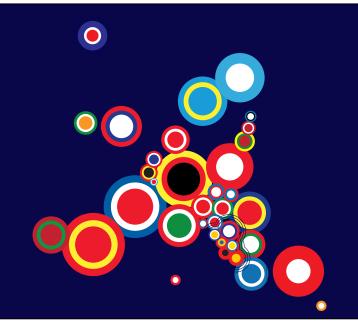


INSTRUMENT FOR PRE-ACCESSION ASSISTANCE (IPA II) 2014-2020

MONTENEGRO

Civil Society Facility and Media Programme 2014-2015



Action Summary

The underlying Action will help to improve the level of participation of civil society organisations in the policy-making processes in Montenegro. This will be supported through promoting an environment that is conducive to civil society activities and building their capacity to be effective and accountable independent actors. Another objective will be the improvement of the dialogue between civil society and the government, as well as more effective civic participation in public policy processes. Strengthened capacities of civil society for active participation in Montenegro's EU accession process will benefit both the Montenegrin citizens as the final beneficiaries of this Action, as well as the European Commission, which has recognised civil society actors as important stakeholders and partners in the EU integration process of Montenegro.

Action Identification						
Programme Title	Civil Society Facility and Media 2014-2015					
Action Title	Civil Society Facility and Media Action for Montenegro 2014-2015					
Action Reference	IPA/2014/031-605.06/CSF&Media/Montenegro					
IPA/2015/037.653.06/CSF&Media/Montenegro						
Sector Information						
ELARG Sectors	Good governance and democracy – sub-sector civil society					
	Rule of Law and fundamental rights – sub-sector media					
DAC Sector	15150 - Democratic participation and civil society					
	15153 – Media and free flow of information					
	Budget					
Total cost	2014: 2.4 million EUR					
(VAT excluded) ¹	2015: 1.35 million EUR					
EU contribution	2014: 2.25 million EUR					
	2015: 1.25 million EUR					
	Management and Implementation					
Method of implementation	Direct					
Direct management: EU Delegation in charge	Delegation of the European Union to Montenegro					
Implementation responsibilities	N/A					
	Location					
Zone benefiting from the action	Montenegro					
Specific implementation area(s)	NA NA					
Timeline						
Deadline for conclusion of the Financing Agreement	NA NA					
Contracting deadline	IPA 2014: 31 December 2015					
	IPA 2015: 31 December 2016					
End of operational	IPA 2014: 31 December 2019					
implementation period	IPA 2015: 31 December 2020					

1. RATIONALE

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The total action cost should be net of VAT and/or of other taxes. Should this not be the case, clearly indicate the amount of VAT and the reasons why it is considered eligible.

PROBLEM AND STAKEHOLDER ANALYSIS

The EU provides financial assistance to Montenegrin civil society organisations under the Civil Society Facility (thereafter CSF). In its strategic documents, the European Commission has continued to underline the importance of the role civil society actors can play in a participatory democracy and particularly in enlargement countries. The development of civil society remains a key focus of pre-accession assistance, as civil society organisations (thereafter CSOs) will continue to be in need of support for strengthening their capacities, professionalism and networking across the country and the region. In order for these objectives to be achieved, the development and reinforcement of a conducive environment for the operation of CSO activities is the main priority.

At the time of drafting this document, an analysis of the current institutional framework for CSO development, public funding mechanisms and modalities for conferral of management is being prepared by the national authorities with the EU funded technical assistance support.

In Montenegro there are 2870 NGOs registered at the Ministry of Interior, whereby non-governmental associations form a vast majority (2789), together with 81 non-governmental foundations.² The law on NGOs was revised in 2011, and it now provides the legal framework for establishing associations and foundations, and it allows for networking with organisations in Montenegro and abroad. It is difficult to estimate the number of active NGOs, but it is estimated that there are no more than around 200 NGOs that regularly perform activities and implement projects of national or local relevance. There are no statistics with regard to employees and volunteers in the civil society sector. The Delegation of the European Union to Montenegro regularly upholds contacts and consults with those NGOs. There is a stark disparity in Montenegro between a core of renowned, organisationally mature, professional organisations on the one side, and a majority of small, community-based, poorly staffed NGOs that struggle with a chronic lack of financial and human resources, adequate office space and technical equipment.³

Networking among NGOs and the establishment of sustainable partnerships still needs to be further developed. Previous IPA Civil Society programmes have aimed at promoting networking concepts, by encouraging influential organisations to provide know-how and capacity building to smaller, community based organisations. At the moment, there are a few operating networks of CSOs in Montenegro. The coalition "By cooperation towards a goal" gathers over 100 NGOs. The "Natura2000" network gathers NGOs from the environmental sector, and "Our Initiative" gathers disability CSOs to name but a few.

The stakeholders that participate in the tripartite social dialogue are the two trade unions in Montenegro – the Union of trade unions of Montenegro (SSCG) and the Union of free trade unions of Montenegro (USSCG), and the Union of Employers of Montenegro (UPCG)

Montenegro is a pioneer when it comes to the participation of civil society in the negotiation process. Civil society representatives have been selected as members of the working groups for each of the chapters under negotiation. Furthermore, the Decrees on the procedures for cooperation and conducting public debates between public administration bodies and NGOs determine the manner of consultation and cooperation between the government authorities and CSOs. The government has clearly recognised the importance of CSOs in the accession process and the role they can play to enhance political accountability, deepen understanding and support for accession related reforms. This holds particularly true for Montenegrin CSOs that monitor developments in areas such as the rule of law and respect for fundamental rights.

Funding is a significant challenge for Montenegrin CSOs as they are heavily dependent on external donors. Legislation also allows funding by foreign institutions and organisations, as well as domestic legal and private entities and corporations. The transparency of the government's procedures for funding of NGOs is controversial. A crucial problem is the constant reduction of available public

² Cf. TACSO Needs Assessment 2013, p. 38.

³ Cf. TACSO Needs Assessment, p. 40.

funds for the NGO sector over the years, both at national and local level. The total allocations for NGOs from the state budget were reduced from 4 million EUR in 2010 to 1.7 million EUR in 2013.⁴ In 2012, 18 Municipalities allocated 485,000 EUR to NGO projects, which is significantly less than compared to 800,000 EUR that was distributed in 2009.⁵

According to available data from NGOs, the funds allocated to the Commission for allocation of revenues from games of chance do not correspond to the amounts legally prescribed by the Law on Games of Chance. Moreover, the Parliament's Commission for allocation of funds to NGOs is still positioned in the budget, but it has not disbursed funds amounting to 560,000 EUR (for the period 2011-2013) since the entry into force of the new Law on NGOs. Certain ministries continue to allocate funds for CSO projects, even though there are no budget lines for this purpose and no written, transparent procedures for the allocation of those funds.

The state is the largest funding source for NGOs in Montenegro. In line with the Law on NGOs, public funding is provided for NGO programmes and projects dealing with issues of "public interest". In the recent past, bilateral donors have started to withdraw from Montenegro and most of their aid programmes are phasing out, which means that the EU has recently become the single most important source of international funding for CSOs. It is often incorrectly perceived as an alternative source of funding, filling the public funding gap. Corporate social responsibility urgently needs to be further developed and supported in order to obtain citizens' support to civil society and to raise funds from local businesses, as the current situation is not conducive to philanthropy. The absence of a system of tax benefits for CSOs as well as the development of a philanthropic culture need to be addressed to increase sustainability of the sector and reduce over-dependence on public and external funding.

RELEVANCE WITH THE IPA II STRATEGY PAPER AND OTHER KEY REFERENCES

In the IPA II Country Indicative Strategy Paper for Montenegro, Civil Society is referred to as a cross-cutting intervention, which constitutes part of all the sectors supported by IPA. The strategy sees that in a participatory democracy, "an effective public administration needs to be complemented by *well-developed and active CSO*, as well as an independent and professional media". Most importantly, they need to be supported in a "flexible, transparent, cost-effective and results focused manner across the sectors of the CSP." The underlying Action will help to achieve one of the main results for this sector, which is to improve "the level of participation of CSOs in the policy-making process". This will be supported through promoting an environment that is conducive to civil society and media activities and building their capacity to be effective and accountable independent actors. Another objective will be the improvement of the dialogue between civil society and the government, a more professional and independent media as well as more effective civic participation in public policy processes.

The Enlargement Strategy 2013-2014 states "a stronger role for civil society is key", as "events in a number of enlargement countries have underlined the importance of strengthening democratic institutions and ensuring inclusive democratic processes that support these institutions and reinforce core democratic principles and common EU values". Therefore the EU supports "an empowered civil society as a crucial component of any democratic system, which enhances political accountability and social cohesion, deepening understanding and inclusiveness of accession-related reforms."

This Action will provide support for "capacity building and encouraging the creation of an enabling environment for its development and greater involvement of stakeholders in reforms, including through greater transparency of government action and spending", as underlined in the Enlargement Strategy 2013-2014. For Montenegro, in particular, the Strategy says that "the accession process needs to be inclusive, with strong involvement of civil society throughout". The action will also seek to

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⁴ If this is seen as a percentage of the current budget of Montenegro, the percentage was reduced from 0.73% in 2010 to 0.24% in 2013. See TACSO needs assessment, p. 16.

⁵ Cf. TACSO needs assessment on the Centre for Development of NGOs report, p.21.

⁶ Cf. TACSO needs assessment, p.19

address the recommendation of the 2013 Progress Report that "the promotion of professional and ethical standard [of the media] should continue"

The Guidelines for EU support to civil society in enlargement countries (2014-2020) sets the enlargement agenda for civil society for the next 7-years. Support to civil society should be all encompassing, and "focused on enabling and stimulating participatory democracy." The two main goals are to achieve a conducive environment and CSO capacity building. In the Guidelines, a set of objectives, results and indicators were developed, which will provide a measurement of progress achieved at country level, as well as provide comparisons across the enlargement region.

SECTOR APPROACH ASSESSMENT

The government adopted the "Strategy for the Development of NGOs in Montenegro 2014-2016", together with the corresponding Action Plan. The Strategy emphasises that ensuring financial sustainability of NGOs is a priority, together with creating a conducive environment for them to operate, particularly focussing on the development of volunteering and the necessity for creating reliable statistics and data on CSOs. A key issue that is also to be tackled is the continuous need for capacity building of CSOs in order to provide quality contributions during the EU accession negotiations. The Country Strategy Paper also outlines the relevance of a thriving civil society, acknowledging that "Montenegro faces a range of challenges, especially in fields such as the rule of law, corruption, organised crime, the economy and social cohesion. Civil Society actors and organisations can make a substantial contribution to addressing many of these through their lobbying, advocacy and oversight activities at national and local level in every sector."

The Government office for cooperation with NGOs and the Council for cooperation between the government and NGOs provide the institutional framework for a more effective dialogue and cooperation. The capacities of the Office need to be further strengthened particularly having in mind the amendments to the legislative and institutional framework that were identified in the Strategy. Moreover, the Council has shown to be inefficient in its previous mandate, because it did not act as a forum for the discussion of major policy developments. These aspects of its functioning, as well as necessary capacity building, should be the subject of revision and amendments should be introduced to strengthen the Council's institutional position. In the forthcoming period, it will be necessary to develop a framework for both public funding to NGOs as well as the mechanisms for decentralised management of EU funds.

LESSONS LEARNED AND LINK TO PREVIOUS FINANCIAL ASSISTANCE

EU funding remains one of the most important sources for financial support to Montenegrin CSOs. Over the years, the quality and quantity of submitted project proposals has dramatically increased. However, there are concerns about the prescribed co-financing, which is becoming increasingly difficult for local CSOs to obtain. Another issue is the necessity for a diversification of beneficiaries, which may be achieved through an increased use of sub-granting schemes. So far it has proved very difficult for small, community-based organisations to benefit from EU support programmes.

In the past, the IPA 2007 Programme (EUR 1 million) encouraged the networking of Montenegrin CSOs with EU counterparts and with local authorities in the areas of policy development and service delivery. IPA 2009 Civil Society Development (EUR 2.2 million) aimed at enhancing the contribution of CSOs to the social, economic and political development of Montenegro and included sub-granting schemes. The IPA 2011 Civil Society Facility Programme (EUR 1.8 million) addressed the priority areas of relevance to Montenegro's accession process. IPA 2013 Civil Society Facility Programme (EUR 1 million) continued to focus on capacity building measures and strengthening service delivery. The Technical Assistance to Civil Society Organisations (TACSO) project has contributed to further capacity building of CSOs in Montenegro and served as resource centre for local organisations. It is envisaged that this TA will phase out by 2017.

2. Intervention Logic

LOGICAL FRAMEWORK MATRIX

OVERALL OBJECTIVE	OBJECTIVELY VERIFIABLE INDICATORS (OVI)	SOURCES OF VERIFICATION	
To strengthen participatory democracies and the EU integration process in the Western Balkans and Turkey by empowering civil society to actively take part in decision making and by stimulating an enabling legal and financial environment for civil society and pluralistic media.	Quality assessment of existing legislation and policy framework Quality of structures and mechanisms in place for cooperation between CSOs/media and public Institutions	Independent assessments by I.O. and CSOs Progress reports	
SPECIFIC OBJECTIVE	OBJECTIVELY VERIFIABLE INDICATORS (OVI)	SOURCES OF VERIFICATION	ASSUMPTIONS
To build the capacity of CSOs, media and regulators for media and audio-visual to be professional, effective and accountable independent actors	Number of CSOs participating in common initiatives Number of CSOs participating in national and local coalitions Number of newly established CSOs benefitting from support programmes Number of members of CSOs increased Number of public grants to CSOs for social service delivery	TACSO, BCSDN	Government and line ministries continue to treat the civil society sector with respect, trust and in a professional manner.
RESULTS	OBJECTIVELY VERIFIABLE INDICATORS (OVI)	SOURCES OF VERIFICATION	ASSUMPTIONS
Result 1: CSOs and media are recognised by the government and citizens as reliable partners in improving good governance, policy-making procedures and social service implementation.	1.1 External perception of importance and impact of CSO activities	Report on implementation of measures from the EU guidelines for CS support – BCSDN	Environment remains conducive to genuine and independent civil society activities.
Result 2: CSO capacities strengthened to participate in decision-making processes, deliver professional transparent and cost-effective services as well as able to communicate effectively their activities to the public.	2.1 Percentage of laws/bylaws, strategies and policy reforms effectively consulted with CSOs 2.2 Quality of structures and mechanisms in place for dialogue and cooperation between CSOs and public institutions	TACSO survey	
Result 3: Sufficient public funding to CSOs is available and provided in a regular, transparent, accountable, fair and non-discriminatory manner	Ratio of amount sought vs. amount approved/disbursed annually through state funding to CSOs Quality of state funding frameworks for CSOs	Report on implementation of measures from the EU guidelines for CS support – BCSDN	
Result 4:	4.1. Quality of media articles;		
Improved quality and independence of information delivered by traditional and social media.	Cooperation between national authorities and media.		
Increased trust and cooperation between national authorities and media;			

ACTIVITIES	MEANS	OVERALL COST	ASSUMPTIONS
Activities to achieve Results 1 and 2: Action grants in diverse CSP sectors, designed as a result of thoroughly consulted tender/call for proposals.	Grant contracts, budget line for 2014 Grant contracts, budget line for 2015	1.9 million EUR 1.35 million EUR	Government structures and civil society representatives agree on measures to be taken to create enabling environment for civil society actors.
Activities to achieve Results 1, 2 and 3: Creating an enabling environment for the sustainable development of civil society and a partnership with the Government, through improving the legal, strategic, financial and institutional framework for the development of civil society	Service contract, budget line for 2014	0.5 million EUR	
Activities to achieve Result 4	Grant contracts, budget line for 2014	0.5 million EUR	

ADDITIONAL DESCRIPTION

In order to create an enabling environment for the development of civil society and a partnership with the government based on trust, it will be necessary to strengthen the infrastructure for better cooperation. The Office for Cooperation between NGOs and the government, as well as the Council for cooperation between NGOs and the government need enhanced capacities to steer the process of the improvement of the legal, financial and institutional framework for the development of civil society. Government and CSO stakeholders need to establish a permanent dialogue, based on transparent and structured communication, which presupposes a strengthening of the capacities of the public administration for cooperation with CSOs. Most importantly, the development of instruments to secure financial sustainability of civil society through transparent and effective support from the public funds must be ensured.

The further strengthening of CSOs capacities to participate in decision-making processes includes the monitoring and analysis of the implementation of policies, strategies and laws. CSOs need to develop their professionalism and credibility in order to participate actively in decision-making processes. National partnerships need to be developed and their focus should be on increasing the ability of CSOs to advocate and lobby for creating an enabling environment for their own development. This Action will support the development of CSOs' capacity to implement and monitor different EU policies and standards in Montenegro. At the same time, initiatives which aim to enforce the role of civil society at a local level will be supported. There is an inherent lack of capacity at local level, which is why the Action will provide mechanisms for support to community-based organisations with action grants, possibly operating grants, and training for specific capacity building as identified by the TACSO needs assessment.

3. IMPLEMENTATION ARRANGEMENTS

ROLES AND RESPONSIBILITIES

The main institutional stakeholder involved in the management and implementation process of the Action is the Delegation of the European Union to Montenegro as the Contracting Authority. The Delegation will prepare the guidelines for the call for proposals and the Terms of Reference for the technical assistance contract, and carry out the procurement. The support of the local TACSO office will include the provision of short-term expertise as required for specific technical issues (legal, institutional, thematic, etc.). CSOs and the government office for cooperation with NGOs will be involved throughout the process on the details of the proposed activities and priority areas for support.

During implementation, the EU Delegation will seek to associate civil society organisations and national authorities to the preparation and the implementation of the Action, with a view to pave the way for later indirect management of future civil society support actions by Montenegro. In doing so, the EU Delegation will seek a balanced participation of stakeholders that is conducive to building trust and cooperation between them.

IMPLEMENTATION METHOD(S) AND TYPE(S) OF FINANCING

The implementation method is direct centralised management. There will be 1 call for proposals, allowing for sub-granting, as well as 1 tender for a technical assistance contract. A minimal cofinancing will remain a pre-condition for all applicants.

4. Performance measurement

METHODOLOGY FOR MONITORING (AND EVALUATION)

Monitoring will be carried out by the Delegation of the European Union to Montenegro, with the support of external consultants performing regular monitoring visits. The EU Delegation staff or assigned monitors will hold regular contacts and carry out monitoring visits to all grant beneficiaries. Where possible, monitoring activities will be delegated to the TACSO office (while the project lasts). Measuring results and impact will also be ensured through the system developed in the EU guidelines for support to enlargement countries 2014-2015 as a set of common indicators has been developed to ensure the possibility of regional comparison. The monitoring and evaluation will include regular, yearly, regional meetings including CSO representatives, in order to analyse the state of play and advancement towards the set targets. These findings shall also feed into the preparation of the yearly progress reports.

INDICATOR MEASUREMENT

Indicator	Description	Baseline 2013	Milestone 2017	Target 2020	Source of information
Outcome linked to specific objective	cumulative amount of public grants to CSOs for social service delivery	1 M EUR	70% of legal commitment	90% of legal commitment	Resource centre
Outcome linked to result 1	External perception of importance and impact of CSO activities	data not found at time of drafting	20 % increase on baseline	50 % increase on baseline	survey
Outcome linked to result 2	Percentage of adopted laws/bylaws, strategies and policy reforms effectively consulted with CSOs	-NA	65 %	95 %	Government office for cooperation with NGOs and/or assessment by TACSO
Outcome linked to result 3	Quality of state funding frameworks for CSOs	Tax benefits only applied to EU funded grants Unpredictable and controversial public funding to CSOs	Tax benefits applied to all CSO activities Public funding to CSO is clearly planned and implemented from state budget	Tax benefits applied to passive investments of CSOs and endowments. Clear procedures for CSO participation in all phases of public funding by sector.	Qualitative assessment by TACSO

Indicator	Description	Baseline 2013	Milestone 2017	Target 2020	Source of information
Output linked to result 1	Number of CSOs participating in the formulation and implementation of public policies	poor	satisfactory	excellent	Government office for cooperation with NGOs and/or Qualitative assessment by TACSO
Output linked to result 2	Quality of structures and mechanisms in place for dialogue and cooperation between CSOs and public institutions	Council established and operational	Council operational and recognised by all stakeholders	Council operational and recognised by all stakeholders	Commission Progress report
Output linked to result 3	Cumulative amount of public grants to CSOs for social service delivery	1 M Euro	achieve previous amounts of 2010	increase amount in line with inflation at least	BCSDN
Action Process Indicator for TA	TA contract implementation	-	Contract activities implemented	-	EU Delegation reports
Action Process Indicator for grants	CfP launched and subsequent grant contracts signed	-	Grants implemented	-	EU Delegation reports

5. Cross-cutting issues

ENVIRONMENT AND CLIMATE CHANGE (AND IF RELEVANT DISASTER RESILIENCE)

Environmental considerations will be taken into account during the implementation of projects activities. All grant beneficiaries and contractors will be strongly encouraged to act in line with best practice and make responsible use of office materials, travel arrangements and energy efficient principles.

ENGAGEMENT WITH CIVIL SOCIETY (AND IF RELEVANT OTHER NON-STATE STAKEHOLDERS)

This is the core of the action. Civil society representatives are systematically consulted when it comes to designing EU documents of direct and indirect relevance to the civil society sector. This includes the Country Strategy Paper, calls for proposals and modalities of decentralised management of EU funds, as well as all political reporting exercises.

EQUAL OPPORTUNITIES AND GENDER MAINSTREAMING

Equality between men and women is one of the fundamental principles of a democratic society. However in Montenegro, women and men do not enjoy the same rights (women earn 85% of men's salary on average and own less than 20 % of cars and houses in the country). The criteria published in the Call for Proposals and the subsequent selection of CSO projects will take specific account of the need for gender mainstreaming and the promotion of gender equality as well as the needs of disadvantaged and marginalised groups. Special efforts will be made to ensure that both women and men are fully included in the project activities and benefit from the project results. Since poverty among women is the result of many forms of gender inequalities, for example in the workplace and in families, these inequalities need to be tackled across a wide range of areas through the proposed projects.

MINORITIES AND VULNERABLE GROUPS

The Call for Proposals will encourage the submission of project ideas that aim at strengthening the capacities of CSOs that advocate for minority rights and increase the participation of vulnerable groups through encouraging traineeship programmes for specific groups during project implementation.

6. SUSTAINABILITY

The sustainability of the action will result from the successful implementation of the grant contracts as well as the service contract/technical assistance, since its main objective will be the strengthening of the CSO capacity to become financially sustainable, especially through their own fund-raising abilities, as well as through an established mechanism for transparent public funding and conferral of management of EU funds to national authorities.

7. COMMUNICATION AND VISIBILITY

Communication and visibility will be given high importance during the implementation of the Action.

The implementation of the communication activities shall be the responsibility of the beneficiary, and shall be funded from the amounts allocated to the Action.

All necessary measures will be taken to publicise the fact that the Action has received funding from the EU in line with the Communication and Visibility Manual for EU External Actions.

Visibility and communication actions shall demonstrate how the intervention contributes to the agreed programme objectives and the accession process. Actions shall be aimed at strengthening general public awareness and support of interventions financed and the objectives pursued. The actions shall aim at highlighting to the relevant target audiences the added value and impact of the EU's interventions. Visibility actions should also promote transparency and accountability on the use of funds.

It is the responsibility of the beneficiary to keep the EU Delegation fully informed of the planning and implementation of the specific visibility and communication activities.

The beneficiary shall report on its visibility and communication actions in the report submitted to the IPA monitoring committee and the sectoral monitoring committees.

Communication and visibility in line with common practice will be ensured through encouraging the establishment of partnerships between CSOs and media outlets, with a strong focus on online media targeting the younger population. All grant beneficiaries and contractors will be asked to design detailed visibility action plans at the beginning of their interventions. The Contracting Authority will encourage the beneficiaries to move away from stereotypical, formally prescribed media events, towards a more creative, flexible approach, which will raise awareness and attract the attention of the final beneficiaries, i.e. citizens of Montenegro.