipality of Bijelo Polje to temporary use and manage the immovable property owned by the State and located on the municipality's territory free of charge. The property covers an area of almost 322 thousand square meters and is located on the site of a former military complex Cerovo. The Government had previously tried to lease the location in vain.<sup>1</sup>

"Vlada daje Opštini Bijelo Polje na privremeno upravljanje i koriščenje, bez naknade, nepokretnosti u svojini Crne Gore, katastarske parcele broj 1670, površine 181.388 m², upisane u list nepokretnosti broj 66. KO Cerovo. Opština Bijelo Polje i nepokretnosti površine 140.491 m², upisane u list nepokretnosti broj 2375. KO Bijelo Polje, Opština Bijelo Polje, s tim što će se nakon donošenja odgovarajućih planskih dokumenata i utvrđivanja planske namjene ovog prostora i u zavisnosti od te namjene razmotriti mogućnost eventualnog davanja ili djelimičnog davanja na raspolaganja ove nepokretnosti Opštini Bijelo Polje."

Government grants a valuable plot of land to the Municipality of Bijelo Polje

A year later, in February 2014, the mayor of Bijelo Polje, Aleksandar Zuric, addressed the Minister of Finance for obtaining the consent for setting up the "Azmont Academy", which would be located on the plot of land granted to the Municipality by the Government.<sup>2</sup>

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<sup>&</sup>lt;sup>1</sup> The conclusion No. 06-1711/6-12 adopted by the Government of Montenegro on 10 January 2013

<sup>&</sup>lt;sup>2</sup> Official letter from the Municipality of Bijelo Polje on 7 February 2014

In the letter, Zuric stated that in the previous period the Municipality of Bijelo had conducted Polie intensive and successful negotiations with company "Azmont Investments" in order to "Azmont establish the

Na osnovu prethodno navedenog, sa pozivom na Zakljucak Vlade broj 06-1711/6-12 od 10. januara 2013 godine, kojim je predmet navedenog ugovora, inace svojina Crne Gore, dat na privremeno upravljanje i koriscenje Opstini Bijelo Polje, molimo Vas da materijal u prilogu uputite Vladi Crne Gore na saglasnost kao institucija koja shodno Zakonu o drzavnoj imovini je nadlezna za upravljanje istom.

Academy", the participants of which would be engaged in the construction works of the "Portonovi." It was also specified that the Employment Office of Montenegro made a significant contribution to the project, which would be defined through the draft Agreement on Strategic Cooperation between the Municipality of Bijelo Polje, the Employment Office and the company "Azmont Investments." 3

Only a few days later, the then Minister of Labor and Social Welfare Predrag Boskovic supported the project "Portonovi" and gave the consent to this Agreement.<sup>4</sup>

## **III: GOVERNMENT ADOPTED INFORMATION ON ESTABLISHING ACADEMY**

In late February 2014, the Government of Montenegro adopted Information on putting into practice the Training Centre for the Unemployed - "Azmont Academy" - in Bijelo Polje and adopted the Draft Agreement concluded between the Municipality of Bijelo Polje, the Employment Office and "Azmont Investments." Moreover, the Government authorized the Director of the Employment Office, Vukica Jelic, to sign the agreement on behalf of the Government.

IV: AZMONT ACADEMY OPENED BEFORE APPROVAL FROM THE **MUNICIPALITY BIJELO** Aleksandar Zuric, the Mayor of the Municipality of Bijelo Polje, Predrag Boskovic, the then Minister of Labor and Social Welfare, Radoje Zugic, Minister of Finance and James Wilson, the then CEO of the project "Portonovi" and the company "Azmont Investments"



<sup>3</sup> Official letter from the Municipality of Bijelo Polje on 7 February 2014

<sup>&</sup>lt;sup>4</sup> Opinion of the Minister of Labor and Social Welfare No.023-71/14 on 10 February 2014

<sup>&</sup>lt;sup>5</sup> Conclusion of the Government of Montenegro No. 08-364/4 on 27 February 2014

<sup>&</sup>lt;sup>6</sup> Article in the daily "Vijesti" on 4 March 2014, <a href="http://www.vijesti.me/ekonomija/otvorena-azmont-akademija-">http://www.vijesti.me/ekonomija/otvorena-azmont-akademija-</a> doprinos-razvoju-i-smanjenju-nezaposlenosti-183953

During the opening ceremony, the government's officials estimated that the Academy was a certain way towards cutting unemployment and would produce significant results in the long run and also aid families from the north to deal with existential issues. The then CEO of "Azmont investments", James Wilson, said that in the forthcoming months more than 1,200 of the Academy trainees would acquire knowledge in carpentry, masonry, plumbing and other construction skills, and that it was expected about two thousands trainees would be engaged during the main construction works on the tourist complex in Kumbor at the end of following year. Also, the trainees who obtained the certificate would have the opportunity to be engaged in the construction of this project, which would eventually hire up to 6.5 thousand people.<sup>7</sup>

However, not before April 2014 the Municipality of Bijelo Polje adopted the Decision on Acceptance of the draft Business and Technical Cooperation Agreement between the Municipality of Bijelo Polje, the Employment Office of Montenegro and "Azmont investments," which clearly indicates that government officials rushed to open the Academy to gain political advantage in the pre-election period through election promises. 9

## V: BUSINESS AND TECHNICAL COOPERATION AGREEMENT SIGNED IN 2015

That the founding of "Azmont Academy" was used for electoral purposes and gaining political advantage of the Democratic Party of Socialists in the field, is supported by the fact that the Business and Technical Cooperation Agreement between the Municipality of Bijelo Polje, Employment Office of Montenegro and "Azmont Investments" was not signed before February 2015, or one year after the Academy was officially opened. <sup>10</sup>



Agreement signed after local elections in Bijelo Polje

On behalf of the Municipality of Bijelo Polje, the Agreement was signed by Aleksandar Zuric, on behalf of the Employment Office of Montenegro, by the Director Vukica Jelic and on behalf of "Azmont Investments" by its new CEO Rashad Aliyev (who assumed the office in February 2015).

<sup>&</sup>lt;sup>7</sup> Article in the daily "Vijesti" on 4 March 2014, <a href="http://www.vijesti.me/ekonomija/otvorena-azmont-akademija-doprinos-razvoju-i-smanjenju-nezaposlenosti-183953">http://www.vijesti.me/ekonomija/otvorena-azmont-akademija-doprinos-razvoju-i-smanjenju-nezaposlenosti-183953</a>

<sup>&</sup>lt;sup>8</sup> Decision by the Municipal Assembly on accepting draft Business and Technical Cooperation Agreement No 02-1158 on 04 April 2014

 $<sup>^{9}</sup>$  Local elections in 11 Montenegrin municipalities were called on 24 March 2014 and held on 25 May 2014

 $<sup>^{10}</sup>$  Business and Technical Cooperation Agreement between the Municipality of Bijelo Polje, Employment Office of Montenegro and company "Azmont Investments" d.o.o. Herceg Novi No. 01-964 on 6 March 2015

Under the Agreement, the company "Azmont Investments" is obliged to fund the adapting and equipping of the location in order to start up "Azmont Academy", then to engage and compensate to individuals who will manage the academy and whose rights and duties shall be governed by the agreement with the company, and to provide technical means and materials necessary for the Academy training.<sup>11</sup>

The Municipality of Bijelo Polje has committed itself to provide all the necessary approvals for the adaptation and putting into operation the location, then to provide the necessary infrastructure for "Azmont Academy" which includes, but is not limited to, the access roads, electricity, water, sewer, telephone connections and to regularly pay utility costs during the operation of the Academy. Also, the municipality is obliged to provide a sufficient number of employees in the Academy and organized transport of engaged workers from Bijelo Polje to the construction site "Portonovi" in Kumbor.

When it comes to the Employment Office of Montenegro, this state institution committed itself to take care of the application procedure and participation of the unemployed from the Montenegrin territory in accordance with the Academy requirements and to provide the necessary number of professionals who would train the Academy recruits.<sup>12</sup>

VI: MANS CRIMINAL CHARGES: On the basis of the founded suspicion that a criminal act of abuse of official position was committed during the establishing the Training Centre for the Unemployed - "Azmont Academy" in Bijelo Polje, on the eve of the elections in the town, MANS filed a criminal charge to the Supreme Public Prosecutor's Office against the Mayor of the municipality of Bijelo Polje Aleksandar Zuric, the Director of the Employment Office Vukica Jelic, the Minister of Finance Radoje Zugic and the Minister of Education, Predrag Boskovic. 13

<sup>&</sup>lt;sup>11</sup> Business and Technical Cooperation Agreement between the Municipality of Bijelo Polje, Employment Office of Montenegro and company "Azmont Investments" d.o.o. Herceg Novi No. 01-964 on 6 March 2015

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<sup>&</sup>lt;sup>13</sup> Criminal charge was filed on 27 July 2015