

# Montenegro

## Synthesis of the monitoring year 1 brief

### Component 1: Conducive environment

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**Objective 1: An enabling legal and policy environment, for the exercise of the rights of freedom, expression, assembly and association**

**Result 1.1.: All individuals and legal entities can express themselves freely, assemble peacefully and establish, join and participate in non-formal and/or registered organisations**

	There is a legal framework for establishing associations and foundations (Law on NGOs, 2011), but there is no legal framework for establishing other types of organisations such as non-profit companies. The Association may be established by at least 3 people, one of whom must have residence, domicile or head office in Montenegro. A person authorized to represent must be permanent or temporary resident in Montenegro. Registry does not contain contact information. Organizations acquire legal personality only after registration
	Foreign non-governmental organization may operate on the territory of Montenegro in order to achieve goals and interests which are not prohibited by Constitution and the law. <sup>1</sup>
	According to Labor Law and Rulebook on Registration of Trade Unions and Rulebook on Registration of Representative Trade Union, trade organizations are registered in Trade Union Register and Register of Representative Trade Union kept at the Ministry of Labor and Social Welfare of Montenegro. <sup>2</sup>
	There are no sanctions prescribed in case of failure to register.
	The Law on NGOs allows networking with organisations in Montenegro and abroad.
	Over 90% of organizations referred to the questionnaire said that they didn't have problems registering the organizations. Few organizations have met with difficulties and additional procedures when registering and with naming their representatives. As the main flaw of the Registering process organizations named long (one month comparing to 10 days which are prescribed by the Law) waiting for the decision.
	State control over the work of CSOs is regulated by the Inspection Law. 3 organizations out of 50 from our survey said that the state has interfered in their inner matters
	A fine ranging from EUR 500 to EUR 800 shall be imposed on a non-governmental organization if it does not report the body in charge about the changes in data which are to be entered in the register within 30 days. The same punishment is also envisaged in the event of failure to publish financial statements within 10 days of adoption. 43 organizations said that they have not been exposed to the pressure, while 6 of them said that sometimes they were. One organization had unannounced visit from state authorities, and one had excessive inspection according to its opinion
	A fine ranging from EUR 500 to EUR 4,000 shall be imposed on non-governmental organizations if, during the calendar year proceed to conduct economic activity after crossing the allowed threshold of 4,000 or 20% of total annual revenue
	The Constitution of Montenegro guarantees freedom of peaceful assembly without a permit, subject to prior notification to the competent authority. Freedom of assembly may be temporarily restricted by the decision of the competent authority for the prevention of disorder or crime, protection of health or morals or for the protection of people and property in accordance with law.
	98% of the organizations participating in the survey said that they had no problems while organizing

<sup>1</sup> Montenegro Needs Assessment Report, TACSO, December 2013, pg. 8

<sup>2</sup> Ibid 1 pg.9

	public assemblies. One organization was prohibited to organize a gathering and it got a written explanation. This year's Pride Parade was organized with the protection of more than 1000 policemen, with no counter-gatherings. Organizers started good cooperation with the authorities. One organization couldn't organize an urgent gathering with more than 20 people since the deadline of 5 days in advance was passed.
	According to the Constitution of Montenegro, everyone has the right to freedom of expression by speech, writing, painting, or otherwise. The right to freedom of expression can be limited only by the other persons' right to dignity, reputation and honour, and if it threatens public morality or the security of Montenegro.
	Four organizations stated that sometimes they have faced in limitations in freedom of speech. 10 organizations said that they have faced consequences for expressing critical attitude towards authorities. Several organizations stated that they have been indirectly threatened by inspections or contacts with donors because of their criticism
	The rules of the working group for the preparation of negotiations restrict CSO members to inform the public about the work of the working group.
	The implementation of the new Law on Free Access to Information has started. Act is not harmonised with other relevant laws.
	There are no legislated restrictions on the use of different communication and information tools.
	The Internet and other tools used for collecting information are accessible and there are no restrictions in practice regarding this.

**Result: 1.2. The policies and legal environment stimulate and facilitate volunteering and employment in CSOs**

	There are no statistics in regard of the numbers of employees and volunteers in the civil sector as well as information on CSOs income. According to the available survey (2010) there are 556 persons employed in NGOs in line with the Labour Law, while 1,358 of them have worked on the basis of service contracts (short- term or occasional employment). That is less than one percent (0.86 percent) of the total average number of employees in Montenegro in 2010.
	The Labour Law treats CSOs in an equal manner to other employers, which has its advantages, but drawbacks as well. The Labor Law does not recognise any advantages of employment and working in the CSO sector. The Law imposes an obligation for creating employee contact for unlimited period of time after two years of work, and in the case of involuntary termination of employment, the employer i.e. organization has to settle severance pay in the amount of six gross salaries. <sup>3</sup>
	CSOs participated in the program of professional education of graduates, along with other interested employees.
	Taking into consideration that CSOs are mainly financed through projects and that they do not have their own assets for severance pay as stipulated by the Labor Law, they are exposed to potential threats for further operations and functioning. <sup>4</sup>
	The Law on Volunteer Work regulates a number of issues related to volunteer work. It treats volunteering as a special form of labor-law relations, rather than voluntary citizens' initiative. Action Plan for chapter 23 included the creation of Law on Volunteering with the aim of supporting civic activism. Current Law on Volunteer Work complicates and bureaucratizes the process of hiring volunteers, thus ignoring the core meaning of volunteerism
	The Law does not stimulate volunteering, but prohibits and makes bureaucratic the manner of participation of citizens in volunteering, and therefore, instead of making efforts to strongly regulate

<sup>3</sup> Ibid 1, pg. 12

<sup>4</sup> Ibid 1, pg. 12

	all forms of citizens in volunteering and instances on punishment the offenders, the Law should have the approach of affirming volunteerism. Provisions of this Law greatly hinder the arrival of foreign volunteers, as they must have a residence permit or permission for housing. This law creates additional financial burdens and puts CSOs in even less favourable position (compulsory health insurance, residence permits for foreign volunteers). Labor inspection may without prior warning prohibit volunteering if a volunteer or organizer do not have necessary documentation (contract and insurance), but there is not a single mechanism to prevent potential abuse. The lawmakers have not adopted the accompanying secondary legislation in due time. <sup>5</sup>
	NGOs mostly do not engage volunteers using the procedures prescribed by the Law on Volunteer Work
	69% of the surveyed CSOs point out that the existing legal regulations (related to the development of volunteerism and engagement of volunteers) are not stimulating; while 24% state that they are stimulating.

### **Result 1.3. National and/or local authorities have enabling policies and rules for grassroots organisations.**

	There are no sanctions prescribed in cases of failure to register a CSO. Over 90 percent of organisations surveyed in the questionnaire said that they did not have problems registering their organisations. Few organizations have met with difficulties and additional procedures when registering and with naming their representatives. As the main flaw of the Registering process organizations named long (one month comparing to 10 days which are prescribed by the Law) waiting for the decision. Registry does not contain contact information
	The Constitution of Montenegro guarantees freedom of peaceful assembly, without a permit, subject to prior notification to the competent authority
	Freedom of assembly may be temporarily restricted by the decision of the competent authority for the prevention of disorder or crime, protection of health or morals or for the protection of people and property in accordance with law.
	The Law on Free Access to Information Act is not harmonised with other relevant laws.
	Rules of the working group for the preparation of negotiations restrict CSO members to inform the public about the work of the working group.
	There are no legislated restrictions in the use of different communication and information tools.

## **Objective: 2. An enabling financial environment, which supports the sustainability of CSOs.**

### **Result: 2.1. Easy-to-meet financial rules for CSO, which are proportionate to their turnover and non-commercial activities**

	82% of the surveyed CSOs believe that the prescribed financial rules, obligation of bookkeeping and accounting are generally clear and understandable
	71% of the surveyed CSOs consider these rules simple to implement
	A fine ranging from EUR 500 to EUR 800 shall be imposed on a non-governmental organization if it does not report the body in charge about the changes in data which are to be entered in the register within 30 days. The same punishment is envisaged in the event of failure to publish financial statements within 10 days of adoption
	43 organizations said that they have not been exposed to pressure, while 6 of them said that sometimes they were. One organization had unannounced visit from state authorities, and one had excessive inspection according to its opinion
	Non-governmental organisations can directly engage in economic activity specified in the statute if

<sup>5</sup> Ibid 1, pg. 11

	they are registered in the Company Register. The provision of the Law specify that only economic activity of CSOs is entered in the Register, rather than the organization itself in order to avoid interpretation whether it needs to be registered as a company or established as a new legal entity or not. Performing economic activities is not burdensome for NGOs.
	Non-governmental organization needs to cumulatively meet the following conditions in order to conduct economic activity: 1) economic activity must be determined by Articles of Association; 2) gained revenues must be used exclusively to finance the statutory goals of the organization and on the territory of Montenegro; 3) economic activity must be conducted in line with the regulations governing the area within which the economic activity is conducted; 4) carrying out of the economic activity must be entered in the Central Register of the Commercial Court, which is done by entering the code and description of the activity, as stipulated by the regulations on classification of activities. <sup>6</sup>
	If the income from economic activities in the current year exceeds 4,000 or 20 % of the annual income, a non-governmental organization cannot directly engage in economic activity later this year.
	Legislation allows CSOs to be funded by foreign institutions and organisations, domestic legal and private individuals as well as corporations. Organizations participating in our survey did not have any objections on the process of receiving funds of any kind
	Some organizations stated that the procedures for tax exemptions are too long or demanding

### **Result: 2.2. Donations are stimulated with adequate legislation and regulations**

	The Law on Income Tax stipulates that expenditures on health, education, sports, culture and environmental protection purposes are recognized as expenses up to 3.5 percent of the total revenue. A similar provision is contained in the Law on Corporate Income Tax.
	Law on Corporate Income Tax and Law on Personal Income Tax stipulate narrowly defined and limited list of areas of public interest. These regulations have not covered a number of other areas, not even those that are otherwise recognized and protected as constitutional values (human and minority rights, the rule of law), or on whose importance in society there is a broad consensus (fight against corruption, sustainable development). Definition of areas of public interest specified in these regulations is inconsistent with considerably broader list of areas of public interest in which NGOs operate, which is regulated by the Law on NGOs, and which is not limited. <sup>7</sup>
	The legislation is not encouraging enough for the CSR. The culture of giving and corporate social responsibility is not being encouraged, despite the amendment to the Law on Corporate Income Tax.
	The provisions of legal and natural persons-taxpayers in the area of human rights are not recognized as an expense, although human rights are recognized as a fundamental constitutional value.
	The difference between the tax and statutory regulations leads to a situation where there are two public policies when it comes to areas of public interest in which CSOs operate, depending on whether CSOs are funded directly by the state or through tax incentives. So for example, CSO operating in the field of human rights meets the general requirements prescribed to apply for financing from the budget, however, grant to such CSO by legal entities or natural persons does not represent recognized tax expenditure.
	There are no official statistics that show the degree of utilization of these benefits. <sup>8</sup>

<sup>6</sup> Ibid 1, pg 9

<sup>7</sup> Ibid 1, pg. 10

<sup>8</sup> Ibid 1 pg. 11

**Result: 2.3. Financial (e.g. tax or in-kind) benefits are available**

	CSOs are generally, subjected to the same VAT regulations as commercial enterprises, but CSOs do not have to register for VAT if their total annual income is less than the statutory limit of 18,000 EUR and CSOs are exempt from VAT in key areas.
	Some organizations stated that the procedures for tax exemptions are too long or demanding

**Result 2.4.: Government support to CSOs is available and provided in a transparent, accountable, fair and non-discriminatory manner**

	Total allocations for NGOs from the state budget are reduced from EUR 4 million in 2010 to 1.7 million in 2013. Seen as a percentage of the current budget of Montenegro, this reduction further decreased from 0.73 in 2010 to 0.24% in 2013.
	Commission for allocation of revenues from games of chance distributes 60% of all annual revenues from games of chance, out of which 75% is foreseen for “plans and programs of non-governmental organizations”, which is why this is the most important source of public financing of CSOs. The Commission has had available the funds determined by the annual Law on Budget. However, according to NGO data, these funds are significantly different compared to the exact amount of the legally established percentage allocated for the Commission and NGOs in accordance with the provisions of the Law on Games of Chance.
	According available information, the funds under this legal basis allocated and planned by the Budget over the period 2008-2013, were less than the funds that had to be allocated on the basis of the Law on Games of Chance for EUR 4,743,390.38.
	Regulation on the Criteria for Determining the Beneficiaries and Manner of Distribution of the Revenues from Games of Chance <sup>7</sup> in force as of August 2011, determines that out of the total available funds -75% is distributed to plans and programs of NGOs, -10% for media pluralism -15% for other non-profit organizations and public institutions. -It is foreseen that for the area of “social protection and humanitarian activities” 12% is set aside for “meeting the needs of persons with disabilities”, 40% for culture and technical culture, 12% for non-institutional education and upbringing of children and young people, 10% for contribution to the fight against drugs and all other forms of addiction. -Allocation of funds is done on the bases of four criteria which bear different number of points: public usefulness, i.e. public interest 30%, quality of the proposed plan and program 30%, the capacity of the organization to implement the plan and program 25% and budget 15%.
	Commission for the Allocation of Funds to NGOs (appointed in 2011 by the Parliament of Montenegro) is still positioned in the budget, even though it has not performed allocation since the entry into force of the Law on NGOs. Around EUR 560,000 (EUR 200,000 for 2011 and 2012 and EUR 160,000 for 2013) has not been distributed to NGOs from this budget item.
	Fund for Minorities was established in 2008, in accordance with the Law on Minority Rights and Freedoms in order to support the activities that are of importance for preservation and development of national and ethnic particularities of minority people and other minority ethnic communities and their members in the field of national, ethnic, cultural, language and religious identity. In September 2013, the Fund has adopted a decision on financing projects of the total value of EUR 500,000. Fund for minority rights is also funding NGO projects.
	Certain ministries and other state administration bodies continue to allocate funds for projects of CSOs, even though there are no clearly visible funds for CSOs in the budgets of these bodies. According to data from the Report on Cooperation between the Ministries/State Administration Bodies and CSOs, in 2012, the bodies financed NGOs with about EUR 175,000 from their budgetary

	positions, and mainly based on the applications of CSOs to help certain organizations. In the first six months of 2013, this amount was slightly less than EUR 39,000. It should be noted that there are no written, transparent procedures for distribution of these funds. <sup>9</sup>
	The Law on NGOs prescribes the centralized financing of NGO, but legal documents regulating state funding of the NGOs are not in accordance with each other. Even after two years from the adoption of the Law, other legal documents have not been put in accordance, and second legislative (needed for the adequate application of the Law on NGO) has not been adopted
	The Law on Budget is not in accordance with the Law on Games of Chance, which causes allocation of significantly smaller means to NGOs
	Procedures for the funding of NGOs from the state budget are not in accordance with the Law. The biggest part of state funding of NGOs goes through the Fund for the allocation from the part of revenues from games on changes.
	NGOs are being financed through local self-governments, but significant part of the money is being allocated apart from public call for proposals, based on other legal basis, which is process that lacks transparency and defined criteria. Some state bodies allocated all together 1 024 346, 86 euros to NGOs, even though the Law on NGOs eliminates that possibility
	Public calls for project proposals for funding from the part of revenue from games on chance for current year was published in September and legal deadline is the end of first quarter of the year. The Decision on the funding for 2014 year has not yet been made. The allocation is being made by the Commission publicly elected. There are clear criteria for the allocation of funds.
	According to the Law on NGOs, The Commission shall submit to the Government, once a year, a report on the implementation of projects and programs funded. Legislation does not regulate which body is in charge for the monitoring of the work of the Commission. Procedures for the monitoring of project implementation from the Commission for allocation of revenues from games of chance and reporting have not been developed, or are not sufficiently developed. The Commission did not submit the report for year 2013, as stated in the Audit Report
	According to the Law on NGOs, control of the appropriate use of funds allocated to CSOs should be undertaken by external auditors engaged by the advisory body. Report on cooperation between ministries / state authorities and CSOs in the 2012th year, shows that, in practice, there have been cases where the ministries have given way to the use of their space-boardroom for the meetings.
	The new Law on Social and Children Protection has been adopted. The Law prescribes the possibility for other entities, including non-governmental organizations to provide social services through the process of licensing. Licensing, accreditation of the programs as well as the financing of the social services is to be regulated by the second legislation. For these to be achieved, second legislation need to be adopted previously. There are existing cases of service provision in cooperation with state or local authorities, but they are individual examples, not part of a bigger system and done aside from the process of licensing and accreditation
	The only adopted document which concerns NGOs is Regulations on the Content of the Database and the Content and Method of Keeping Records in Social and Children Protection
	284 social services were available in Montenegro in the period 2012-2013. 175 of those were provided by non-governmental organizations, which makes 80%. NGOs provided services mostly through projects funded by foreign donors. Through the project Reform of the social and children protection – Improvement of social inclusion, IPA 2010, in the period 2012/13 it was supported by 40 social care services in 9 municipalities and most of them were performed by NGOs. Most of the social services providing shelter are provided in partnership between NGOs and local self-governments. There is no system of keeping record on the available services as well as evaluating them
	There is no legislation regulating monitoring both spending and quality of service provision. Since

<sup>9</sup> Ibid 1, pg 13

there is no legislation regulating service provision, all concrete examples of this-like cooperation are being monitored based on individual arrangements from case to case

## Changing relations; CSOs and government

**Objective 3: Civil society and public institutions work in partnership through dialogue and cooperation based on willingness, trust and mutual acknowledgment around common interests**

**Result: 3.1. Public institutions recognise the importance of CSOs in improving good governance through CSOs' inclusion in decision-making processes**

	Strategy for the Development of the Non-governmental Sector in Montenegro for the period of 2014-2016, including the Action Plan, was adopted in December 2013. In July 2014, Government appointed the new Council for development of NGOs
	The Council for Development of NGOs is in charge for following the implementation of the Strategy for development of NGOs, as well as the implementation of the Action Plan for chapter 23 in part regarding the civil society. Small number of activities planned for year 2014, by the Action Plan for the Strategy for development of NGOs, was actually implemented within the deadline
	The existing legislation obliges public institutions to make all draft and adopted laws and policies public. This topic is covered by a number of laws and regulations (Law on free access to information, Law on NGOs, Regulation concerning public discussions etc.) Clear mechanisms and procedures for access to public information and documents exist and there are guidelines concerning this topic, which can be found on the websites of almost every ministry and local self-government. There are prescribed mechanisms for appeals to the decision of the body that is in charge for sharing the requested information or making it public. There is also the possibility to appeal to the Agency for the protection of personal data and free access to public information. However, there is no possibility to complain in a case where the requested information is labelled as secret. In that case the authority in charge of the case is the Administrative Court of Montenegro. All the laws and regulations are published in the Official Gazette in its printed and online version.
	The explanations on the reasons for refusal of the requests are often not clear, but they are included in the response. There is a lack of respect for the time frame in which it has to be responded to the request by the large number of government bodies. As it was earlier stated there are no known cases of sanctioned individuals. There are cases in which the appeal was approved by the Agency or the Administrative court
	There are mechanisms regulating citizen participation on national level. Union of Municipalities created models of four different Decisions regarding citizen participation on the local level. Less than half of the municipalities have put their decisions in accordance with the Models
	NGO representatives in the working groups formed by Ministries are chosen in a transparent manner, based on clear criteria. Members of the working groups formed by local self-governments are sometimes chosen based on personal contacts, not following the legally prescribed procedure
	There is Office for Cooperation between Government and NGOs, which has a limited capacity and authority to fully carry out its duties. The Office only employs three persons, the Head of the Office, an advisor and administrative secretary. Within newly amended act on organization of working positions in the General Secretariat, additional advisor position is planned within the Office. The Office does not have a clear and precisely determined budget and its competences to coordinate the contact persons in public administration bodies have not been clearly defined. Also, being a part of the Government General Secretariat, it lacks the authority to act independently. As things stand at the present, the long-term sustainability and effectiveness of the Office is still a challenge. <sup>10</sup>

<sup>10</sup> Ibid 1 pg. 20

	There is a Decree on procedure for achieving cooperation between state authorities and non-governmental organizations as the obligatory documents for state bodies to inform, consult and involve CSO representatives in drafting public policies as well as on the procedure and manner of conducting public debate in preparation of the laws as obligatory document for ministries to consult civil society in drafting laws
	Some municipalities either don't have, either the legislation which is not be best model for the cooperation with the NGOs and their inclusion in the decision making process
	NGO representatives participate in decision-making process on several levels (working groups formed by state bodies, parliamentary committees, public debates...). NGO representatives participate in the working groups for the preparation of negotiating chapters in the process of accession to EU.
	There are contact persons in the Ministries and other state bodies, as well as in the local self-governments
	Process of previous consultations in creating strategic and legal documents is not being conducted on a regular basis. Only 26 previous consultations have been conducted in all of the municipalities in 2013. Institute of "free chair" which is a mechanism for NGO participation on local level is often being misused. Reports from public debates are not being published regularly, especially on the local level. Most of the participants of our focus groups complained about not getting feedback to their comments and suggestions.
	75% of the surveyed CSOs are aware of the current structures and mechanisms for dialogue and cooperation with state institutions; 42% believe that these mechanism exist only pro-forma and 33% think that these mechanisms are useful
	82% of the surveyed CSOs are aware of the current structures and mechanisms for dialogue and cooperation with local institutions; 41% believe that these mechanisms exist only pro-forma and 41% think that they are useful
	33% of the surveyed CSOs were consulted in the process of preparing strategies on the local level; 30% on action plans on the local level; 24% on strategies on the national level; 23% on specific laws; 19% on action plans on the national level; 12% on programming of IPA financial support; and 12% on policy documents
	91% of the surveyed CSOs believe that they had adequate access to information during the process
	75% of the surveyed CSOs claim to have had enough time for giving comments
	12% of the surveyed CSOs did not have any of their comments taken into consideration; 5% claim that all their proposals and suggestions were taken into consideration; one fifth (19%) state that a majority of their proposals and suggestions were taken into consideration; 61% claim that only some of their proposals and suggestions were taken into account during the consulting processes on the national or local level
	Of the surveyed CSOs (who participated in the consultation processes during the past three years), one in five (22%) state that they received no feedback information and that the results of the consultations were not published; 16% state that the government gave detailed enough feedback information and results were easily accessible to all interested parties; 60% claim to have received feedback information and that the results were published, but not in all consultation processes

## CSOs Capacities

### Objective 4.: Capable, transparent and accountable CSOs

#### **Result 4.1.: CSOs' internal governance structures are transparent and accountable to members/constituents/beneficiaries**

	15% of the surveyed CSOs believe that the majority of CSOs in Montenegro are managed (in the
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	majority of cases) in compliance with the prescribed rules and they include consultations with employees and volunteers
	Of the surveyed CSOs, 3 in 10 state that in their CSO, the decisions are made in compliance with the prescribed rules and they include consultations with employees and volunteers
	77% of the surveyed CSOs believe that there is, by internal act prescribed obligation to inform the members or managerial or supervisory Board, customers or general public about the results of their work.

#### **Result 4.2.: CSOs are able to communicate the results of their activities to the public**

	Of the surveyed citizens, 52% have the most confidence in the president of the state; 50% in NGOs and 49% in the police.
	Of the surveyed citizens, they have the least amount of trust in political parties, 29%; the judiciary, 36% and in trade unions, 36%.
	Of the surveyed citizens, 56% perceive the NGOs as trying the most to solve the country's problems, followed by the president of the state at 52% and the media at 50%. Those who are perceived to be least trying to solve the country's problems are political parties and the judiciary at 38%; trade unions at 41% and the local administration in your town at 45%.
	Of the surveyed CSOs, one in two (48%) believe that CSOs are not sufficiently visible in the public; 11% believe that they are sufficiently present and 41% believe that CSOs' presence in the public is in the right extent. For those who believe that the presence is not enough, 60% of the surveyed CSOs criticize the NGO sector saying that organisations themselves are to blame since they are not working enough (or in the right way) to increase their presence; four out of 10 (38%) believe that the key reason is insufficient interest of the media in reporting on CSOs' activities.
	Surveyed citizens believe that the most important topic areas are employment, 78%; fight against corruption, 73% and education at 72%. The least important topic areas are animal protection, 49%; culture and art, 53%; and ecology at 56%,
	Surveyed citizens believe that the CSOs are most active in the areas of rights of women, 64%; human rights, 62%; and ecology at 58%. The least active areas are perceived to be: rural development, 40%; employment, 41%; and safety at 47%.
	Surveyed CSOs believe that the most important topic areas are: fight against corruption, 85%; employment, 82%; and human rights 80%. The least important topic areas are: animal protection, 52%; culture and art, 64%; and rural development 67%.
	Surveyed CSOs believe that CSOs are most active in the areas of: rights of women, 76%; ecology, 72%; and human rights, 71%. They are perceived to be least active in the areas of: rural development, 40%; employment, 41%; and animal protection 43%.

#### **Result 4.3.: CSOs are transparent about their programme activities and financial management**

	One in three of the surveyed CSOs (35%) claim that the statute of their organisation is not accessible to the public.
	One in three, of the surveyed CSOs (32%) claim to not have a rulebook and one in three claim to have a rulebook which is not accessible to the public on a website (31%).
	42% of the surveyed CSOs claim that they organisation in which they are engaged does not have an Annual Program based Statement of Work which is accessible to the public in any way
	Surveyed CSOs believe that 61% of organisations do not publish or make publicly available their Annual Program based Statement of Work
	45% of the surveyed CSOs openly admit that they do not publish their financial statements
	Surveyed CSOs believe that 64% of the CSOs in Montenegro do not publish their financial statements
	58% of the surveyed CSOs openly admit that they do not publish their audited financial statements

	Surveyed CSOs believe that 73% of the CSOs in Montenegro do not publish their audited financial statements
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**Result 4.4.: CSOs monitor and evaluate the results and impact of their work**

	Of the surveyed CSOs, 3 out of 10 (31%) openly claim that project assessments are done only pro-forma, while 66% claim that the projects are evaluated only in order to determine the effectiveness and draw lessons for further projects
	Of the surveyed CSOs, one in four (24%) use the services of external evaluators when they evaluate the realization of conducted projects
	Of the surveyed CSOs, one in four (27%) state that they do not have an established system for the evaluation of the realization of conducted projects

**Objective 5.: Effective CSOs**

**Result 5.1.: CSO activities are guided by strategic long-term organisational planning**

	Of the surveyed CSOs, one in fourteen (7%) use an external evaluator for the evaluation of the employee's performance
	Half of the surveyed organisations do not practice the evaluation of the performance of the employees
	Of the surveyed CSOs, 44% have a plan for human resources development; 36% openly admit that they do not have this plan and 18% (one fifth) say that they are currently preparing the plan for the development of human resources. For those with a plan, one in eleven of the surveyed CSOs (9%) claim to not be able to keep talented associates while those without one, 35% claim to not be able to keep talented associates. For those with a plan, one in twelve (8%) claim that they fail to attract new associates and for those without one, 47% claim the same.
	Of the surveyed CSOs, four fifths (80%) say that their organisations succeed in attracting new members and 75% succeed in keeping talented associates.
	Of the surveyed CSOs, 1 in 10 states that an external evaluator is evaluating the implementation of the organisation's strategic plan
	Half of the surveyed organisations do not evaluate the implementation of the organisation's strategic plan

**Result 5.2.: CSOs use research and other forms of evidence to underpin their activities**

	Of the surveyed CSOs, one in two (49%) say that they often use research results and analysis; 47% state that they rarely use research results and analyses and one in four almost never use research results and analyses for advocacy activities.
	Surveyed CSOs list the most common sources of data as: 52% use official data of national statistical offices, ministries; 25% conduct studies; 10% use academic studies; 5% use international institutions; 1% orders studies

**Result 5.3.: CSOs regularly network within and outside country borders and make use of coalition-building for increased impact in campaigning and advocacy**

	Of the surveyed CSOs, two thirds (67%) state that they are not members of any international CSO networks. For those who belong to at least one international network, they are active in 1.77 international CSO networks on average
	Of the surveyed CSOs, less than half (45%) are not members of any national network. For those who

	belong to at least one national network, they are active in 2.77 national CSO networks on average
	Of the surveyed CSOs, 57% state that their organisation does not belong to any local network. For those who belong to at least one local network, are active in 3 local CSO networks
	61% of the surveyed CSOs have a positive attitude towards networks' efficiency; while 14% state that CSO networks are of no use
	Surveyed CSOs point out the major advantages of taking part in CSO networks, which are: the opportunity to exchange experiences and knowledge (15%); access to information and its exchange (12%); and joint activities and cooperation (10%).

## Objective 6.: Financially sustainable CSOs

### **Result 6.1.: Fund-raising activities are rooted in CSOs' long-term strategic plans and the core mission of the organisation**

	The surveyed CSOs state that about two thirds (65%) of the CSOs within the NGO sector mainly adapt to the donors' priorities and collect means for other activities not in line with their strategic plan
	38% of the surveyed CSOs state that their organisation mainly adapts to the donors' priorities.

### **Result 6.2.: CSO have a diversified funding base, including membership fees, corporate/individual giving and social entrepreneurship**

	On average, have somewhat more than two sources of income (2.2) per CSO
	Surveyed CSOs list the most common sources of financing as: 44% local administration/regional administration; 36% government/ministries/state administration; 30% private companies; 28% members; 24% citizens; 23% other FOREIGN resources; 22% EU funds and 16% public companies