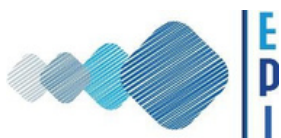
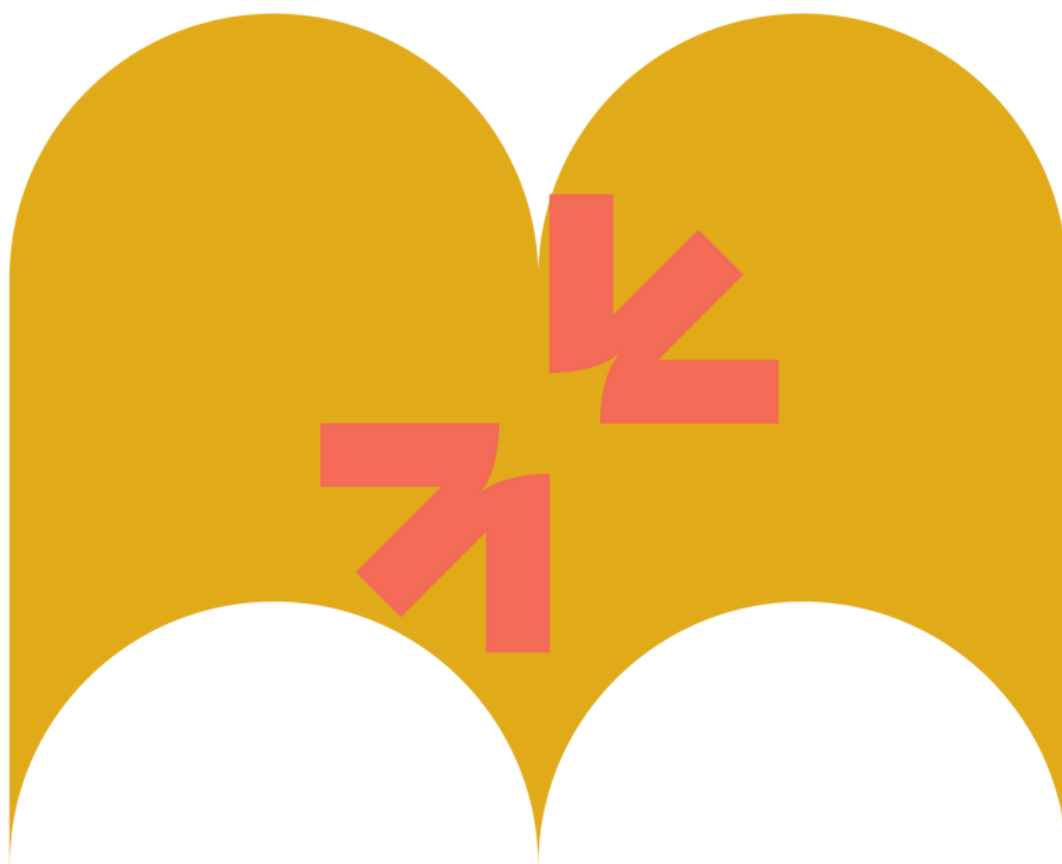


Ten Days to Comment: Montenegro's Reform Agenda and the Limits of Public Participation

Policy Brief

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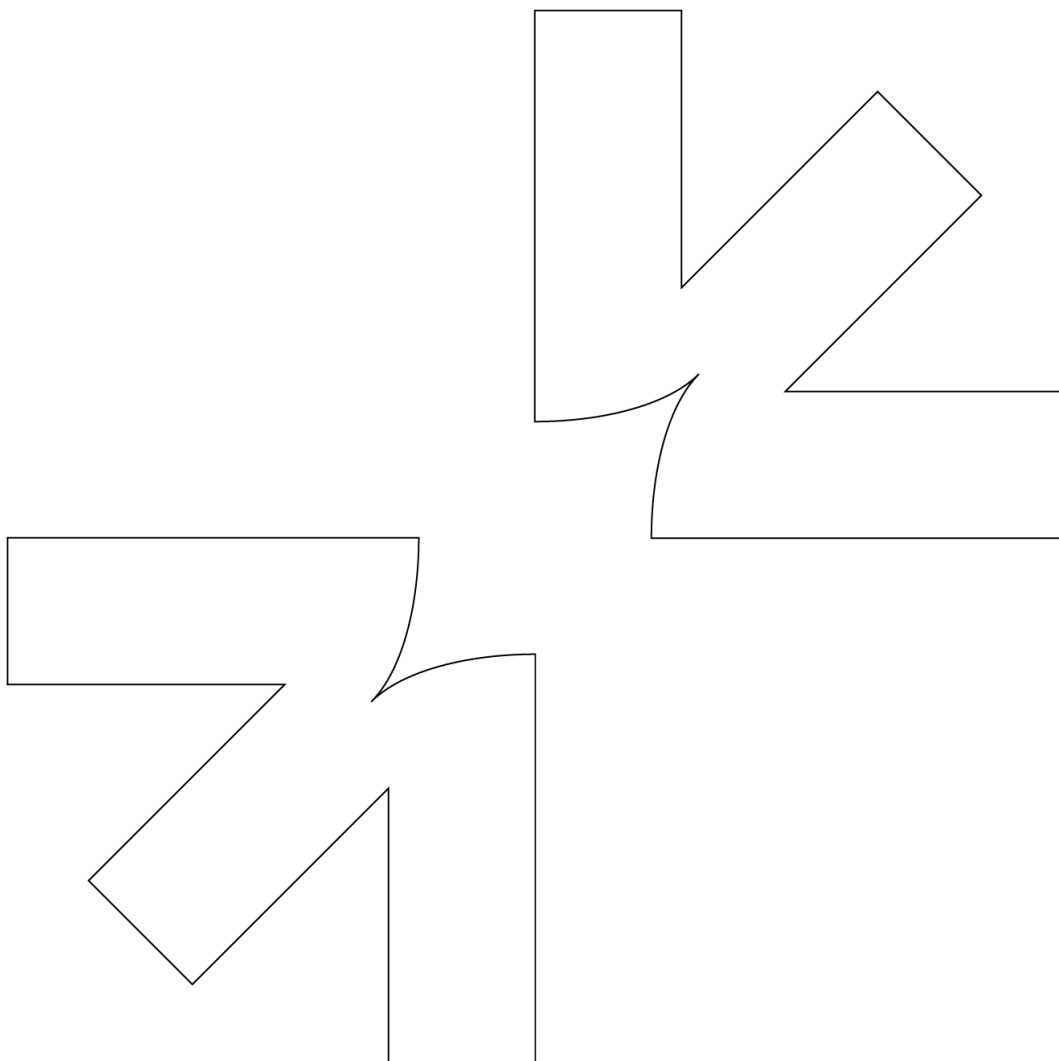




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Montenegro's Reform Agenda (RA) 2024–2027 is designed to accelerate the country's economic convergence with the European Union and advance its EU integration process. Developed through close collaboration between the Montenegrin government and the European Commission, the agenda prioritises reforms in four key areas: 1. private sector development and business environment; 2. digital and energy transitions; 3. human capital; and 4. the rule of law. These reforms are essential for aligning Montenegro's policies with EU standards and unlocking EUR 385.5 million in financial support, including EUR 110 million in grants and EUR 275.5 million in favourable loans.

The agenda's development process, spanning December 2023 to October 2024, addresses key policy areas and governance mechanisms. It aims to provide an overview of the process and highlight early shortcomings in transparency and participation.

Development and Adoption of the Reform Agenda in Montenegro's National Context

Reform Agenda setting

The Reform Agenda (RA) is a crucial document aimed at accelerating Montenegro's economic convergence with the European Union average and implementing the necessary reforms to expedite EU integration. To achieve these goals, the RA prioritises broad reforms in areas such as business climate and private sector development, digital and energy transitions, human capital development, and the rule of law and fundamental rights.¹ Reforms in these areas are crucial for aligning with European Union (EU) standards. If implemented effectively, Montenegro will receive nearly EUR 400 million in grants and favourable loans.

The following two sections outline the key milestones in preparing the Reform Agenda, provide an overview of the collaborative process, discuss the negotiations, and examine the extent of stakeholder involvement—or lack thereof.

¹ Ministry of European Affairs, *Information on the process of preparing Montenegro's Reform Agenda 2024–2027 for the EU Instrument for Pre-Accession Assistance and Growth, along with the Proposal of Montenegro's Reform Agenda 2024–2027 for the EU Instrument for Reforms and Growth*, September 2024, available at: <https://wapi.gov.me/download-preview/2cc3baa0-65d6-4d97-a25c-fa171aa559b3?version=1.0>



Key milestones

On 8 November, 2023, at the Western Balkans (WB) region level, the European Commission (EC) adopted a proposal for the new EU Growth Plan for the Western Balkans to accelerate the enlargement process and foster economic convergence. The plan anticipates that the implementation of reforms and EU financial assistance will positively impact the economic growth of the candidate countries.

The process of drafting the Reform Agenda began shortly after the European Commission adopted the new EU Growth Plan for the Western Balkans.² The Government of Montenegro, in cooperation with the European Commission, initially identified priority policy areas for reform measures.³

The Government adopted the first draft on 5 December 2024.⁴ On 11 December, at the seventh⁵ session, the second draft of the RA was adopted. The Government approved the second draft of the Reform Agenda and instructed the Ministry of European Affairs to submit the document to the European Commission.⁶ The first draft⁷ included a list of reforms in the (10) business climate and private sector development, digital and energy transitions, and human capital development. The second draft⁸ expanded the list to include reforms in the rule of law, covering democracy, the judiciary, the fight against corruption, fundamental rights and media freedom, combating organised crime, and visa policy.

The Working Team responsible for preparing the document, established and coordinated by the Ministry of European Affairs following a government decree⁹, worked on improving the document during the first quarter of 2024 in close cooperation with the European Commission.

² Ibid.

³ Ministry of European Affairs, *Information on the process of preparing the Reform Agenda for the EU Instrument for Reforms and Growth*, June 2024, available at: <https://wapi.gov.me/download-preview/3faa40be-45f4-42c5-af76-d98a683e3763?version=1.0>

⁴ Government of Montenegro, *5 session of the Government*, 05.12/2023, available at: <https://www.gov.me/clanak/saopstenje-o-odlukama-vlade-crne-gore-donijetim-na-telefonskoj-sjednici-odrzanoj-5-decembra-2023-godine>

⁵ Government of Montenegro, *7 session of the Government*, 11.12.2023, available at: <https://www.gov.me/clanak/saopstenje-sa-sedme-sjednice-vlade-crne-gore>

⁶ Government of Montenegro, *Conclusion No. 08-900/23-5745/2*, available at: <https://wapi.gov.me/download-preview/fa8a5f83-6a51-485c-a2f2-174fe0e1b8a8?version=1.0>

⁷ Government of Montenegro, *First draft*, 06.12.2023, available at: <https://wapi.gov.me/download-preview/0bc0dbb9-f32b-4148-94dc-136bad38df3a?version=1.0>

⁸ Government of Montenegro, *Second draft*, 11.12.2023, available at: <https://wapi.gov.me/download-preview/a91d6f1d-5ec0-4e8e-b1ed-7a458341610d?version=1.0>

⁹ Government of Montenegro, *Conclusion No. 08-908/23-5606/2*, available at: <https://wapi.gov.me/download-preview/63ef001d-d189-4047-af38-5b0c0f86b5c8?version=1.0>



Public consultations on the proposal for reform measures and steps were held in April 2024. These consultations were organised as a roundtable, bringing together representatives of non-governmental organisations, academia, and the business sector.¹⁰ A set period was also established during which citizens could submit written contributions.

The latest draft of the identified list of reform measures, including key steps and implementation deadlines, was sent to government organisations (GOs) via a wider distribution list on 12 April, with the roundtable planned for 18 April and the deadline for comments set for 22 April. This means that during the roughly 11 months that the process lasted, only ten days allocated for civil society both to review the draft measures and key steps and submit their comments. However, Montenegro's regulations on public consultation processes stipulate a formal consultation period of 20–40 days.¹¹

During the public event, it was emphasised that the Government's hands were tied' in accepting proposals at that stage due to the EC's final approval of the RA. It was stated that the key areas and measures had already been agreed upon, leaving little room for amendments.

A total of 15 comments were reported by the Ministry as received during the consultations, primarily addressing the feasibility of proposed deadlines, proposals to empower women through positive discrimination, and recommendations for improving measures in the areas of the rule of law and digital transition. However, the fate of these proposals remains unknown, as no report on the consultations was provided and only general information on the process of reviewing the comments is available.¹² The available information does not include clear feedback on which suggestions were adopted, while even suggesting that some of the comments will be discussed at a later stage of the RA's implementation.

¹⁰ Ministry of European Affairs, *Information on the process of preparing Montenegro's Reform Agenda 2024–2027 for the EU Instrument for Pre-Accession Assistance and Growth, along with the Proposal of Montenegro's Reform Agenda 2024–2027 for the EU Instrument for Reforms and Growth*, September 2024, available at: <https://wapi.gov.me/download-preview/2cc3baa0-65d6-4d97-a25c-fa171aa559b3?version=1.0>

¹¹ Regulation on the election of representatives of non-governmental organisations to working bodies of state administration bodies and the implementation of public debate in the preparation of laws and strategies, Art. 15.

¹² Ibid.



Although the Ministry reported that there was a second cycle of consultations in August and September 2024,¹³ these were interdepartmental consultations held internally and not with citizens or civil society.

No consultations have been held with Parliament. At no point in the process of developing the RA was there a formal consultation with MPs in the Parliamentary Committee for EU Integration or any other line committees for individual policy areas. On the other hand, none of the committees proactively initiated a session on this topic or invited Government representatives to discuss the RA development process.

The final version of the document was adopted by the Government in September,¹⁴ while the European Commission approved it on 10 October 2024.¹⁵

While the consultation process in the preparation of the RA was insufficient in duration and limited in activities to ensure participation, the Government demonstrated transparency in the disclosure of various drafts and versions of the RA and its components at different stages of adoption.

The Importance of the RA's Key Policy Areas for the Country

As a key document aimed at accelerating Montenegro's economic convergence with the European Union average and implementing necessary reforms to expedite EU integration¹⁶, Montenegro's Reform Agenda for the period 2024–2027 is presented as a set of prerequisites— requirements to unlock financial assistance.

By 2027, Montenegro will have access to EUR 385.5 million, of which EUR 110 million is grants, while EUR 273.5 million consists of favourable loans. Out of the total amount, EUR 178.5 million is allocated as budget support. At the same time, the

¹³ Ministry of European Affairs, *Information on the process of preparing Montenegro's Reform Agenda 2024–2027 for the EU Instrument for Pre-Accession Assistance and Growth, along with the Proposal of Montenegro's Reform Agenda 2024–2027 for the EU Instrument for Reforms and Growth*, September 2024, available at: <https://wapi.gov.me/download-preview/2cc3baa0-65d6-4d97-a25c-fa171aa559b3?version=1.0>

¹⁴ Government of Montenegro, *Conclusion No. 10-010/14-5550/2*, available at: <https://www.gov.me/dokumenta/0717eeb3-5877-4326-922a-0b9f9f7a849c>

¹⁵ European Commission, Press release, 23.10.2024, available at: https://ec.europa.eu/commission/presscorner/detail/en/ip_24_5421

¹⁶ Informacija o procesu pripreme Reformske agende Crne Gore 2024–2027 za Instrument EU za reforme i rast s Predlogom reformske agende Crne Gore 2024–2027 za Instrument EU za reforme i rast, Vlada Crne Gore, 26.9.2024. godine, dostupno na: <https://wapi.gov.me/download-preview/2cc3baa0-65d6-4d97-a25c-fa171aa559b3?version=1.0>



remaining EUR 205 million will be directed toward financing infrastructure projects through the Western Balkans Investment Framework mechanism. The first review of the implemented reforms is expected by the end of 2024 and will follow a biannual reporting principle until the end of 2027. The Reform Agenda is structured into four priority chapters, with 32 indicative reforms and a total of 114 individual steps—specific measures that need to be implemented for the reforms to be considered fulfilled. The implementation period extends until December 2027. The upcoming review of chapters and activities is based on our analysis of the Reform Agenda.

Policy Area 1: The business environment, including enhancing the governance, efficiency, and accountability of state-owned enterprises, is a key focus area. **The total financial support for Policy Area 1** is EUR 93,266,720, divided into two subareas—Business Environment and Business Sector Competitiveness—within which seven indicative reforms and 33 individual steps have been defined. One of the initial reforms involves establishing a registry of state-owned enterprises, ensuring its implementation and functionality, as well as removing business and administrative barriers in Montenegro. Emphasis is placed on the digitalisation of company registrations and electronic payments, improving anti-corruption frameworks, enhancing the electronic cadastre and spatial planning through the adoption of Montenegro's Spatial Plan, and addressing issues of illegal construction. Special focus is placed on the functioning of inspection authorities and the public procurement system.

The Ministry of Finance is the primary driver of these reforms, alongside the Ministry of Spatial Planning, Urbanism, and State Property, the Tax Administration, and the Agency for Prevention of Corruption. However, once the reforms enter the legislative process, the Parliament of Montenegro is responsible for adopting amended and new legislation.

Policy Area 2: Digital and Energy/Green Transformation—This policy area is divided into two subareas: Energy and Green Transformation and Digital Transformation.

The first subarea emphasises the development of sustainable energy sources and the reform of the entire energy sector by improving energy efficiency. It also involves aligning with the EU's goals for achieving climate neutrality. Specific actions include implementing mechanisms for carbon pricing, reducing fossil fuel use, and integrating with regional energy systems. In terms of new legislation, one of the activities involves enforcing the Law on Protection Against the Negative Impacts of Climate Change and Protection of the Ozone Layer, which is in line with the goal of climate neutrality by 2050. Additionally, legislation will be introduced to



comply with the Renewable Energy Directive (RED II). The allocated budget for this subarea is EUR 81,101,496. The primary responsibility lies with the Ministry of Energy, as well as state-owned energy enterprises such as the Montenegrin Electric Power Company (Elektroprivreda Crne Gore), the Pljevlja Coal Mine, and local governments, such as the Municipality of Pljevlja.

The **Digital Transformation subarea** involves developing digital infrastructure, enhancing digital security, and introducing broadband infrastructure to further implement 5G networks, enabling digital services and connectivity. Key tasks include adopting the Law on Information Security, which will fully comply with the NIS2 Directive, aligning legislation with the Open Data Directive, improving the functionality of the Government's Computer Incident Response Team (CIRT), operationalising the Agency for Cybersecurity, implementing a Digital Identity Wallet, and fully developing electronic identity cards. The allocated budget for this subarea is EUR 37,074,969. The primary responsibilities will be carried out by the Ministry of Public Administration and the Ministry of Economic Development.

Policy Area 3: Human Capital Development—This policy area focuses on the development of human capital as a prerequisite for the growth of Montenegro's economy and its preparation for accessing the European Union market. The Reform Agenda identifies the insufficient inclusion of vulnerable groups as one of the greatest challenges, emphasising women, youth, beneficiaries of social and child protection programs, persons with disabilities, and other vulnerable categories.

A budget of EUR 75,308,532 has been allocated to support five indicative reforms, which include ten specific steps to be implemented. These steps focus on increasing the capacity of state preschool institutions and hiring qualified childcare personnel. However, it is necessary to amend the **Law on Social and Child Protection**, create a new career counselling model under the **Strategy on Career Guidance and Counselling 2025–2030**, and address the mismatch between the labour market and the higher education system. As a key problem in this area, the Reform Agenda recognises the insufficient participation of sensitive groups in the labour market and the lack of a support service system at a satisfactory level that would enable the independent and productive lives of the aforementioned groups. Additionally, one of the stumbling blocks is the misalignment between the educational system and the labour market, with graduates lacking the required level of education necessary to work in state administration under the current higher education system.

Educational institutions and state administrative bodies bear the responsibility for implementing these steps. The primary focus is placed on higher education institutions, such as the University of Montenegro, the Ministry of Education,



Science, and Innovation, the Ministry of Labour, Employment, and Social Dialogue, as well as the Employment Agency of Montenegro and the Administration for Capital Projects.

Policy Area 4: Fundamental Rights and Rule of Law—This policy area focuses on ensuring the rule of law and fulfilling the closing benchmarks from Chapters 23 and 24, with a particular emphasis on the judiciary, media freedom, combating corruption, and organised crime. Measures aim to improve the effectiveness of investigations, prosecutions, final judgments, and asset confiscation in corruption cases. They also include implementing the **Anti-Corruption Strategy** and filling vacancies in competent courts.

Eight indicative reforms with 29 specific steps, totalling EUR 96,742,498, represent opportunities for fundamental systemic reforms. However, potential challenges include stringent constitutional procedures requiring a three-fifths majority in parliament, as well as the ongoing parliamentary blockade by the opposition. The reforms involve amending the Constitution in line with EU acquis and European standards on the independence, accountability, integrity, impartiality, and professionalism of the judiciary and prosecution. They also address existing recommendations from the European Commission, opinions of the Venice Commission, and recommendations from the Group of States Against Corruption (GRECO).

Practically all three branches of government will need to be involved in implementing these reforms—from parliament to the Judicial and Prosecutorial Councils, the Supreme Court of Montenegro, the Special Prosecutor's Office, and the Government's National Anti-Corruption Council, along with nearly all ministries, led by the Ministry of Justice.

Reform and Growth Facility Structures in the National Context

Reform Agenda's National Structures

The Ministry of European Affairs adopted a decision on establishing the Coordination Body for Monitoring the Implementation of the Reform Agenda on 21 October 2024, but the document itself was not published. Institute Alternativa had to submit a request for access to information to the Ministry, seeking the decision. According to the response received, the Coordination Body is chaired by the Minister of European Affairs, with the deputy chair being the State Secretary in the Ministry of Finance. This Coordination Body has 35 members, including representatives from ministries responsible for implementing the Reform



Agenda.¹⁷ Its task is to coordinate the work of all ministries to fulfill the steps identified in the Reform Agenda, facilitate dialogue with the European Commission, and monitor the implementation process of the Reform Agenda. The Coordination Body, which was established in October 2024, held two sessions, the last of which took place on 2 December, according to publicly available information.¹⁸

The Monitoring Committee is jointly established by Montenegro and the European Commission. It comprises all relevant Montenegrin bodies identified in the preparation of the Reform Agenda, bilateral donors, international financial institutions, civil society organisations, and private sector organisations. The coordinator and the European Commission co-chair the Monitoring Committee, which meets at least once a year, with the possibility of ad hoc meetings. Additionally, the coordinator prepares an annual report on the implementation of the Reform Agenda, which is submitted to the Monitoring Committee for review and approval.

The initial work of the Coordination Body raises concerns about transparency. The decision establishing it was not proactively published, and civil society representatives were excluded, both as formal members and observers. There is no publicly available information on the two meetings that have already taken place, including the conclusions adopted or documents produced. Although the process is still in its early stages, ensuring full transparency from the outset is essential for the credibility of the planned reforms and accountability in the use of funds.

¹⁷ Answer of the Ministry for European Integration to IA's FOI request, Decision No. UPI-03-037/24-50/2, December 24, 2024, Ministry of European Affairs. Members of the Coordination Body for Monitoring and Implementation of the Reform Agenda 2024–2027 under the EU Instrument for Reforms and Growth are representatives from the following: Ministry of Finance, Ministry of European Affairs, Advisors from the Office of the Prime Minister, General Secretariat of the Government, Ministry of Energy, Ministry of Labor, Employment, and Social Dialogue, Ministry of Education, Science, and Innovation, Ministry of Mining, Oil, and Gas, Ministry of Public Administration, Ministry of Social Welfare, Family and Demography, Ministry of Transport, Ministry of Justice, Ministry of Ecology, Sustainable Development, and Northern Development, Ministry of Human and Minority Rights, Ministry of Economic Development, Ministry of Spatial Planning, Urbanism, and State Property, Ministry of Interior, Ministry of Foreign Affairs, and Ministry of Health.

¹⁸ Information on the Formation of the Coordination Body for Monitoring the Implementation of the Reform Agenda 2024–2027 under the EU Instrument for Reforms and Growth, December 2024, available at: <https://wapi.gov.me/download-preview/5193b11c-2563-43b1-88ee-1a7eabba5081?version=1.0>



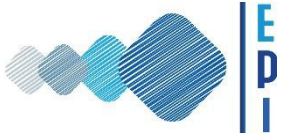
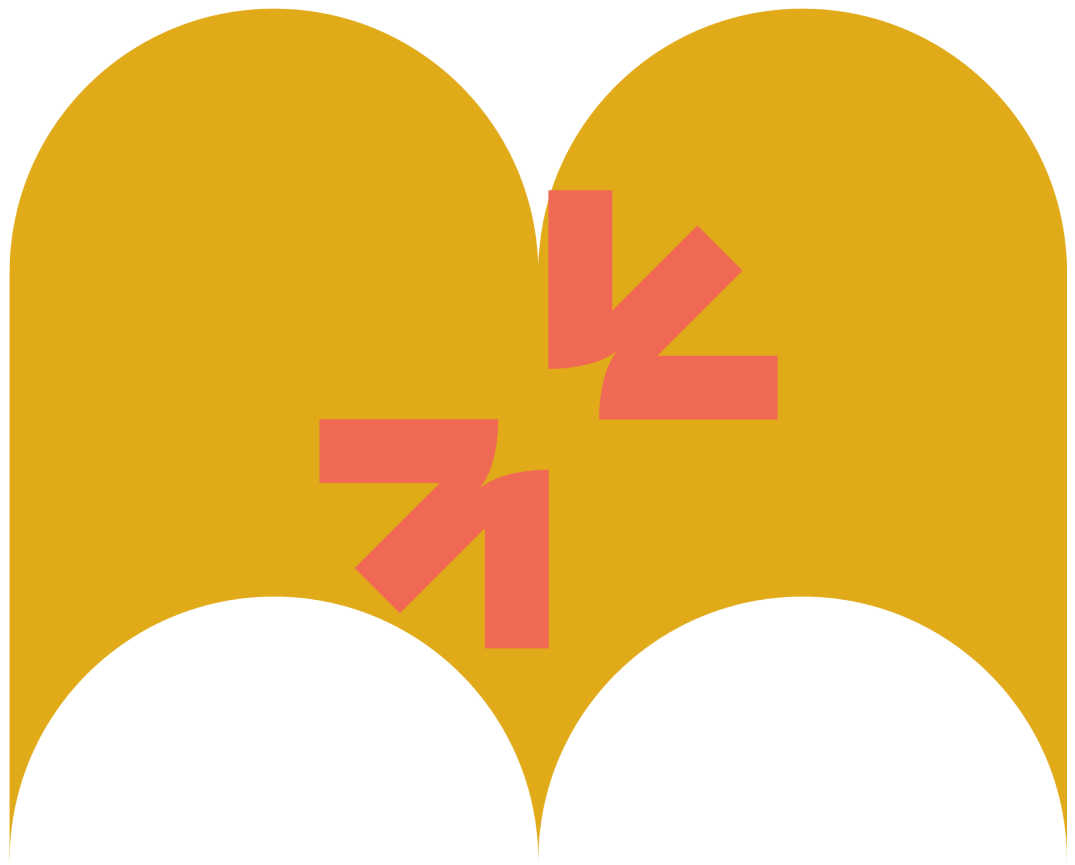
Summary

Montenegro's Reform Agenda (RA) 2024–2027 is a strategic document designed to accelerate the country's economic convergence with the European Union and advance its integration process. The agenda outlines key reforms in business development, digital and energy transitions, human capital, and the rule of law, aligning Montenegro's policies with EU standards. In return, the European Commission has committed to providing nearly EUR 400 million in grants and favourable loans to support the implementation of these reforms.

The process of drafting and adopting the Reform Agenda was marked by cooperation between the government and the European Commission. Public participation in shaping the agenda was almost non-existent. Although document transparency was ensured throughout the development process, short public consultations with a single public event followed by incomplete and vague feedback on submitted comments cannot be accepted as a sufficiently participatory approach. The ministry did not seek the involvement of parliament in the development of the RA, nor did the MPs request it.

Monitoring and coordination structures have been established, and the framework for tracking and reporting on implementation is being developed. No civil society participation in these structures has been foreseen, and the initial work has been marked by a lack of transparency and proactive disclosure.

The Reform Agenda 2024–2027 marks a significant step in Montenegro's EU integration process. By focusing on economic reforms, the rule of law, digital transformation, and environmental sustainability, the agenda aims to align the country with European standards. However, its success will depend not only on government efforts but also on citizen engagement, transparency in implementation, and consistent monitoring by national and EU institutions.



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