



15th meeting, 11 April 2022

JOINT DECLARATION

The EU-Montenegro Civil Society Joint Consultative Committee (JCC) is one of the bodies set up under the Stabilisation and Association Agreement between the European Union and Montenegro. It enables civil society organisations from both sides to monitor Montenegro's progress towards joining the European Union and to adopt recommendations for the attention of the Montenegrin Government and the EU institutions.

The JCC is made up of twelve members, six from each side, representing the EESC and Montenegrin civil society. It is co-chaired during its current term (2020–2023) by **Andrej Zorko**, member of the EESC and Executive Secretary to the Governing Board of the Slovenian Association of Free Trade Unions, and **Pavle D. Radovanović**, Vice-President of the Chamber of Economy of Montenegro.

The meeting was held in Brussels in hybrid format. The JCC discussed the state of play of EU-Montenegro relations and of the accession negotiations with the EU, in particular Cluster 1: The Fundamentals of the Accession Process, with particular focus on Economic Criteria, Public procurement, Statistics and Financial Control, and the situation of civil society in Montenegro.

1. State of play of EU-Montenegro relations and the accession process

- 1.1 The JCC calls on all parliamentary parties in Montenegro to overcome the persistent polarised political climate, stop the obstructing practice of boycotting the Parliament and engage in dialogue in order to form a new and stable Government as soon as possible. It reminds all relevant political actors in the country that citizens expect them to work together and overcome their differences so that Montenegro, the most advanced country among the EU candidate countries, can undertake and implement vital reforms and earn its place in the EU.
- 1.2 Members of the JCC are pleased with the significant jump in the support of Montenegrin citizens for the country's membership of the EU (71% in favour compared to 54% in June 2020¹). The

¹ [Conducted in December 2021 by the Centre for Democracy and Human Rights \(CEDEM\), a Montenegrin NGO](#)

JCC would point out that the EU is the biggest foreign financial donor in Montenegro, as well as being the entity with which Montenegro has the strongest political, economic and trade connections.

- 1.3 The JCC welcomes the fact that the country, as an EU candidate country, continues to fully align with the EU Common Foreign and Security Policy (CFSP), including with regard to the EU's sanctions against Russia due to the Russian invasion of Ukraine, and the vocal support to the EU initiatives at the UN, to international law, and to a rules-based international order. The JCC encourages Montenegro to take the necessary steps to implement quickly and fully the restrictive measures adopted. It also encourages Montenegro to continue with this good practice.
- 1.4 The JCC welcomes the fact that in June 2021 Montenegro formally accepted the revised enlargement methodology and that the process has been given greater impetus, with EU-Montenegro dialogue meetings now being held at the level of regular intergovernmental conferences.
- 1.5 The JCC welcomes the European Commission's 2021 Montenegro report and regrets that Montenegro's progress on its pre-accession path was overall assessed as limited. The JCC encourages the Montenegrin authorities to make all necessary efforts to meet the interim benchmarks for chapters 23 and 24, which determine the overall pace of negotiations, and are the next milestone before moving towards the provisional closure of other chapters or clusters, which should also stay in focus. The JCC welcomes the proactive approach to accelerating the main activities under the negotiation process that can be seen with the launch of the government's action plan for addressing the key recommendations in the European Commission's 2021 Montenegro report.
- 1.6 Members of the JCC stress that the ongoing electoral reform, as well as the reforms of the judiciary, police and prosecution and intelligence services intended to enable the country to tackle corruption and organised crime efficiently, need to be in line with commitments taken within the EU accession negotiations and with recommendations by international organisations such as the OSCE's Office for Democratic Institutions and Human Rights (ODIHR) and the Council of Europe's Group of States against Corruption (GRECO)². They encourage the Montenegrin authorities to clearly demonstrate their strong political will to accelerate reforms and to include CSOs in this process. The JCC welcomes the appointment of a new acting Supreme State Prosecutor, 11 judges of the Supreme Court and a new Chief Special Prosecutor, as well as the appointment by the Parliament of five non-prosecutorial members of the Prosecutorial Council from the ranks of eminent lawyers and NGOs.
- 1.7 The JCC points out once again that politics should not take precedence over the rule of law and that all appointments need to be de-politicised, transparent, conducted according to well-established criteria and subject to public competition. The continued practice of close entwinement of political parties and the administration that leads to nepotism and clientelism needs to stop.

² <https://www.coe.int/en/web/greco/evaluations/montenegro>

- 1.8 The JCC again calls on the European institutions, the current and future presidencies of the Council of the EU, as well as all the Member States to continue to be supportive of EU enlargement policy, as this is crucial for the credibility of the EU, as well as the stability of the Western Balkans and Europe. The JCC welcomes the decision to hold regular EU-WB summits, and the announcement of the next one to be held in the second half of 2022 under the Czech Presidency of the Council.
- 1.9 The JCC notes with satisfaction that the latest Freedom House report on states in transition, which deals with human rights and the promotion of democracy in the world, indicates that, during 2021, the country's public broadcaster operated with more independence and self-censorship eased³.
- 1.10 The JCC welcomes the adoption of a national climate change adaptation plan and the adoption of the financial needs assessments for the fulfilment of the closing benchmarks for chapter 27 – Environment and climate change. However, the country should further step up its carbon reduction ambitions by 2030, which currently amount to 35% reduction, compared to 1990.
2. **Cluster 1: The Fundamentals of the Accession Process, with particular focus on Economic Criteria, Public procurement, Statistics and Financial Control and the response to the COVID-19 pandemic**
- 2.1 The JCC reiterates its support for the central role of the Fundamentals cluster⁴, the progress of which impacts all other criteria and defines the dynamics of EU accession negotiations. Nonetheless, in line with the declaration from the 8th Western Balkans Civil Society Forum in Skopje on 1 October 2021, it stresses that without improving the monitoring and assessment mechanisms for EU accession-led reforms, it is unrealistic to expect any significant changes or to expect that the revised methodology will have a transformative effect⁵. Furthermore, the new accession methodology will struggle to achieve its full effect without unequivocal political determination and good will by major political stakeholders in Montenegro and the EU Member States.
- 2.2 Members of the JCC note with satisfaction that Montenegro's economy has been steadily recovering. This is mainly thanks to the strong performance of the tourism sector in 2021, after being hit hard by the COVID-19 pandemic, although it has yet to return to pre-pandemic levels. They welcome the sharp decline in the budget deficit in 2021 and note that the unemployment rate seems to be going back towards pre-pandemic levels, but express their concern about its persistently high level (15%) and the rise of the share of long-term unemployed.
- 2.3 The JCC is aware of the potential economic and social consequences for Montenegro of the sanctions imposed on Russia taking into account the high share of Russia in foreign direct investments (FDI), most of it in the real estate and tourism sectors, as well as the high percentage of tourists from Russia and Ukraine that traditionally visit the country. However, the JCC calls

3 <https://freedomhouse.org/country/montenegro/freedom-world/2022>

4 https://ec.europa.eu/neighbourhood-enlargement/system/files/2021-10/eu_accession_process_clusters.pdf

5 <https://www.eesc.europa.eu/en/agenda/our-events/events/8th-western-balkans-civil-society-forum>

on Montenegro's authorities to continue to fully follow the EU CFSP and its implementing mechanisms. Having in mind the potential economic and social consequences for Montenegro and other Western Balkan partners, the JCC calls on the EU institutions to consider a potential reallocation of pre-accession and other available funds in order to support the region in mitigating related negative economic and social consequences.

- 2.4 The JCC points to the vital importance of recognising the principle of decent work, based on written contracts, health and safety at work and decent and timely pay, and of properly addressing labour market issues such as the regulation of teleworking and the informal economy. The JCC points to a significant number of precarious employment contracts, such as agency contracts, work contracts and contracts for temporary and occasional jobs, especially in the public sector, and urges the Government of Montenegro and local authorities to effectively combat this phenomenon. It notes with concern that the deadline for reaching the general collective agreement has once again been prolonged to 31 December 2022⁶ and invites all stakeholders to step up their efforts to conclude the discussions well before the new deadline.
- 2.5 The JCC supports the Global Gateway strategy which aims to mobilise up to EUR 300 billion in investments around the world between 2021 and 2027 to underpin a lasting global recovery, taking into account partners' needs and the EU's own interests. In that respect, and building on the Economic and Investment Plan for the Western Balkans, the JCC calls on the European institutions to take their partners in Montenegro and the Western Balkans, a region of great strategic interest for the EU, fully into account in the implementation of the strategy.
- 2.6 The JCC reiterates the gratitude for the valuable EU support provided to Montenegro to date in the context of the COVID-19 pandemic.
- 2.7 Recognising the vulnerability of Montenegro and other EU candidate countries to the consequences of Russia's unprovoked and unjustified aggression in Ukraine, the JCC calls on the European Commission and the Member States to continue extending the measures and mechanisms in response to the potential consequences of Russia's aggression in Ukraine on EU Member States, to include Montenegro and other candidates, as they did recently regarding the common purchases platform. This would mitigate the imminent consequences of gas shortages, the energy crisis and the economic and social consequences of the crisis in Ukraine for citizens, such as the rising inflationary pressures caused by the global rise in energy prices. The JCC reiterates the importance of green energy sources as opposed to solid fossil fuel.
- 2.8 The JCC notes with satisfaction that the Parliament of Montenegro managed to adopt the 2022 budget law on 29 December 2021 but expresses its concern that the projected deficit of 5.1% is higher than the government's initial plan of 3.9%. This is due to the fact that the Parliament did not accept a number of compensatory measures (such as some new excise taxes and fuel marking revenues) proposed to offset the effects of the increase in the minimum wage and the abolition of mandatory health insurance contributions. The JCC notes, however, that unintended risks may

6

The deadline stipulated in the Labour Law for reaching the general collective agreement was one year from the entry into force of the Labour Law, i.e. 7 January 2021. Due to the COVID-19 pandemic, the work of the tripartite working group on the general collective agreement has been cumbersome and negotiations have slowed down.

arise from the design and sequencing of the measures – with regard to the financing of public health services, the risk of an insufficient inflow into the Equalisation Fund as the allocation mechanism for support to less-developed municipalities – as well as resource and administrative capacity challenges (in tax enforcement and labour inspection)⁷.

- 2.9 Members of the JCC welcome the almost unanimous adoption in the Parliament in December 2021 of a set of laws and measures under the "Europe Now" reform programme that took effect on 1 January 2022. They consider measures such as the increase in minimum wage from EUR 250 to EUR 450 net, the reduction of costs for employers through a lower tax burden on labour, the introduction of progressive taxation and the abolition of the obligation to pay contributions to compulsory health insurance to be both ambitious and highly desirable. However, they warn about possible problems in their implementation and sustainability in light of Montenegro's already high public debt. Members of the JCC welcome the initial efforts by Montenegrin authorities to combat the grey economy, which are also included in the programme.
- 2.10 The JCC reiterates the need to strengthen transparency, stakeholder participation and the government's capacity to implement necessary economic and social reforms and stresses that proposals from the social partners need to be taken into account when adopting these measures. It underlines that the economic and social recovery from the COVID-19 pandemic needs to be based on a green and digital transition and, considering the structure of the Montenegrin economy and society, special attention needs to be given to SMEs and those considered vulnerable in the labour market including women, young people, Roma communities and low skilled workers.
- 2.11 The JCC supports the ongoing work on the Common Regional Market (CRM) between all Western Balkan partners, and calls for efforts to build on successful examples of cooperation such as the WB business community, the Western Balkan Six Chamber Investment Forum (WB6 CIF)⁸ and the Green Lanes initiative. It stresses, however, that the CRM action plan calls for fully inclusive regional cooperation that needs to take into account not only the economic, but also the social and ecological dimensions of the initiative that should genuinely benefit people.
- 2.12 The JCC condemns the extension of the "Montenegrin citizenship by investment" scheme to non-EU citizens in Montenegro until 2023, since it is a potential source of corruption, tax evasion and money laundering and asks the Montenegrin authority to put a stop to it as soon as possible.
- 2.13 The JCC asks the Montenegrin authorities to carefully analyse the European Commission's 2021 Montenegro report as regards the recommendations in the areas of Public procurement, Statistics and Financial Control, since these chapters of the negotiations are also an important part of the Fundamentals cluster. Members of the JCC also point out that Montenegrin companies are highly dependent on public funding, with almost one in ten reliant on public procurement for the vast majority of their sales. They believe that digitalisation of services and the electronic public procurement system operational from January 2021 are an opportunity to curb corruption through

7

<https://www.imf.org/en/Publications/CR/Issues/2022/02/23/Montenegro-2021-Article-IV-Consultation-Press-Release-Staff-Report-and-Statement-by-the-513459>

8

Founded in 2017, with the idea of giving a regional voice to more than 350 000 companies in the region, WB CIF is an initiative bringing together the Chamber of Commerce and Industry of Serbia as a driving force, together with the Chambers of Commerce of Albania, Kosovo, Bosnia and Herzegovina, North Macedonia and Montenegro.

greater transparency, efficiency and accountability, especially considering that many public procurement procedures undertaken during 2020 and related to the COVID-19 pandemic are still far from transparent.

3. **Overview of the situation of civil society in Montenegro**

- 3.1 Members of the JCC continue to be concerned that the environment for civil society action is still unfavourable, due to the failure to implement the legislative framework governing participation in decision-making and the irregularity of the meetings of the Council for cooperation between government institutions and NGOs and the Social Council. They regret the delay in the adoption of the *National Strategy for the creation of an enabling environment for CSOs in the period 2022-2026*, as well as in adopting important laws for civil society such as the revised framework allowing free access to information without unnecessary restrictions, and the new legislation on volunteering.
- 3.2 The JCC encourages the continuation of a functioning mechanism for the co-financing of EU-funded projects that aim to reinforce inclusive civic participation in public policy processes, and to improve cooperation and dialogue between civil society and the Government. However, in 2021 not all ministries have launched calls to award grants to CSOs nor some of the launched calls have been finalized with contracting, despite their legal obligation to do so. Moreover, the JCC regrets that there is a tendency of considerable decrease of support of Government for the projects of CSOs, as in the 2022 budget grants for CSOs are not recognized as separate budget lines, but these transfers will be provided from otherwise burdened, current budget reserves, making everything extremely uncertain. The JCC once again urges the Montenegrin Government to provide access to co-financing not only to NGOs, but also to the social partners and other types of CSO. The JCC also calls on the European Commission to provide a special grant to strengthen the overall capacities of the representative social partners and other workers' and business organisations.
- 3.3 The JCC once again strongly emphasises the importance of independent CSOs being effectively involved in all aspects of policy-making and in EU accession negotiations, and highlights the role of CSOs in improving the overall democratic environment in Montenegro through their watchdog activities and advocacy. It commends the establishment in June 2021 of the Council for the Rights of Children and urges the Government to hold regular meetings with advisory bodies with CSO representatives such as this one, as well as the Council for the Rights of Persons with Disabilities.
- 3.4 The JCC regrets that there has been no formal invitation to the countries of the Western Balkans, as future members of the European Union, or to their citizens, to contribute to the debate within the Conference on the Future of Europe. In the context of the ongoing Conference, the JCC welcomes the Citizens Assembly jointly organised on 4 November 2021 by the Parliament of Montenegro and the European Parliament to discuss corruption in the healthcare system and the public sector.

- 3.5 Members of the JCC regret that according to the Reporters Without Borders (RSF) 2021 World Press Freedom Index⁹, Montenegro went up only one place, and is now ranked 104th globally out of 180 countries surveyed on freedom of the press. The JCC nevertheless welcomes the strengthening of the legal framework for the effective protection of journalists and other media workers following the amendments to the Criminal Code adopted by the Parliament. Its members salute certain breakthroughs in investigating attacks against journalists and stress that it is not enough to identify and prosecute the material perpetrators, but also those who are ultimately responsible for ordering the attacks and expects Montenegro to ensure full and effective judicial follow-up of attacks and threats, including the old cases. Members of the JCC reiterate the recommendation to the holders of public office to lead by example in creating a social environment conducive to free and professional reporting. They welcome the establishment of a new ad hoc commission for monitoring violence against the media and call for it to step up its efforts and follow up on the work of the former ad hoc commission dedicated to investigating attacks on journalists.
- 3.6 The JCC notes that the public broadcaster RTCG has started to introduce a more pluralistic editorial policy and recalls that sustained efforts are needed to ensure it complies with the highest standards of independence and professionalism. It encourages Montenegro to finalise the revision of the legal and policy framework in the area of media, including the preparation of a draft media strategy, which has the potential to facilitate broad and inclusive dialogue with media stakeholders.
- 3.7 The JCC stresses the importance of combating fake news and false narratives which are designed to divide the EU and its partners and candidate countries, and invites the Montenegrin authorities to step up their efforts to develop cybersecurity capacities and fight disinformation and third-country interference in national media. It points out that disinformation can be combated through open and clear communication by public bodies and support for independent and critical media. As Montenegro is being hit particularly hard by attacks in the form of foreign interference and disinformation campaigns from numerous sources including some neighbouring countries, the JCC strongly supports the European Parliament's resolution of 9 March 2022 on foreign interference in all democratic processes in the European Union, including disinformation¹⁰, and invites the Montenegrin authorities to join the EU's initiatives to fight foreign interference.
- 3.8 The JCC calls for sustained efforts by the office of the Chief Negotiator to consult with civil society representatives and involve them in the negotiating structure, in a more comprehensive and systematic way at all stages and in all relevant chapters of the EU accession negotiations. It emphasises once again that these consultations should be genuine and not limited to *pro forma* participation of CSOs in working groups. The JCC also calls for an enabling environment in which CSOs can genuinely participate in the necessary reforms at all levels of Government and stages of implementation, as well as for modified criteria for electing NGO representatives to the relevant bodies formed by the Government.

⁹ <https://rsf.org/en/ranking>

¹⁰ https://www.europarl.europa.eu/doceo/document/TA-9-2022-0064_EN.html

- 3.9 The JCC calls on the Montenegrin authorities to amend the legislative framework so that social partner and civil society representatives in bodies formed by the Government are not treated as public officials.
- 3.10 The JCC once again calls on the Montenegrin authorities to take the necessary measures and actively involve the social partners with a view to ensuring decent working conditions for their citizens in a healthy, corruption-free business environment and guaranteeing a higher employment protection level (EPL); this will address the key challenges of the Montenegrin labour market, the biggest of which is the ongoing brain drain and labour emigration. It reiterates the need for the Montenegrin authorities to conduct genuine, and not just *pro forma*, tripartite social dialogue within the Social Council and to find mechanisms to discourage anti-union discrimination and provide protection for employees when exercising their right to trade union association.
- 3.11 Members of the JCC welcome the registration of the first same-sex partnership in July 2021, following the adoption of the law in 2020. On the other hand, they are concerned about the rise in gender-based violence in the country and stress that the rights of women and children need to improve.
- 3.12 The JCC instructs its co-chairs to forward this joint declaration to the EU-Montenegro Stabilisation and Association Council, the EU-Montenegro Stabilisation and Association Parliamentary Committee (SAPC), the European External Action Service (EEAS), the European Commission, and the Government of Montenegro.

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This joint declaration was adopted by consensus.

The next JCC meeting will be held on 18 November 2022 in Podgorica. As agreed, the main topic of the agenda will be Cluster 1: The Fundamentals of the Accession Process, with particular focus on Judiciary and fundamental rights, Justice, Freedom and Security and the Functioning of democratic institutions. The assessment of the enabling environment for civil society is on the agenda of every JCC meeting.