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ANNEX I

to the Commission Implementing Decision on the financing of the annual action plan in favour of Montenegro for 2024

Action Document

European Union support to the Rule of Law IV (EUROL IV)

ANNUAL ACTION PLAN

This document constitutes the annual work programme in the sense of Article 110(2) of the Financial Regulation, and annual and multiannual action plans and measures in the sense of Article 9 of IPA III Regulation and Article 23(2) of NDICI - Global Europe Regulation.

SYNOPSIS

1.1. Action Summary Table

Title	European Union support to the Rule of Law IV (EUROL IV) Annual action plan in favour of Montenegro for 2024
OPSYS	ACT-62405
ABAC	ABAC Commitment level 1 number: JAD.1361790
Basic Act	Financed under the Instrument for Pre-accession Assistance (IPA III)
Economic and Investment Plan (EIP)	Yes Priority: “Rule of law, governance and Public administration reform” 100%
EIP Flagship	No
Team Europe	No
Beneficiary(y)/(ies) of the action	The action shall be carried out in Montenegro.
Programming document	IPA III Programming Framework
PRIORITY AREAS AND SECTOR INFORMATION	
Window and thematic priority	Window 1: Rule of Law, Fundamental Rights and Democracy Thematic Priority1: Judiciary Thematic Priority 2: Home Affairs/Security

Sustainable Development Goals (SDGs)	Main SDG (1 only): 16 – Peace justice, Strong Institutions			
DAC code(s)	15130 – Legal and judicial development – 90% 15113 – Anti-corruption organisations and Institutions - 10%			
Main Delivery Channel	12000 Recipient Government			
Targets	<input type="checkbox"/> Climate <input checked="" type="checkbox"/> Gender <input type="checkbox"/> Biodiversity			
Markers (from DAC form)	General policy objective	Not targeted	Significant objective	Principal objective
	Participation development/good governance	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Aid to environment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Gender equality and women’s and girl’s empowerment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Reproductive, maternal, new-born and child health	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Disaster Risk Reduction	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Inclusion of persons with Disabilities	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Nutrition	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	RIO Convention markers	Not targeted	Significant objective	Principal objective
	Biological diversity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Combat desertification	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change mitigation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change adaptation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Internal markers and Tags	Policy objectives	Not targeted	Significant objective
EIP		<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
EIP Flagship		YES <input type="checkbox"/>		NO <input checked="" type="checkbox"/>
Tags:		YES		NO
Transport		<input type="checkbox"/>		<input checked="" type="checkbox"/>
Energy		<input type="checkbox"/>		<input checked="" type="checkbox"/>
Environment and climate resilience	<input type="checkbox"/>		<input checked="" type="checkbox"/>	

	Digital	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Economic development (incl. private sector, trade and macroeconomic support)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Human Development (incl. human capital and youth)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Health resilience	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Migration and mobility	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Agriculture, food security and rural development	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Rule of law, governance and Public Administration reform	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Other	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Digitalisation	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Tags	YES	NO
	digital connectivity	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	digital governance	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	digital entrepreneurship	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	digital skills/literacy	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	digital services	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Connectivity	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Tags	YES	NO
	digital connectivity	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	energy	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	transport	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	health	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	education and research	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Migration	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Reduction of Inequalities	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	COVID-19	<input checked="" type="checkbox"/>	<input type="checkbox"/>
BUDGET INFORMATION			
Amounts concerned	Budget line: 15.020101.01 Total estimated cost: EUR 7 000 000 Total amount of EU budget contribution: EUR 7 000 000		
MANAGEMENT AND IMPLEMENTATION			
Implementation modalities (management mode and delivery methods)	Indirect management with the entity(ies) to be selected in accordance with the criteria set out in section 4.3.1		

Final Date for conclusion of Financing Agreement	At the latest by 31 December 2025
Final date for concluding contribution / delegation agreements, procurement and grant contracts	3 years following the date of conclusion of the financing agreement, with the exception of cases listed under Article 114(2) of the Financial Regulation
Indicative [operational implementation] period	72 months following the conclusion of the Financing Agreement
Final date for implementing the Financing Agreement	12 years following the conclusion of the financing agreement

1.2. Summary of the Action

The overall objective of the Project is to **strengthen and modernise Montenegro’s judicial and law-enforcement systems**, in order for Montenegro to meet the objectives of the EU accession negotiations, in particular the interim benchmarks under the rule of law-related chapters 23 and 24.

It is essential that Montenegro keeps on delivering concrete results on rule of law. Member States shall play an active role in supporting the process.

The project aims at supporting Montenegro to strengthen the independence of the judiciary and the autonomy of the prosecution, as well as their impartiality, accountability, efficiency and professionalism. The project aims also to support Montenegro in implementing key judicial reforms in line with the EU *acquis* and European standards, improving the efficiency and performance of law enforcement agencies (LEAs), enhancing their capacities to fight against high level corruption and organised crime and producing a convincing track record on the more complex types of organised crimes. The action will build on the recommendations from the peer review carried out in Montenegro in 2022 on assessment on finalised cases of high- level corruption and organised crime, focusing on confiscation of proceeds of crime, and the use of special investigative measures. The Action will use a peer-to-peer approach in line with the revised enlargement methodology including Member States advisory and monitoring roles, and it will take into consideration the activities and the results of the previous EUROL I, II, III projects with an increased amount of funds and involvement of Members States, given the importance of the reforms within Chapter 23 and 24.

The Specific Objectives are:

1. The response of the law enforcement and criminal justice system to organised crime and high-level corruption is improved;
2. The independence of the judiciary and the autonomy of the prosecution are strengthened, as well as their impartiality, accountability, efficiency and professionalism, by implementing key judicial reforms.

3. Montenegro strengthens its capacity to use special surveillance measures in criminal investigations in compliance with EU standards on procedural and fundamental rights, and strengthens the anti-corruption and integrity measures within the police.
4. The capacity of judicial and law-enforcement institutions to meet the criteria of the negotiation process under the chapters 23 and 24 (especially the interim benchmarks) is strengthened.

The action is in line with the Multi Annual Strategic response for Montenegro 2021-2027 within Window 1 Rule of Law, Fundamental Rights and Democracy with reference to the Action Plan for the Judiciary, the Fight against Organised Crime and Security¹.

Furthermore the Action is in line with Goal 16 of the UN 2030 Sustainable Development Agenda *Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels*, as follows: 16.3 Promote the rule of law at the national and international levels and ensure equal access to justice for all, 16.6 Develop effective, accountable and transparent institutions at all levels, 16.7 Ensure responsive, inclusive, participatory and representative decision making at all levels.

The Action is also coherent with the Commission Communication on "*Enhancing the accession process a credible EU perspective for the Western Balkans*" of 5 February 2020² aiming to reinvigorate the accession process by making it more predictable, more credible, more dynamic, and subject to stronger political steering, based on objective criteria and rigorous positive and negative conditionality, and reversibility. On the same occasion, it reiterated that the fundamental democratic, rule of law and economic reforms represent the core objective of the accession process. Member States will continue to be able to contribute more systematically to the accession process, including via monitoring on the ground through their experts, direct contributions to the annual enlargement package and sectoral expertise. Stronger political steer should include creating new opportunities for peer-to-peer exchanges, as well as supporting the implementation following the experts' recommendations.

The Action will improve the independence of the judiciary and the autonomy of the prosecution, as well as their impartiality, accountability, efficiency, and professionalism by implementing key judicial reforms to align Montenegro's legal and strategic framework to the EU *acquis* and European standards. The main development tool will involve peer-to-peer transfer of knowledge and experience from EU Member States' judicial systems to the Montenegrin one. The strategic advice and mentoring will positively support the independence of the judiciary and the autonomy of the prosecution. The support will also improve the functioning of the entire judicial system, with a focus on significantly improving the performance of its governing bodies, the Judicial Council and the Prosecutorial Council. Furthermore, the Action will support the adoption and effective enforcement of the judicial strategies (notably the one on Judicial Reform). The action will support the effective and efficient implementation of the new judicial reform strategy 2024-2027 when adopted, which would considerably enhance Montenegro's capacity to produce data-driven policy making and monitoring in the area of justice reform. In view of modernising and improving the efficiency of the justice system, the Action will ensure better overall judicial performance, management of human and financial resources, court management and judicial infrastructure, as well as accompany the political communication around this complex initiative, with a lead role in closely coordinating with other relevant projects.

The Action will provide further support with respect to addressing the 2022 peer review experts' recommendations on trial phases such as resolving the personnel shortage with courts, reducing the duration of the legal proceedings, limiting the use of plea bargaining, enhancing the trial management of judges for them to be in control of the conduct of the trial (not the lawyers).

¹ https://neighbourhood-enlargement.ec.europa.eu/enlargement-policy/overview-instrument-pre-accession-assistance/montenegro-financial-assistance-under-ipa_en

² https://neighbourhood-enlargement.ec.europa.eu/enhancing-accession-process-credible-eu-perspective-western-balkans_en

The Action is expected to improve the efficiency of the fight against high-level corruption and serious and organised crime. It will strengthen the capacity of law enforcement agencies, prosecution and criminal judges (the so called “criminal chain”).

It will strengthen the capacity on complex investigations including, active and passive corruption, money laundering, economic crimes, financial, banking, customs, cyber and other forms of investigations and will reinforce the Intelligence-led policing as well as the use of Special Investigative measures.

It will support the analysis of the evidence gathered at pre-investigation and investigation phase and their relevance in Courts in order to establish an effective and homogeneous jurisprudence and case law. Attention will be paid to the use of indirect and circumstantial evidence especially in cases of inexplicable wealth and “life-style investigations”.

The action will improve the assets recovery and seizure management with particular focus on seizure of proceeds of crimes or their equivalent, third party confiscation, disproportion between assets and lawful income, and the use of extended confiscation.

The project will support the implementation of the Strategy for Countering Transnational Organized Crime 2022-2025.

1.3 Beneficiaries of the Action

The direct beneficiaries of the action are Montenegro’s law enforcement and judicial authorities.

The indirect beneficiaries are Montenegrin citizens.

The action shall be carried out in Montenegro.

2. RATIONALE

2.1. Context

Montenegro, as EU candidate country, should implement comprehensive reforms in order to fulfil the membership criteria. Considering the enlargement methodology and the importance of results falling under Chapters 23 and 24 of the EU accession process, focus of the reforms remains at improving results in the rule of law and fundamental rights area, and on increasing Montenegro’s ability to deliver strong results in judicial reform and in the fight against corruption and organised crime.

Accordingly, further reform of judiciary and fight against organised crime and corruption remain priority areas, including upgrading legislation, institutional and operational capacities - in order to fully implement relevant EU *acquis* and improve track records in key areas. As noted in the European Commission’s 2023 Report on Montenegro, progress towards meeting the interim benchmarks set in the rule of law Chapters 23 and 24 is key to achieving further progress in the negotiations overall.

In relation to the functioning of judiciary, the Montenegro Annual Report 2023³ noted the lack of progress on the implementation of key judicial reforms. The functioning of the justice system continued to face challenges. Despite that, the new Parliament has recently appointed some crucial posts that remained occupied *ad interim* beyond the mandate limited by the Constitution and by the relevant legislation, notably the 7th judge to the Constitutional Court, three new lay members to the Judicial Council and a new Supreme State Prosecutor. A lack of strategic vision and poor planning, affecting the country’s ability to deliver justice and undermining the legitimacy of the highest judicial institutions is still matter of concern, as quoted in the last EU report. Key legislative framework need also to be revised in line with European standards and the EU *acquis*, following the existing European Commission recommendations and Venice Commission opinions. In addition, the report noted the need for further strengthening of efficiency, effectiveness, independence, integrity,

³ Montenegro 2023 Report, COM(2023) 690 final

accountability and professionalism of the judiciary, as well as that fundamental elements of efficiency such as human, financial, ICT and infrastructure management systems must be substantially improved. The Report also noted that the adoption of a new strategy for the rationalisation of the judicial network and a new ICT strategy for the modernisation of the judicial system are still pending and that there is also an urgent need for strategic investments in infrastructure.

As for the fight against corruption, the EU report 2023 noted that that corruption remains an issue of concern and it is needed a strong, impartial, and independent criminal justice response to high-level corruption. Authorities are also called to improve its legal, institutional, and strategic framework for the prevention of and fight against corruption, including high-level corruption, in line with the EU *acquis*. The adoption and implementation of a multi-annual strategy for the prevention and fight against corruption, including high-level corruption is also necessary. The revision of the Law on Prevention of Corruption, addressing all recommendations of the 2021 peer review mission, is still pending together with the amending and enforcing of the criminal legislation, addressing all recommendations of the 2022 peer review mission including on financial investigations and asset seizure and confiscation, as well as recommendations from (GRECO) and the Organization for Security and Co-operation in Europe.

In the area of fight against organised crime, Montenegro Report 2023 noted that some progress was made in addressing last year's recommendations, in particular as regards the efficiency of criminal investigations. Montenegro increased the number of investigators and experts in key areas, such as financial investigations, cybercrime, and special investigative measures. The authorities implemented an ambitious human resources reform of the police. Prominent members of organised crime groups were arrested, along with some top-level officials from law enforcement agencies, pointing to a deep infiltration of organised crime into state structures. However, there was no final court decision on organised crime in the areas of tobacco smuggling, money laundering, trafficking in human beings or cybercrime and the track record in final asset confiscation remained very limited. Montenegro has yet to address some systemic shortcomings affecting its criminal justice system across the board, including the way organised crime cases are handled in courts.

The Action corresponds to the IPA III Strategic response for Montenegro where Judiciary and fight against organised crime and corruption are the key priorities for intervention (Window 1).

In the previous period Justice reform was implemented in line with the key framework documents – primarily Justice Reform Strategy 2019-2022 and Action plans for the implementation of the Strategy (2019-2020, 2021-2022) continuing the most significant reform priorities established in the negotiation process for Chapter 23 and all in order to achieve and protect the rights and freedoms of citizens more effectively. It has to be noted that the evaluation of the impact of the Strategy for Judicial reform 2019-2022, financed under Eurol III, noted that the objectives of the Strategy have not been completely implemented. In June 2023, the Government has integrated this evaluation into the final report of the strategy's implementation. These conclusions will have concretely to be taken into account by the new Strategy. The new Justice Reform Strategy 2024-2027 and Action plan for the period 2024-2025 are expected to be adopted by the end of 2023. The new Strategy will define strategic and operational objectives in the area of judiciary, towards continuation of implementing the most important reform priorities set in Chapter 23.

Additionally, a programme of development of alternative dispute resolution with an Action plan 2023-2025 is expected to be adopted in the 2023. Focus of the programme will be on improving the use of mediation and other methods of Alternative Dispute Resolution.

The capacity building component of relevant institutions will be focused on relevant, *ad hoc* and middle/long term expertise aimed at supporting mainly the implementation of the future Justice reform strategy 2024-2027 together with its new Action Plan and, if necessary, the completion of the alignment of the legal framework with the EU *acquis* and EU standards. Other relevant strategic documents in the related sectors of chapters 23 and 24 could also be taken into account.

The Action will contribute to the efficient implementation of these strategic documents and to further strengthening of institutional capacities of all key stakeholders in the rule of law sector to implement legislation and EU best practice. In line with dynamics of adoption and the implementation of the Justice Reform Strategy 2024-2027 and the Action plan for the period 2024-2025, the Action will support the activities set in the Strategy and increase administrative and operational capacities of the Ministry of Justice in implementing the Strategy and implementing other tasks in the context of EU integration (capacity building, support to the activities, translation of the EU *acquis* etc.).

In the area of fight against organised crime, Montenegro Annual Report 2023 noted that in relation to the track record of court decisions on tobacco smuggling and money laundering, the use of financial investigations and the capacity to confiscate the proceeds of crime needs to be strengthened. The Report also noted that some systemic deficiencies across the board in criminal justice system, including the way organised crime cases are handled in courts have to be addressed.

In the area of fight against corruption, the Report noted that track record of investigations, prosecutions and final convictions in the fight against corruption, including high-level corruption must be improved. The Report also noted that legal and institutional framework must be improved in line with the EU *acquis* and European standards, including for the effective use of financial investigations and asset seizure and confiscation in such cases.

It has to be earmarked that the activities dealing with capacity building of relevant institutions and the rationalisation of court network will be limited to specific needs in order to ensure coordination with the other ongoing/planned programmes in the same sectors, notably: 1) Horizontal Facility of the Council of Europe; 2) IPA regional support to the Judicial Training Center; 3) UNOPS IPA 2018 on digitalisation of justice; 4) UNOPS Integration Facility on Judiciary ICT and Judicial infrastructures.

The Action should complement results already achieved by national authorities. The Action will build on and bring forward the results achieved by previous cycles of the EUROL project as well as relevant regional projects supporting the reform of rule of law in line with EU standards and best practices, using sectoral approach.

RELEVANCE OF THE ACTION AGAINST IPA III BENEFICIARIES POLICIES AND STRATEGIES

- The activities under this Action are highly relevant for the Judiciary and fight against organised crime and corruption - defined as the key priorities for intervention (Window 1) in the **IPA III Strategic response for Montenegro**.
- The action is in line with the **2018 European Commission's Communication 'A credible enlargement perspective for and enhanced EU engagement with the Western Balkans'**⁴ which underlined the importance of comprehensive and credible reforms in the area of rule of law for the European perspective of the Western Balkans countries. This sector was identified as one of key benchmarks against which the prospects of the countries of the region will be judged by the EU. The 'action plan in support of the transformation of the Western Balkans' annexed to this Communication explicitly refers to rule of law advisory missions and increased support from Member States experts in the area of rule of law.
- In the **Sofia Declaration, adopted on the EU-Western Balkans summit on 17 May 2018**⁵ the EU Member States *inter alia* welcomed the Western Balkans countries commitment to the primacy of the rule of law, especially the fight against corruption and organised crime, and acknowledged that results in these areas are essential for the region's political and socio-economic transformation, and regional stability and security. The EU further welcomed the commitment of Western Balkans countries to take resolute action, in cooperation with the EU and each other, against human trafficking, drug cultivation, and smuggling of

⁴ <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A52018DC0065>

⁵ <https://www.consilium.europa.eu/en/meetings/international-summit/2018/05/17/>

human beings drugs and arms. The Sofia Declaration recognised the following Priority Agenda: (I) Enhance support for judicial reform and efforts to fight corruption and organised crime, including capacity building for corruption prevention; (II) Extend rule of law advisory missions with increased support from Member States and from the EU;(III) Enhance monitoring of reforms through more systematic, case-based peer-review missions; (IV) Introduce trial monitoring in the field of serious corruption and organised crime, (V) Work towards better measurement of results in justice reform, (VI) Enhance significantly operational cooperation in the fight against international organised crime in priority areas such as firearms, drugs, migrant smuggling and trafficking in human beings.

- The action is further designed to address the findings of the European Commission’s **2023 Montenegro Report** (Chapter 23 –Judiciary and fundamental rights and Chapter 24 –Justice, freedom and security). Montenegro remains moderately prepared when it comes to its **judicial system**. No progress was achieved on the implementation of key judicial reforms during the reporting period. The functioning of the justice system continued to face challenges including pending appointments This resulted in weak leadership and management, lack of strategic vision and poor planning, affecting the country’s ability to deliver justice and undermining the legitimacy of the highest judicial institutions. This was particularly serious for the Constitutional Court, which was left without a quorum from September 2022 until February 2023, when the Parliament appointed three judges. The judiciary's effective independence, integrity, accountability and professionalism need to be further strengthened, including by implementing the relevant constitutional and legal framework and by adopting legislative changes in line with European standards. The judiciary's efficiency also needs to be strengthened. The adoption of a new strategy for the rationalisation of the judicial network is still pending, as is the implementation of the ICT strategy for the judiciary. Montenegro continues. In the **fight against organised crime**, Montenegro is between some and moderate level of preparation. Some progress was made in addressing last year’s recommendations, in particular as regards the efficiency of criminal investigations. Montenegro increased the number of investigators and experts in key areas, such as financial investigations, cybercrime and special investigative measures. Montenegro implemented an ambitious human resources reform of the police: it created new posts, set up new units and recruited new staff. Prominent members of organised crime groups were arrested, along with some top-level officials from law enforcement agencies, pointing to a deep infiltration of organised crime into state structures. However, there was no final court decision on organised crime in the areas of tobacco smuggling, money laundering, trafficking in human beings or cybercrime. The track record in final asset confiscation remained very limited. Montenegro has yet to address some systemic shortcomings affecting its criminal justice system across the board, including the way organised crime cases are handled in courts.

Actions focuses on policy and activities set up in the *national strategic framework of Montenegro*, such as:

Strategy for the Reform of the Judiciary 2019-2022 and Action Plans for the Implementation of the Strategy for Reform of Judiciary (for the period 2019-2022 and for the period 2022-2023), documents steering reform activities towards reaching defined strategic goals in the area of judiciary. **New Justice Reform Strategy 2024-2027 and the Action plan for the period 2024-2025** are expected to be adopted by the end of 2023. The new Strategy will define strategic and operational objectives in the area od judiciary, towards continuation of implementing important reform priorities set in Chapter 23.

The development of information-communication technologies is part and parcel of the justice reform, set to build an independent and autonomous justice system, enhance its efficiency and strengthen its connections with the networks within the European justice systems. The **Judiciary Information-Communication Development Programme for 2021-2023**⁶ comes third in a series of strategic documents addressing this field. It follows the Strategy for Information-Communication Technologies for the Judiciary for 2016- 2020, and the ICT Strategy for the Judiciary for 2011-2014. The primary focus of the Judiciary Information-Communication Development Programme is to develop and upgrade the judicial information system, as an integrated system comprising the systems for the courts, State Prosecution Service, Administration for Enforcement of Criminal Sanctions, and the Ministry of Justice.

⁶ <https://www.gov.me/en/documents/7af1b58d-a6aa-4e62-8de2-75979dd42d0c>

In order to have professional, depoliticized and efficient police administration, which is subject to democratic control and has primary goal to protect citizens and the state, the new Police Development Strategy (2023-2026) has been adopted on March 9, 2023. The strategy provides a framework for performance monitoring over the efficiency and legality of the work of the police in all segments and the levels of its work. It aims to predict all challenges, risks and threats in a timely manner in order to define the appropriate activities.

A new strategic document for Serious and Organised Crime Threat Assessment in Montenegro (**SOCTA 2021**) has been adopted in March 2022. This document aims to provide support to all law enforcement services and state institutions in Montenegro, as well as all other entities involved in combating serious and organized crime and its manifestations, to understand the situation in the country better and identify the factors that would significantly affect the change in the situation in Montenegro in this area. A new serious and organised crime threat assessment identifies 10 main criminal groups and 12 threats to the national security of Montenegro.

The Strategy on preventing and combating terrorism, money laundering and terrorism financing (CT) 2022-2025 has been adopted by the Government of Montenegro on December 29th, 2021, alongside the Action plan for 2022-2023. This Strategy defines framework for fight against terrorism, money laundering and financing of terrorism with the aim to improve existing and create new measures, mechanisms and instruments that will serve the stability and security of Montenegro.

National Risk Assessment on Money Laundering and Terrorist Financing adopted in October 2020. Inter-institutional team formed at the national level, which included 84 representatives from 25 institutions, with the support of the Council of Europe, prepared the second National Risk Assessment on Money Laundering and Terrorist Financing. Inter-institutional team consists of eight working groups (including the working group for risk assessment on terrorist financing) and it is coordinated by Financial Intelligence Sector (FIU). International standards through the revised recommendation No. 1 of the Financial Action Task Force (FATF) stipulate the obligation to prepare the National Risk Assessment (NRA) on Money Laundering and Terrorist Financing. Its purpose is a detailed review of the current state of play in order to improve the system of anti-money laundering and financing of terrorism in the country, in terms of effective engagement and coordination of available financial, technical and human resources in this area and distribution of available resources from the areas where lower risk is detected to the areas of higher risk. The revision of the National Risk Assessment started at December 2022 and is ongoing.

COMPLEMENTARITY WITH FUNDING AND COORDINATION WITH EU AND OTHER DONORS/PARTNERS

Indicative list of the ongoing Actions and interventions in the Rule of Law area:

IPA 2020 "EU for the Rule of Law III". Building on the results of the EUROL 1 and EUROL 2 projects, EUROL 3 aims to provide further support to strengthening the efficiency of the judiciary and strengthening the capacity of institutions to fight high corruption and organized crime, as well as support for the purpose of fulfilling obligations from chapters 23 and 24 of the EU accession process.

IPA 2018 "EU for improving Access to Justice and Fundamental Rights" is supporting the works for infrastructure improvement of facilities within the Justice and Penitentiary sector as well as further upgrade of ICT in Judiciary.

IPA 2018 "EU Support to the Rule of Law and Fundamental Rights Sector in Montenegro - Application of Unique Information System of Judiciary". The main objective is to improve the ICT condition of the judiciary through the development and implementation of software solutions for the Unique Information

system (ISP) of the judiciary and the improvement of the ISP security. Duration: July 2023-February 2025. Budget: EUR 2,100,000.

“Pilot Action on Judicial Training”. This regional project is tailored according to the country’s needs. In Montenegro, the main objective is to support the Judicial Training Center capacity of its staff: (1) to conduct assessments on training needs mainly in connection with the adherence to the rule of law standards and implementation of the *EU acquis*; (2) to design in cooperation with the Judicial Training Center capacity building activities on the basis of the specific needs assessments. Duration: From March 2022 to March 2025- Budget: EUR 600,000.

IPA 2022 - “Enhancing Capacities and Preparedness of Montenegro’s Judiciary for EU Integration” –

Under the Integration Facility, this project will support Montenegro in 1) preparedness on enhancing ICT capacities and harmonization of the process in the Judiciary; 2) preparedness for upgrading infrastructure capacities in the Judiciary system and to follow security, accessibility and sustainability standards. Duration: 24 months (to be launched within end 2023) – EUR 2,000,000.

Horizontal Facility for the Western Balkans and Türkiye III - Strengthening accountability of the judicial system and enhancing protection of victims' rights in Montenegro

The main objective of the project is to support the Montenegrin authorities to enhance the accountability and professionalism of the judicial system and judicial independence as well as to fully align domestic legal and institutional framework and practice on victims’ rights with the EU and European Convention on Human Rights’ standards. Duration: 48 months (1 January 2023 – 31 December 2026); Budget: EUR 1,600,000 EUR.

European Commission for the Efficiency of Justice (CEPEJ) Dashboard Project is the regional EU - CoE project aiming to perform the analysis of the judiciary system in the Western Balkan states, annually.

Enhancing cross-border cooperation in criminal justice in the Western Balkans – WB CRIM JUST is a project implemented by EUROJUST. Duration from September 2023 to September 2026 with EUR 6 million overall budget. The project’s main aim is to strengthen cooperation within the Western Balkans and between the region and the EU on fighting organised crime and terrorism using modern tools and instruments. This will lead to an enhanced level of interaction and integration between the EU and the Western Balkan region (including Albania, Bosnia and Herzegovina, Kosovo*, North Macedonia, Montenegro and Serbia) in the criminal justice field.

EU Support to Strengthen the Fight against Migrant Smuggling and Trafficking in Human Beings in the Western Balkans

Project implemented by Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ), CIVIPOL, Italian Ministry of Interior (IMoI), Center for International Legal Cooperation (CILC), Austrian Ministry of Interior (AT MoI), German Federal Police (DE FedPol); Duration 48 months: 48 months; June 2023 – May 2027; Financing: European Commission (DG NEAR): EUR 30 million German Government (BMZ): EUR 1.5 million Italian Ministry of Interior: EUR 1.375 million Kingdom of the Netherlands: EUR 428,000

The project aims to reinforce the rule of law in the Western Balkans by strengthening the capacities of the national and regional authorities for preventing and combatting migrant smuggling and trafficking in human beings. A tailored approach in line with the specific needs of the partners will be directed towards all relevant institutions and stakeholders to enhance capacities on an institutional and individual level to ensure efficient identification and protection to (potential) victims of trafficking in human beings as well as to refer them to relevant state and non-state support services.

Partnership against Crime and Terrorism (CEPOL WB PaCT)

Project implemented by the European Union Agency for Law Enforcement Training (CEPOL) and the European Union Law Enforcement Agency (EUROPOL) aims to enhance capacities of authorities in the

Western Balkans to fight organised crime and terrorism including preventing and countering violent extremism by enhancing cooperation within the region and with the EU. Project strives:

1. To enhance knowledge of Western Balkans authorities of concrete law enforcement performance gaps that limit cooperation within the region and with the EU;
2. To improve capability and response by Western Balkans authorities to performance gaps;
3. To strengthen the Western Balkans cooperation with CEPOL.

These objectives will be reached through enhancement of regional networks, operational training needs assessment and curriculum development and implementation of emerging needs training. The project has been implemented from 19 October 2020 to 18 October 2023, with EUR 3,000,000 overall budget.

Regional Programme for South Eastern Europe (XCEU60) - EU and UNODC joint Action promoting rule of law and good governance through targeted border control measures at ports and airports

The United Nations Office for Drugs and Crime (UNODC) -World Customs Organization (WCO) Container Control Programme's (CCP) mission aims to build capacity in countries seeking to improve risk management, supply chain security and trade facilitation in seaport, airports, and land border crossings in order to prevent the cross-border movement of illicit goods. Project strives:

1. To support more effective national and international responses to illicit trafficking through strengthening the current Port Control Units in the region and establishing new units;
2. To strengthen the capacities of law enforcement agencies active at the international airports to detect and intercept high risk passengers in an effort to counter international organized crime and illicit drug trafficking and prevent terrorism.

The project has been implemented by UNDOC (Regional Programme for South Eastern Europe) from 1 January 2020 to 1 January 2024, with the total Action budget EUR 4,672,500 (EU contribution 4,450,000).

Project on confiscation of property gained by criminal activity in the Western Balkans, managing of the property and its use

The project implementation by OSCE aims to improve the effectiveness of the fight against transnational organised crime and corruption by enhancing regional cooperation between five Southeast European countries and building their capacity in this area. The project adopts a comprehensive approach by supporting the entire confiscation cycle. It covers three areas of intervention: 1. financial investigations, seizures and confiscation of property; 2. property management; 3. use of property. Project is currently financed by the United States, the German Government and the Italian Government.

Entity Management System of the Police Directorate

In order to provide quality, timely, proactive action and improve intelligence capacities in terms of the fight against serious and organised crime, Entity Management System will be established through the project partially financed the United Kingdom law enforcement agencies. The goal of the project is to facilitate the search, analysis and exchange of information, as well as to strengthen interoperability of the system, and better data flow from the central to the local level. This will contribute to the development and improvement of integrated national intelligence capacities.

The regional Roadmap on Anti-Corruption and Illicit Finance

The initiative was agreed under the auspices of the Berlin Process and with expert assistance of the United Nations Office for Drugs and Crime. The Regional Roadmap on Anti-Corruption and Illicit Finance aims to improve implementation of existing anti-corruption and illicit finance measures in a small number of shared priority areas. This initiative is funded by the Governments of the UK and Germany.

Strengthening the Integrity Framework in the Public Administration with Emphasis on the Security and Defence Areas (2012-2026)

The Project funded by the Norwegian Government and implemented by the Norwegian Centre for Integrity aims to contribute to creating better public integrity framework and reducing legal and institutional risk of corruption in the security and defence sectors. The project beneficiaries are the Ministry of Defence, Ministry

of Interior and Police Administration, as well as the Human Resources Management Authority. The project has three specific objectives:

1. To provide assistance in the implementation of proposals to minimize corruption risks through a) better administrative procedures, b) improved system for public procurement c) better arrangements for asset disposal, d) enhanced transparency, e) better regime for managing conflicts of interests and f) more adequate arrangements for corruption risk management;
2. To increase levels of competence among civil servants and raise awareness among representatives of academic institutions and civil society to promote integrity in the security and defence areas;
3. To systematize and disseminate security-related experience that may be conducive to pro-integrity reforms in other parts of the public administration in Montenegro.

Horizontal Facility for the Western Balkans and Türkiye III -Action against Economic Crime in Montenegro (January 2023-December 2026)

The Action against Economic Crime in Montenegro (AEC-MNE) aims to strengthen the capacity of the institutions in Montenegro in preventing and combating economic crime, including corruption, money laundering and organized crime. It builds upon the results achieved and lessons learned during the implementation of Phase I and II of the Horizontal Facility by continuing its support to effective implementation of key recommendations of the Council of Europe's monitoring mechanisms: Group of States against Corruption (GRECO) and the Committee of Experts on the Evaluation of Anti-Money Laundering Measures and the Financing of Terrorism (MONEYVAL).

The Action will focus on supporting the authorities in achieving two objectives:

1. Increased efficiency, effectiveness and impartiality in processing high-level corruption cases by anti-corruption institutions and the criminal justice system;
2. Enhanced effectiveness of the Anti-Money Laundering/Counting the Financing of Terrorism (AML/CFT) policies and improved track-record in processing money laundering cases.

The Ministry of Interior signed the **Memorandum of cooperation with U.S. Department of Homeland security on the use of traveller information**. The purpose of the Memorandum is to ensure security and protection of the life and safety of the public. In that regard, the parties intend to cooperate to prevent, detect, investigate and prosecute terrorism and transnational crime in a manner consistent with the U.S.-EU Passenger Name Record Agreement, to the extent applicable.

During 2022, the Police Directorate cooperated bilaterally with:

- FRONTEX in the area of border management
- OSCE in the area of fight against trafficking in human beings, detection and prevention of violent extremism, protection of cultural heritage
- Regional Arms Control Verification and Implementation Assistance (RACVIAC) Center in the area of de-radicalisation and resocialisation of the foreign fighters, suppression of weapons proliferation for mass destruction

2.2. Problem Analysis

Short problem analysis

Montenegro is aiming at meeting the interim benchmarks under Chapters 23 and 24 of the EU accession process. The fulfilment of these benchmarks is essential for further progress in the accession negotiation process, and depends on Montenegro's ability to deliver concrete results in judicial reform and in the fight against corruption and serious and organised crime.

In line with the overall criteria in Chapter 23, complementing to the results of the reforms process achieved, based on the findings of the closing report of the implementation of the previous strategy, development of Justice Reform strategy 2024-2027 will set the pillars for the future reform.

The length of court proceedings remains one of the key issues responsible for undermining the efficiency of justice. Many factors are causing excessively lengthy proceedings, including a lack of resources (including human and technical) and courtrooms, as well as a lack of caseload management systems. Most of the judges (notably in the Specialised Department of the High Court in Podgorica) often refer to excessive workload per judge, especially when taking into account the complexity of the cases.

According to the EU reporting, the main sectorial legislation remains to be revised (Law on Prosecution Service and Law on Judicial Council and Judges) together with the legal and strategic frameworks for the prevention and fight against corruption.

Need for further increasing of independence, accountability and efficiency of judiciary as well as actions towards improving access to justice remain in the focus. Indeed, the ethics and standards of professional behaviour of judges and prosecutors remains a challenge.

When it comes to Fight against serious and organised crime as well as repression of corruption, Montenegro should in particular revise the legal and operational approach towards financial investigations, with the implementation of a “follow the money” approach especially in cases of inexplicable wealth in order to establish a convincing track record in all corruption and economic crimes as well as in seizure and confiscation of criminal assets. To this end, it is essential to enhance the administrative capacity and inter-agency cooperation, particularly the coordination between the Special Police Division and the Special Prosecution Office.

The full use of special investigative measures was restored. With the amendments to the Criminal Procedure Code that were adopted in December 2021, the use of some special investigative measures in compliance with constitutional principles was a key step forward for the efficiency of investigations in drug-related cases. The main need to be addressed is strengthening both technical and human capacities in order to ensure protection of data, to avoid linkage of information and to guarantee exclusive control of the prosecution service during the implementation of SIMs. Achieving results in the fight against serious and organized crime largely depends on the level of material and technical equipment and availability of the latest technological achievements used in the implementation of special investigative measures.

On both chapters (with the involvement and participation of investigators, prosecutors and criminal judges at the same time) there is a need of an analysis of the evidence gathered during pre-investigation and investigation phases and their relevance in Courts in order to establish an effective, modern and homogeneous jurisprudence and case law. Especially for corruption, money laundering and economic crimes, the capacity of investigators should be improved to gather relevant indirect/circumstantial evidence in cases of inexplicable wealth (through modern approaches including “lifestyle investigations”), as well as the jurisprudence set up by criminal judges, in line with best international practices and the “follow the money” approach.

Area of support #1: criminal justice

The response of the law enforcement and criminal justice system to organised crime and high-level corruption is improved.

Strengthening of capacities for police officers and prosecutors in the area of conducting financial investigations and money laundering is needed. The Division for the fight against corruption, economic crime and financial investigations has been operational since September 1, 2022. Rulebook on internal organization and systematisation of the Ministry of Interior foresees a total of 60 posts in that department, of which 23 posts have been filled so far. Considering the importance of the areas covered by this department and the fact that it has just been formed, it is necessary to provide support for the development of all capacities, especially when it comes to purchasing equipment for smooth functioning.

When it comes to organized crime investigations, capacities need to be strengthened in the area of long-term investigations against organised crime groups and other persons who are involved in international smuggling of narcotics. It is important to switch from an approach on case-by-case basis to a strategy against organizations and from the management of cases of low or medium importance to high profile cases aiming at dismantling big and internationally spread organization. This implies high level of specializations and the set-up of task forces in order to minimize the risks of these kind of investigations.

On repression of corruption, it is urgent to reduce the jurisdiction of Special Prosecutor only to **high level cases** by amending the law. It is also essential to set up a modern and effective case law and jurisprudence which avoids overburdening the prosecutor with evidence which are difficult or impossible to gather. It is important to focus on high level cases with relevant financial implications and “white collar” cases.

Peer Review Mission on Countering organised crime and corruption (May 30-June 3, 2022) recommended to:

- Develop a mandatory and integrated special training programme for Prosecutors and Judges dealing (or going to deal) with organised crime, high-level corruption, money – laundering and financial investigations
- Focus within the investigations more on the proceeds of crime and the calculation of these proceeds in a much wider perspective
- Conduct financial investigations on a more dynamic way and in the earliest stage of the investigation
- Amend substantive, procedural and organizational provisions in legislations covering asset confiscation at all levels of authorities
- Initiate more proactive investigations.
- Establish a detailed track record of the whole chain of investigation as well as on cases of money laundering.

Area of support #2: reform of the judiciary

The independence of the judiciary and the autonomy of the prosecution are strengthened, as well as their impartiality, accountability, efficiency and professionalism, by implementing key judicial reforms.

This Action will continue to support the strengthening of the efficiency of the judiciary.

This Action will contribute to the further legislation reforms and full implementation of the new Justice reform strategy and other relevant strategic and analytical further steering reforms in chapters 23 and 24 towards full membership of Montenegro into the European Union.

The new Judicial Reform Strategy 2024-2027 will define the strategic and operational objectives in the area of the judiciary, aimed at continuing the implementation of the reform priorities defined in the negotiating process for Chapter 23 in terms of the judiciary. The Action will take into account the evaluation of the previous Strategy, prepared by EURol III. The Action plan will define measures, activities, result and impact indicators, deadlines, competent bodies and funding sources necessary for the implementation of strategic guidelines defined by the Strategy for 2024 and 2025.

As per the standards of the CEPEJ, this Action will also support the development of a Case-weighting system which would enable judicial actors to assess the “weight” of a judicial case, by detailing the judicial time needed for its processing. This assessment is based on the understanding that one case type differs from the other in the amount of judicial time and effort required to be processed. The case-weighting system will also serve to determine the required number of judges, supporting correct decisions regarding funding and budgetary requests, assigning cases within the High Court, evaluating judges’ work, determining the optimal length of processing organised crime and corruption cases. The Case-weighting system is strictly related to the improvement of the Judiciary Information System and to the starting of the new PRIS which is planned to start during the second part of 2024.

This Action will support the activities set in the Strategy/Action plan and at the same time support further increasing administrative and operational capacities of Ministry of Justice in implementing the reforms and other tasks in the context of EU integration in general (capacity building, support to the activities, translation of the EU acquis, conducting analyses, expert support, administrative capacities, professional development of employees aimed at exchanging experience and good practices in relation to international standards etc.).

Peer Review Mission on Countering organised crime and corruption (May 30-June 3, 2022) recommended to:

- Enhance the trial management of judges in order to become much more active in this respect and really be the ones who are in control of the conduct of the trial (not the lawyers), by e.g., establishing a working group in order to take initiatives about a more efficient court-system (trial-management)
- Ensure an independent Judicial Council, both in terms of a complete composition (fully operational) and the way it is put together;
- Ensure merit-based promotions of judges (e.g., solve the disproportionately regarding the participation in various training events, stop including the fact that a sentence is changed in the higher instance).

Activities in the rationalization of the courts' network will be focused on specific policy framework related to the judicial infrastructure's issues. These activities will be ensured in close coordination with the new UNOPS project and will take into account the Governmental decisions adopted in 2022 and 2023. The improvement of the management of human resources (including the increase of flexibility of judges and prosecutors in courts that have the biggest needs) will also remain a relevant sector of this Action.

The last Peer Review Mission on Countering organised crime and corruption recommended to:

- Resolve personnel shortage with courts, lack of human resources management and forward-looking planning included;
- Resolve shortage of space with courts, both to courtrooms and to office space and the other facilities, premises at the court to store confiscated items included.

Area of support #3: use of special investigative measures and anti-corruption policy within law-enforcement agencies

Montenegro strengthens its capacity to use special surveillance measures in criminal investigations in compliance with EU standards on procedural and fundamental rights and strengthens the anti-corruption and integrity measures within the police.

Achieving results in the fight against serious and organized crime largely depends on the level of material and technical equipment and availability of the latest technological achievements used in the implementation of special investigative measures. Improvement of equipment with the aim to raise efficiency and effectiveness of the work of the Police Administration is set as one of the operational goals in the Draft of the Development Strategy of the Police Directorate (2022-2025).

Based on the SOCTA 2022 it can be concluded that the key security challenges are conditioned by transnational security trends. Members of organized criminal groups very easily come into possession of sophisticated technological and technical solutions, with the aim to apply counter-surveillance measures, which allow them a high degree of conspiracy in criminal activities and for certain period enables them to be undetected.

Conventional methods of confronting the challenges of transnational organized crime are increasingly proving to be ineffective, which is why upgrading different types of technical systems and procuring sophisticated equipment for collection, processing and analyses of gathered evidence play a key role.

It is essential that SIMs in criminal investigation are implemented under the control of the prosecution service and are independent by SIMs implemented by the security services for the security of the State.

Improvement of equipment, as well as continuous training of police officers implementing special investigative methods, will create opportunities for more efficient actions, primarily through:

- Application of various innovative operational and tactical methods, which will be compatible with partner services and enable more efficient implementation of joint police and prosecutorial activities.
- Higher degree of professionalization and technical competence, which is directly related to improving the quality of the collected evidence.
- Use of specialized equipment in all situations where the use of conventional methods of gathering evidence is prevented due to counter-surveillance measures.
- Use of specialized analytical software that will enable higher level of quality of collected material.

The Peer Review Mission on Countering organised crime and corruption recommended the following:

- Provide police with the necessary equipment in order to solve the difficulties intercepting communication in public spaces, or the communication inside cars or buildings.
- Provide the surveillance unit of the police with up-to-date equipment.
- Procure equipment and to train investigators in order to intercept communication via social media and encrypted communication.

EUROL III recommendation provides a roadmap of reforms in the wiretapping structure of command (also including modern equipment) in order to have full control of the interception process, to avoid linkage of information and therefore respect of human rights.

Concerning anti-corruption within law enforcement agency it is essential to set up a system of both random and targeted integrity tests, whistle-blower use and protection, data-synchronization on asset declaration, and re-organization of the Internal Police Control and Anti-Corruption Departments in the Ministry of the Interior. In particular, the implementation of random and targeted integrity tests would provide positive effects, including detecting corrupt behaviour, encouraging officials to report bribery and identifying the training needs of public officials.

On both areas (SIMs and anticorruption) the project must take into consideration and work on the assessments and recommendation already provided by EUROL III.

Area of support #4:

The capacity of judicial and law-enforcement institutions to meet the criteria of the negotiation process under the chapters 23 and 24 (especially the interim benchmarks) is strengthened.

Identification of main stakeholders and corresponding institutional and/or organisational issues (mandates, potential roles, and capacities) to be covered by the action

The key stakeholders in this area are:

- Ministry of Justice
- Ministry of Interior
- Police Directorate (especially the Special Police Unit, the Division for the fight against corruption, economic crime and conduction of financial investigations, The Financial Intelligence Sector, The Division for Special investigative measures)
- Special Prosecution Office
- Supreme Court of Montenegro
- Supreme State Prosecution Office
- High Courts in Podgorica, in particular the Special Department for the High Court in Podgorica for organised crime and high-level corruption.
- Other courts
- Judicial Council
- Prosecutorial Council
- Centre for Training in Judiciary and State Prosecution Office

Ministry of Justice defines, manages and coordinates the implementation of policies in the field of justice. The Ministry performs administrative affairs related to, inter alia, organization and the work of the Courts and State Prosecution office, criminal and civil legislation, analysis of the work of judiciary authorities as well as preparation and monitoring implementation of strategic documents (such as Justice Reform Strategy and Strategy of development of the ICT in Judiciary) and projects in the area of judiciary and enforcement of criminal sanctions. The Ministry of Justice is also the central authority for international legal assistance. In terms of coordination of IPA, Ministry of Justice is the leading institution in programming IPA 2021 - 2027 for the area support “Rule of Law, Fundamental rights and Democracy“.

State Prosecution Office is unique and independent state authority performing the affairs of the prosecuting of perpetrators of criminal offenses and other punishable offenses that are being prosecuted ex officio.

Prosecutorial Council secures independence of the State Prosecution Office and State prosecutors.

Judiciary - The Court is autonomous and independent authority that rules on the basis of the Constitution, laws and ratified and published international agreements.

Judicial Council is autonomous and independent authority that secures autonomy and independence of the Courts and the judges.

The Centre for Training in Judiciary and State Prosecution Office is independent organization with the status of legal entity. The Centre organises and implements trainings for judges and state prosecutors. The Centre may organise and implements trainings of lawyers, notaries, public enforcements officers, advisors, clerks and trainees in Courts and State Prosecution Office in accordance with the law.

Ministry of Interior performs administrative tasks related to: analytical monitoring of the situation and strategic planning in the field of combating crime, public order and peace, traffic safety on roads and other areas of police work and actions and instructional action to implement strategies and policy in these areas; preparation of draft Laws, regulations and other general acts in internal affairs area.

Police Directorate within the Ministry of Interior performs tasks related to protection and promotion of the security of citizens and the constitutionally established freedoms and rights; protection of property; preventing, detecting of criminal offences and misdemeanour.

The Division for the fight against corruption, economic crime and conduction of financial investigations carries out the following tasks: prevention, detection and suppression of corruption and serious forms of economic crime at the national and international level, conducting investigations to prevent, detect and suppress serious criminal acts of economic crime at the national and international level; finding and capturing perpetrators of economic and corruption crimes, monitoring and analysing the state and forms of corruption crimes and economic crimes at the local, regional, national and international level; continuous assessment of the threat posed by certain criminal acts in certain areas (local and regional), improvement of work methods and efficiency of detection of criminal acts; analysis and initiation of intelligence projects at the national level in relation to individual criminal acts within jurisdiction; direct involvement in the detection of the most complex cases of corruption and serious economic crime etc.

The Financial Intelligence Sector is a central financial intelligence unit, in accordance with the Law on the Prevention of Money Laundering and Terrorist Financing, which carries out tasks related to the detection, prevention and suppression of money laundering and terrorist financing, as well as other criminal acts and activities which would lead to illegal property gain.

The Division for Special Investigative Measures carries out tasks of implementation of measures of secret surveillance in accordance with Art. 157 of Criminal Code of Montenegro and specific police actions defined by the Law on Internal Affairs.

The Division for prevention and policing in community carries out tasks of monitoring and analysis of misdemeanour in the field of public order and peace, traffic safety and protection of persons and property; conducting of prevention measures in this area, etc.

2.3. Lessons Learned

Designing of activities should take into account sustainable results achieved by national authorities, including the results achieved with the support of the international assistance. The following issues should also be taken into consideration:

- Proper analysis and adequate planning and sequencing increase the sustainability of actions and absorption capacity;
- Given the complexity and diversity of the sector the success of any intervention relates to adequate planning and cooperation;
- Communication and coordination with negotiating structures is essential for quality programming and implementation;
- Quality of donor coordination and overview is precondition for sustainable results;
- Policies that ensure sustainability of the human resources and investments in new technologies should be carefully planned during the process;
- Sufficient financial framework should be carefully planned and provided in line with strategic prioritization;
- Importance of stakeholder's proactive participation during project implementation.

Additionally, in terms of monitoring the activities and implementation of strategic goals, the role of bodies in charge for monitoring of national strategic documents is very important. This also contributes to ensuring sustainability of activities and ensuring proactive approach of stakeholders in the process.

3. DESCRIPTION OF THE ACTION

3.1. Intervention Logic

The overall objective of the project is **to strengthen and modernise Montenegro's judicial and law-enforcement systems**, in order for Montenegro to meet the objectives of the EU accession negotiations, in particular the interim benchmarks under the chapters 23 and 24.

The Specific(s) Objective(s) of this action are:

1. The response of the law enforcement and criminal justice system to organised crime and high-level corruption is improved, in particular as regard:

- the alignment of the legal framework with the EU *acquis* and EU standards, and its efficient implementation
- the duration and efficiency of legal proceedings
- the use of plea bargains and the sentencing policy
- the ability to conduct financial investigations in parallel with criminal investigations, to seize and confiscate the proceeds of crime
- The capacity to prosecute and adjudicate money-laundering cases

2. The independence of the judiciary and the autonomy of the prosecution are strengthened, as well as their impartiality, accountability, efficiency and professionalism, by implementing key judicial reforms. In particular as regard:

- the alignment of the legal and strategic frameworks with the EU *acquis* and European standards and their efficient enforcement.
- the functioning of the entire judicial system, with a focus on its governing bodies, the Judicial Council and the Prosecutorial Council.
- the adoption and effective enforcement of the judicial strategies (notably the one on Judicial Reform) in line with European standards and their follow up.
- the efficiency of the judicial system by adopting and implementing a rationalisation strategy aiming to ensure better overall management of human resources and judicial infrastructure.

3. Montenegro strengthens its capacity to use special surveillance measures in criminal investigations in compliance with EU standards on procedural and fundamental rights, and strengthens the anti-corruption and integrity measures within the police.

4. The capacity of judicial and law-enforcement institutions to meet the criteria of the negotiation process under the chapters 23 and 24 (especially the interim benchmarks) is strengthened.

The main outputs to be delivered by this action contributing to the corresponding Specific Objectives (Outcomes) are:

1. The response of the criminal justice system to organised crime and high-level corruption is improved, in particular:
 1. the legal framework is largely aligned with the EU *acquis* and EU best practices and it is efficiently applied;
 2. legal proceedings are shortened and more efficient;
 3. the use of plea bargains is better regulated and limited; the sentencing policy is revised to ensure a deterrent and consistent response to the most serious criminal offences;
 4. financial investigations are conducted in parallel with criminal investigations, proceeds of crime are confiscated;
 5. more money-laundering cases are prosecuted and adjudicated.
2. Key judicial reforms are implemented, resulting in a strengthened independence of the judiciary and autonomy of the prosecution, as well as their impartiality, accountability, efficiency, and professionalism. In particular:
 1. the legal and strategic frameworks are aligned with the EU *acquis* and European standards and efficiently enforced;
 2. the judicial system functions better, in particular its governing bodies, the Judicial Council and the Prosecutorial Council;
 3. the judicial strategies in line with European standards and their follow up are adopted and effectively implemented;
 4. a rationalisation strategy is adopted and implemented.
3. The use of special surveillances measures and the respect of fundamental rights by law enforcement bodies:
 1. Montenegro's capacity to use special surveillance measures in criminal investigations in compliance with EU standards on procedural and fundamental rights is strengthened;
 2. robust anti-corruption and integrity measures are established within the police.

4. Judicial and law-enforcement institutions' capacity to meet the criteria of the negotiation process under the chapters 23 and 24 (especially the interim benchmarks) is strengthened.

3.2. Indicative Activities

The activities will involve different types of support:

- coaching, mentoring by / peer-to-peer exchanges with EU Member States police officers/judges/prosecutors and experts, to ensure hands-on transfer of experience;
- legal analysis
- institutional, strategic and policy reviews
- feasibility studies
- peer-to-peer exchanges
- facilitation of operational meetings
- provision of expertise and recommendations
- operational and technical support, drafting of guidelines and SoPs
- targeted study visits to EU Member States
- trainings (only if deemed relevant, and taking into account past trainings in the same area as well as trainings delivered by other projects and other Donor organisations)
- purchase of equipment

The choice of type of support should be determined by the nature of the issue, the most cost-efficient way to address it, the maximum impact and long-term sustainability it can have (e.g. training-the-trainer modules should be included in training courses). Purchase of equipment should be accompanied by training modules for the use of the equipment and maintenance contracts (where relevant).

Activities related to Output 1 - improved response of the law enforcement and criminal justice system to organised crime and high-level corruption

Activities will aim at supporting Montenegro's efforts to address:

- the findings and recommendations from the case-based peer review mission on the fight against organised crime and high-level corruption conducted in June 2022
- the findings and recommendations from the Trial monitoring project on combatting organised crime and corruption in the Western Balkans

Activities under this component will strengthen Montenegro's capacity to investigate, prosecute and adjudicate complex criminal and high-level corruption cases. They should focus in particular on:

1. the alignment of the legal framework, in which the criminal justice system is embedded, with the EU *acquis* and EU best practices, and their efficient implementation;
2. the duration and efficiency of legal proceedings. This means for example addressing the shortage of human resources in the Specialised Department of the High Court of Podgorica, the human resource policy within the Department (promotion, careers, turn-over, trainings); enhancing the trial management procedures, to ensure that judges remain in control of the conduct of the trial (not the lawyers); shortening the duration of trials;
3. the use of plea bargains and the sentencing policy. This means for example monitoring the implementation of the guidelines on plea bargain agreements by the Prosecution; addressing the findings and recommendations of the study on the sentencing policy of Montenegro from 2022;
4. the ability to conduct financial investigations in parallel with criminal investigations, to seize and confiscate the proceeds of crime;

5. The capacity to prosecute and adjudicate money-laundering cases.

Activities related to Output 2 - Key judicial reforms are implemented, resulting in a strengthened independence of the judiciary and autonomy of the prosecution, as well as their impartiality, accountability, efficiency, and professionalism

Activities should focus in particular on:

1. the alignment of legal and strategic frameworks with the EU *acquis* and European standards and their efficient enforcement;
2. the functioning of the judicial system, in particular its governing bodies, the Judicial Council and the Prosecutorial Council;
3. the adoption of judicial strategies in line with European standards and its effective implementation;
4. the adoption and implementation of a rationalization strategy.

The activities will improve Montenegro's justice system's performance, including its criminal justice response. Targeted expertise will support identifying gaps in the legal framework alignment with the EU *acquis* and European standards, and improve its effective implementation taking also into account the interim benchmarks. The Law on Judicial Council and judges and the Law on State Prosecution Service are essential. Likewise, the activities will offer expertise and recommendations to improve the performance of the governing bodies in the judiciary taking into account the Venice Commission and the OSCE recommendations together with the peer review mission on Countering organised crime and corruption. The timely strategic planning for the implementation of justice reforms and their monitoring will be a specific area of focus to develop and implement data-driven policy priorities based on European standards.

Support the national authorities on defining and prioritizing the prosecution and adjudication on high level organised crime and corruption cases. Specific goals regarding the processing of these kind of cases could be envisaged in the annual work plans of the High Court in Podgorica and those of the Special Prosecutor's Office.

There already exists a vast amount of relevant policy and legal recommendations in these areas of intervention, produced by EU funded projects or otherwise. The activities should focus to a large extent on supporting and ensuring their implementation by the authorities, avoiding duplication with the previous work.

Strategic advisory support to focus on the implementation of the recommendations of the *World Bank / Result oriented review of delivery of justice (2019)*. Expert support to the judiciary on improving courts' efficiency, timelines, productivity and overall performance in accordance with forthcoming Strategy for the reform of Judiciary 2024-2027 (taking into account the evaluation made of the previous strategy) and its Action plan.

The adoption of a new strategy for the rationalisation of the judicial network is still pending. Activities of this Action will be focused on specific policy framework related to the judicial infrastructure's issues (in coordination with the UNOPS project) and to support the relevant national stakeholders, including the Ministry of Justice, Judicial and Prosecutorial Councils, on the human resources management (for ex. increase of flexibility of judges and prosecutors in courts that have the biggest needs and establish a minimum number of judges per court that allows for effective random allocation cases).

Activities related to Output 3 - the use of special surveillances measures (SIMs) with respect of fundamental rights by law enforcement bodies is improved and anti-corruption preventive measures and internal control measures in the police are developed:

Activities should focus in particular on:

- 1-Montenegro's capacity to use special surveillance measures in criminal investigations in compliance with EU standards on procedural and fundamental rights;
- 2-strengthening anti-corruption and integrity measures within the police.

The action will for example:

- Enhance internal rules and procedures to strengthen the respect of procedural and fundamental freedoms in the use of SIMs, including traceability and accountability rules
- Enhance internal organization in order to avoid linkage of information and to ensure that SIMs on criminal investigation (under full control of the prosecution service) are completely separated by SIMs used for the security of the State (under control Security service)
- Provide police with the necessary equipment in order to solve the current difficulties intercepting communication in public spaces, or the communication inside cars or buildings.
- Provide the surveillance unit of the police with up to date equipment
- Procure equipment and to train investigators in order to intercept communication via social media and encrypted communication
- Enhance the rules and procedures governing the use of SIMs, to ensure a higher efficiency
- Enhance anti-corruption preventive measures and internal control measures in the police
- Set up a system of both random and targeted integrity tests, whistle-blower use and protection, data-synchronization on asset declaration, and re-organization of the Internal Police Control and Anti-Corruption Departments in the Ministry of Interior

Activities related to Output 4: Judicial and law-enforcement institutions' capacity to meet the criteria of the negotiation process under the chapters 23 and 24 (especially the interim benchmarks) is strengthened

Activities should focus in particular on:

1. *Ad hoc* and targeted assistance, to support Montenegro meeting the Interim Benchmarks under the chapters 23 and 24 of the accession negotiations, on issues not covered by outputs 1, 2 and 3;
2. Assistance in donors' coordination in the areas, covered by outputs 1, 2, 3 (i.e.: criminal justice, reform of the judiciary, SIMs and integrity policy within the law enforcement).

3.3. Mainstreaming

Environmental Protection, Climate Change and Biodiversity

No direct impact on natural resources and environment shall be ensured throughout the implementation of activities and environment issues will be in line with the requirements of legislation in the area of environment protection. It will not have a negative impact nor jeopardise the environment and climate changes in the future. However, the Action will strengthen the rule of law in Montenegro, which will have a positive impact on the implementation of the laws on protection of the environment and fighting environmental crime. Moreover, it will raise the public intolerance towards corruption and enhance the civil society power in prevention and combating corruption, including the environmental one, which increases globally on the background on increased demand for natural resources.

Gender equality and empowerment of women and girls

The Action will strengthen the rule of law in Montenegro, which will have a positive impact on the implementation of the legal provisions on girls' and women rights.

In addition, the Action will address gender equality directly through gender sensitive analysis, training, standards review, skills development and information, generated and streamlined during the implementation. The expected improvements in the data collection and overall case management system will encompass the

introduction of gender aspects in the judiciary statistics. Gender balance will be ensured in all capacity building activities. The training programmes provided will consider proportionate enrolment and participation of women. The project related statistics (i.e. on beneficiaries) will be gender segregated when possible.

In addition, the government is committed to take into account as a crosscutting element in all its policies, in line with the National Strategy of Gender Equality 2021-2025, that is harmonized with the EU policy in the area, the most important being European Union Gender Strategy 2020-2025.

As per OECD Gender DAC codes identified in section 1.1, this action is labelled as G1.

Human Rights

Special attention to minorities and vulnerable groups will be integral part of any activity to be implemented within this Action. Being the multi-ethnic society, Montenegro is committed to preserve the culture, history, language and religion of the national minorities and of the majority. Thus, the beneficiary institutions will implement mechanisms to ensure that in the legislative process, the internal policies, structure or operating procedures, the principle of equitable representation of ethnic minorities and the protection of their rights is taken into consideration.

Proposed Action will contribute to enhancing the efficiency and performance of the Judiciary and strengthen the capacities of law enforcement authorities particularly involved in fight against high corruption and organised crime to effectively implement national legislation as well as international human rights standards.

3.4. Risks and Assumptions

RISKS

Category	Risks	Likelihood	IMPACT	Mitigation measures
External environment	Lack of strong political commitment of the Government and the relevant institutions to achieve results in CH 23 and 24.	L	H	Enhance policy dialogue and IPA financial assistance.
	Low engagement and participation of stakeholders in the specific activities of the Action.	L	H	Strengthen the role of the Steering Committees the main platform for sector policy discussion, coordination and monitoring of the Action.
Planning, processes and systems	Performance affected by unclear objectives.	L	H	Solution would be found by the Steering Committee
	Slow progress in the revision and approval of new procedures, revision and approval of the amendments to legislation and rules.	M	M	Reinforce dialogue with the Government based on extended performance monitoring enforced, on efforts of revised legislation and regulations.

	Limited co-ordination capabilities among beneficiary institutions; lack of consolidated effort and mobilisation of all stakeholders (including the non-state ones) resulting in delays.	M	H	High-level policy dialogue with all involved stakeholders. The action will be made known to all beneficiaries in a timely manner, advocating for appropriate planning of activities, human and material resources.
People and the organisation	The availability of highly professional Member States' experts to perform the peer-to-peer and coaching work.	L	H	The possibility for opening negotiations with the EU will increase the interest of Member States to send highly qualified expert to support the ongoing reforms in the country.
	Implementation delays and errors caused by a lack of competence and expertise.	L	H	Solution would be found by the Steering Committee
Legality and regularity aspects	Organised crime's penetration into societies as well as close connections with the political elites can give it a political/economic power, which can enable them to influence Law Enforcement Agencies (LEA). Corrupt leadership personnel in the LEAs and the relevant ministries can interfere in and impede investigations (e.g., by transferring effective investigators/prosecutors).	H	H	The integration of the Experts into the partner institutions allows deeper insights into the work and personnel processes of the partners. In this way, the Action can potentially increase the transparency over potential corruption related to investigations to build up political pressure, particularly in cooperation with the donor community. Furthermore, the action also works on improving the adherence to professional standards. Member States embassies, as well as EU delegations, will be more systematically

				involved in the visibility strategy and the political communication with the partners. The mentoring approach also allows the partner organisations to identify and strengthen change agents in a targeted manner, thereby promoting institutional change from below.
	LEAs are involved in human rights violations (e.g., violations of the non-punishment	L	M	Review of the human rights record of potential state partners before the start of new activities. Mainstreaming of victim-sensitive approaches through capacity development and training.
	Loss of EU-funds caused by double-funding of projects as a result of weak coordination between departments or with external donors.	L	H	Enhance the already existing coordination group with stakeholders on Rule of Law
	Adverse reputation and financial loss due to conflict of interests (e.g. discriminatory selection of experts; usage of "insider information", biased selection and award criteria in the evaluation process etc.).	M	H	EU needs to clarify, and, if necessary, relaunch the selection and award criteria
Communication and information	Reputation of the Commission affected by insufficient communication in the country.	L	H	Remind the respect of the 2022 EU guidance on communication
		L = Low M = Medium H = High		

External Assumptions

- The constituent Parliament, Government, and Judiciary remain committed in justice and home affairs sector as a whole, and within the timeframe envisaged;
- The Government remains committed and able to allocate sufficient human and material resources to support implementation of the existing and revised/developed strategies;
- Proactive attitude from the side of key actors: all key stakeholders interested in taking part in actions and contributing to reaching results as one of the milestones in fulfilling Montenegro's obligations under Ch. 23 and Ch. 24;
- Montenegro establishes a Task Force/monitoring Body for the follow-up of recommendations of the case-based Peer Review on Fighting against Organised Crime;
- Montenegro establishes an interdepartmental technical body for the interoperability databases;
- There is willingness on the part of civil society organisations to participate in the policy dialogue and to become involved in the delivery of advisory and support services to contribute to rule of law and public safety and security;
- An appropriate co-ordination and monitoring mechanism is in place of control the quality and progress.

3.5. Indicative Logical Framework Matrix

Results	Results chain: Main expected results [maximum 10]	Indicators [at least one indicator per expected result]	Baselines (values and years)	Targets (values and years)	Sources of data	Assumptions
Impact	To strengthen and modernise Montenegro's judicial and law-enforcement systems, in order for Montenegro to meet the objectives of the EU accession negotiations, in particular the interim benchmarks under the chapters 23 and 24.	A. Progress made under CH 23 and CH 24 B. Fulfilment of CH23 and CH 24 interim closing benchmarks	A. CH23 - moderately prepared / limited progress (2022) CH24 - moderately prepared / some progress (2022) B.	Montenegro report 2025 Annotated agenda JLS 2025, further peer reviews.	A. EC Annual Report Montenegro 6 monthly Reports of the EU Commission to the Council International rule of Law Index (World justice , Freedom house countries index, Cepej, World Bank..etc) transparency	<i>Not applicable</i>

<p>Outcome 1</p>	<p>Improved response of the law enforcement and criminal justice system to organised crime and high-level corruption</p>	<p>1.1. Increased track record of efficient and effective investigation, prosecution and convictions in organised crime and corruption cases (including high level)</p> <p>1.2. Increased track record of freezing, seizing and confiscation of assets</p>	<p>1.1. Track record Montenegro Report 2022</p> <p>1.2 Track record report Montenegro 2022</p>	<p>1.1. % rate increased of indictments and convictions. Quality of investigation (use of circumstantial evidence, “follow the money approach”, Stand-alone money laundering)</p> <p>1.2 % rate increased of freezing, seizure and confiscations of assets. Use of extended confiscation.</p>	<p>1.1 EUROL III and IV, Peer Review Report, EC Progress Report, Annual Report of the Prosecutor office and the Police Directorate and track record of final convictions.</p> <p>1.2 EUROL III and IV, Peer Review Report, EC Progress Report, Annual, Report of the Prosecutor office and the Police Directorate and track record of freezing , seizure and final confiscations.</p>	<p>Government of Montenegro ensures budgeting, staffing and operational means.</p> <p>Target Group closely co-operate with the project team.</p> <p>Officials and information are made available for training & other project activities.</p>
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<p>Outcome 2</p>	<p>Key judicial reforms are implemented, resulting in a strengthened independence of the judiciary and autonomy of the prosecution, as well as their impartiality, accountability, efficiency, and professionalism</p>	<p>1.1 Increased track record for the alignment with the EU <i>acquis</i> of the legal and strategic frameworks.</p> <p>1.2 Improvement of the judicial system, in particular its governing bodies, the Judicial Council and the Prosecutorial Council.</p> <p>1.3 Rationalisation system is implemented</p>	<p>1.1 Track record Montenegro report 2023</p> <p>1.2 Recommendations of EURO L III and IV and other EU reports</p> <p>1.3 Recommendations of Peer Review and Euro L III and IV and other reports</p>	<p>1.1 number of interim benchmarks related to functioning of the judiciary increased of alignment to the EU <i>acquis</i></p> <p>1.2 Percentage of implementation of the recommendations</p> <p>1.3 90 % Rationalisation plan implemented.</p>	<p>1.1 EUROL III and IV, Peer Review Report, EC Progress Report, Annual Report of the Prosecutor office</p> <p>1.2 EUROL III and IV, Peer Review Report, EC Progress Report, Annual Report of the Prosecutor office.</p> <p>1.3 EUROL III and IV, Peer Review Report, EC Progress Report, Annual Report of the Prosecutor office</p>	<p>Government of Montenegro ensures budgeting, staffing and operational means.</p> <p>Target Group closely co-operate with the project team.</p> <p>Officials and information are made available for training & other project activities</p>
<p>Outcome 3</p>	<p>The use of special surveillances measures (SIMs) with respect of fundamental rights by law enforcement bodies is</p>	<p>3.1 internal rules and procedures to strengthen the respect of procedural and</p>	<p>3.1 Recommendations of Peer review and EUROL III</p>	<p>3.1 Percentage of implementation of the</p>	<p>3.1 EUROL III and IV, Peer Review Report, EC Progress</p>	<p>There is strong interest on behalf of the national players to cooperate with EU Member state peers and adopt the EU</p>

	<p>improved and anti-corruption preventive measures and internal control measures in the police are developed</p>	<p>fundamental freedoms in the use of SIMs, including traceability and accountability rules</p> <p>3.2 internal organization in order to avoid linkage of information and to ensure that SIMs on criminal investigation (<u>under full control of the prosecution service</u>) are completely separated by SIMs used for the security of the State (under control Security service)</p> <p>3.3 Prosecution/ police has the necessary equipment in order to solve the current difficulties intercepting communication in public spaces, or the communication inside cars or buildings as well as Viber/Whatsup.</p> <p>3.4 Prosecution /Police has the necessary equipment to trace and control every activity concerning interception</p> <p>3.5 set up a system of both random and targeted integrity tests, whistle-blower use and</p>	<p>3.2 Recommendations of Peer review and EUROL III and other reports</p> <p>3.3 Recommendations of Peer review and EUROL III</p> <p>3.4 Recommendations of EUROL III</p>	<p>recommendations</p> <p>3.2 Percentage of implementation of the recommendations</p> <p>3.3 Percentage of implementation of the recommendations</p> <p>3.4 Percentage of implementation of the recommendations and track record of reported cases of corruption in the police</p>	<p>Report, Annual, Report of the Prosecutor office and the Police Directorate</p> <p>3.2 EUROL III and IV, Peer Review Report, EC Progress Report, Annual Report of the Prosecutor office, MOI and the Police Directorate</p> <p>3.3 EUROL III and IV, Peer Review Report, EC Progress Report, Annual Report of the Prosecutor office, MOI and the Police Directorate</p> <p>3.4 EUROL III and IV, Peer Review</p>	<p>practice and standards in practice. EUROL III provided relevant recommendations in both components</p>
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		<p>protection, data-synchronization on asset declaration, and re-organization of the Internal Police Control and Anti-Corruption Departments in the Ministry of Interior</p>			<p>Report, EC Progress Report, Annual Report of MOI, the Prosecutor office, the internal affaires sector and the anticorruption department on cases of corruption in the police.</p>	
<p>Outcome 4</p>	<p>Judicial and law-enforcement institutions' capacity to meet the criteria of the negotiation process under the chapters 23 and 24 (especially the interim benchmarks) is strengthened</p>	<p>4.1 Montenegro capacity in meeting the Interim Benchmarks under the chapters 23 and 24 of the accession negotiations, on issues not covered by outcomes 1, 2 and 3;</p> <p>4.2 Assistance in donors' coordination in the areas, covered by outcomes 1, 2, 3 (i.e.: criminal justice, reform of the judiciary, SIMs and integrity policy within the law enforcement).</p>	<p>4.1. current status of negotiations</p> <p>4.2 Current capacity of donor coordination</p>	<p>4.1. % increase in negotiation of the chapters</p> <p>4.2. % increased capacity in donor coordination in order to build synergies and to avoid overlapping</p>	<p>4.1. Beneficiary institutions reports, Project reports, Annual Reports</p> <p>4.2. Beneficiary institutions Project reports, EUROL IV reports</p>	<p>The human resources challenges addressed by national authorities</p>

4. IMPLEMENTATION ARRANGEMENTS

4.1. Financing Agreement

In order to implement this action, it is envisaged to conclude a financing agreement with Montenegro.

4.2. Indicative Implementation Period

The indicative operational implementation period of this action, during which the activities described in section 3 will be carried out and the corresponding contracts and agreements implemented, is 36 months from the date of where a financing agreement is concluded.

Extensions of the implementation period may be agreed by the Commission's responsible authorising officer by amending this Financing Decision and the relevant contracts and agreements.

4.3. Implementation Modalities

The Commission will ensure that the EU appropriate rules and procedures for providing financing to third parties are respected, including review procedures, where appropriate, and compliance of the action with EU restrictive measures.

4.3.1. Indirect Management with a pillar-assessed entity

This action may be implemented in indirect management with a Member State(s) pillar assessed entity, which will be selected by the Commission's services using the following criteria:

- Capacity to perform activities on its behalf in the fields related to Justice and Home Affairs.
- Relevant experience in the sector and past experience in the country and the region.

The overall objective of the agreement will be to prepare Montenegro for the accession to the EU by assisting it to align with and effectively implement the relevant EU acquis and EU standards in the fields of Justice and Security in line with the new enlargement methodology.

The specific objectives will aim at supporting Montenegro to strengthen the efficiency and performance of the judiciary and enhance the capacities of the institutions to fight against high level corruption and organised crime, to produce a convincing track record on the more complex types of organised crimes, including in money laundering and tobacco smuggling, as well as in the confiscation of proceeds of crime. The action will follow-up the recommendations from the Peer Review carried out in Montenegro in 2022 on assessment on finalised cases of high-level corruption and organised crime, focusing on confiscation of proceeds of crime and the use of special investigative measures.

The Action will use a peer-to-peer approach in line with the new credible and dynamic enlargement strategy including Member States advisory and monitoring roles.

The project will have its key strong point in the daily deployment of advice inside the Montenegrin institutions mainly prosecution service, police and other law enforcement agencies, criminal judges of around 5 up to 10 long-term experts. The use of short-term experts should be very limited and reserved to only technical aspects that cannot be addressed by the experts present in the country. A full and integral use of other EU support instruments (e.g. EU regional projects) and key projects of other donors is required to avoid overlapping and to ensure synergies and achievements of results.

4.3.2. Changes from indirect to direct management (and vice versa) mode due to exceptional circumstances

4.3.2.1. Grants

If the implementation modality under indirect management as defined in section '4.3.1' cannot be implemented due to circumstances beyond the control of the Commission, the modality of implementation by grants under direct management would be used, except for the parts requiring procurement of equipment. If procurement is required the fall-back option as explained under section 4.3.1 will prevail although opening up the eligibility for that part to international organisations other than MS organisation.

(a) Purpose of the grant(s)

The overall objective of the grant will be to prepare Montenegro for the accession to the EU by assisting it to align with and effectively implement the relevant EU acquis and EU standards in the fields of Justice and Security in line with the new enlargement methodology.

The specific objectives will aim at supporting Montenegro to strengthen the efficiency and performance of the judiciary and enhance the capacities of the institutions to fight against high level corruption and organised crime, to produce a convincing track record on the more complex types of organised crimes, including in money laundering and tobacco smuggling, as well as in the confiscation of proceeds of crime. The action will follow-up the recommendations from the Peer Review carried out in Montenegro in 2022 on assessment on finalised cases of high-level corruption and organised crime, focusing on confiscation of proceeds of crime and the use of special investigative measures.

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(b) Type of applicants targeted

EU Member States Public law bodies or private law bodies with entrustment from the public administration to perform activities on its behalf in the fields related to Justice and Home Affairs.

4.4. Scope of geographical eligibility for procurement and grants

The geographical eligibility in terms of place of establishment for participating in procurement and grant award procedures and in terms of origin of supplies purchased as established in the basic act and set out in the relevant contractual documents shall apply, subject to the following provisions.

The Commission's authorising officer responsible may extend the geographical eligibility on the basis of urgency or of unavailability of services in the markets of the countries or territories concerned, or in other duly substantiated cases where application of the eligibility rules would make the realisation of this action impossible or exceedingly difficult (Article 28(10) NDICI-Global Europe Regulation).

4.5. Indicative Budget

Indicative Budget components	EU contribution (amount in EUR)	Indicative third-party contribution, in currency identified
Methods of implementation – cf. section 4		
Outcomes 1 – 3	7 000 000	N.A.
Indirect management with a pillar-assessed entity - cf. section 4.3.1		
Evaluation – cf. section 5.2 Audit – cf. section 5.3	May be covered by another Decision	N.A.
Strategic Communication and Public Diplomacy – cf. section 6	Will be covered by another Decision	N.A.
Contingencies	0	N.A.
Totals	7 000 000	N.A.

4.6. Organisational Set-up and Responsibilities

Roles and responsibilities

The implementation of the Action involves a wide range of stakeholders and requires a coordinated multi-stakeholder approach, involving law enforcement authorities and judicial authorities.

Key stakeholders, partners and target group of the Action are the Ministries of Interior with the respective (border) police services, Ministries of Justice, the prosecution and judicial authorities.

Governance

Overall governance of the project will be ensured by two committees. The proposed below governance will be discussed with the EC and partner countries at the beginning of the project and a final governance scheme will be proposed and described in a specific note.

A strategic advisory board will be set up to ensure the overall orientation and strategic guidance of the Action.

The SAB is the occasion for all the stakeholders, including the EC to share its strategic views and priorities on the related topic and to assess if the project achievements are in line with those views and priorities.

It will advise on major programmatic decisions, ensure appropriate circulation of information and harmonisation of best practices. It will assess risks to individual activities within the cycle of the action, provide strategic guidance and recommendations to the management of the project.

The committee will be composed by the consortium partners plus additional member states representatives involved in the action or with a stake in it, Head of Chapter 24 and 23 in the Government, NIPAC, the European Delegation and DG Near. Additional actors may be invited (International organisations, other Members states) as observers. The committee will be chaired by the Commission and will meet twice a year.

A project steering committee (PSC) which objectives is to provide the general direction for the implementation of the Action and to exchange views on progress, needs and, eventually, issues of the project implementation. The composition of the Steering Committee will be decided during the Inception phase.

As part of its prerogative of budget implementation and to safeguard the financial interests of the Union, the Commission may participate in the above governance structures set up for governing the implementation of the action.

4.7. Pre-conditions

No pre-conditions are required for the present action.

5. PERFORMANCE MEASUREMENT

5.1. Monitoring and Reporting

The day-to-day technical and financial monitoring of the implementation of this action will be a continuous process, and part of the implementing partner's responsibilities. To this aim, the implementing partner shall establish a permanent internal, technical and financial monitoring system for the action and elaborate regular progress reports (annual) and final reports. Every report shall provide an accurate account of implementation of the action, difficulties encountered, changes introduced, as well as the degree of achievement of its Outputs and contribution to the achievement of its Outcomes, and if possible, at the time of reporting, contribution to the achievement of its Impacts, as measured by corresponding indicators, using as reference the logframe matrix.

The Commission may undertake additional project monitoring visits both through its own staff and through independent consultants recruited directly by the Commission for independent monitoring reviews (or recruited by the responsible agent contracted by the Commission for implementing such reviews).

Roles and responsibilities for data collection, analysis and monitoring:

Ministry of Justice and Ministry of Interior will be responsible for data collection, analysis and monitoring. Additional monitoring will be done by the CA internally and with ad hoc contracting. Arrangements for monitoring and reporting, including roles and responsibilities for data collection, analysis and monitoring:

5.2. Evaluation

Having regard to the importance of the action, a final evaluation will be carried out for this action or its components via independent consultants contracted by the Commission.

It will be carried out for accountability and learning purposes at various levels (including for policy revision), taking into account in particular the fact that the subject of the action is critical for the accession process.

The Commission shall form a Reference Group (RG) composed by representatives from the main stakeholders at both EU and national (representatives from the government, from civil society organisations (private sector, NGOs, etc.), etc.) levels. If deemed necessary, other donors will be invited to join. The Commission shall inform the implementing partner at least 1 month in advance of the dates envisaged for the evaluation exercise and missions. The implementing partner shall collaborate efficiently and effectively with the evaluation experts, and inter alia provide them with all necessary information and documentation, as well as access to the project premises and activities.

The evaluation reports shall be shared with the partner country and other key stakeholders following the best practice of evaluation dissemination. The implementing partner and the Commission shall analyse the conclusions and recommendations of the evaluations and, where appropriate, in agreement with the partner country, jointly decide on the follow-up actions to be taken and any adjustments necessary, including, if indicated, the reorientation of the project.

The financing of the evaluation shall be covered by another measure constituting a financing Decision.

5.3. Audit and Verifications

Without prejudice to the obligations applicable to contracts concluded for the implementation of this action, the Commission may, on the basis of a risk assessment, contract independent audit or verification assignments for one or several contracts or agreements.

6. STRATEGIC COMMUNICATION AND PUBLIC DIPLOMACY

All entities implementing EU-funded external actions have the contractual obligation to inform the relevant audiences of the Union's support for their work by displaying the EU emblem and a short funding statement as appropriate on all communication materials related to the actions concerned. To that end they must comply with the instructions given in the 2022 guidance document [*Communicating and raising EU visibility: Guidance for external actions*](#) (or any successor document).

This obligation will apply equally, regardless of whether the actions concerned are implemented by the Commission, the partner country, service providers, grant beneficiaries or entrusted or delegated entities such as UN agencies, international financial institutions and agencies of EU Member States. In each case, a reference to the relevant contractual obligations must be included in the respective financing agreement, procurement and grant contracts, and contribution agreements.

For the purpose of enhancing the visibility of the EU and its contribution to this action, the Commission may sign or enter into joint declarations or statements, as part of its prerogative of budget implementation and to safeguard the financial interests of the Union. Visibility and communication measures should also promote transparency and accountability on the use of funds. Effectiveness of communication activities on awareness about the action and its objectives as well as on EU funding of the action should be measured.

Implementing partners shall keep the Commission and the EU Delegation/Office fully informed of the planning and implementation of specific visibility and communication activities before the implementation. Implementing partners will ensure adequate visibility of EU financing and will report on visibility and communication actions as well as the results of the overall action to the relevant monitoring committees.

7. SUSTAINABILITY

The overall objective of these interventions is to support the efficiency and performance of the judiciary and enhance the capacities of the institutions to fight against high level corruption and organised crime, to produce a convincing track record on the more complex types of organised crimes, including in money laundering, trafficking in human beings and tobacco smuggling, as well as in the confiscation of proceeds of crime..

The assistance is based on strategy or policy papers adopted by the Government (in particular Action Plans for Chapter 23 and Chapter 24) Sustainability, continuation of trainings programmes and public awareness will be supported by national funds and will be elaborated in close cooperation with beneficiary institutions which are committed to provide the necessary human and financial resources during implementation.

Montenegro political commitment to EU accession and to the transposition of Chapters 23 and 24 acquis is instrumental to ensure the sustainability of the Action.

Activities aim at increasing efficiency of the judiciary system and transparency by reducing the time and cases backlog, concrete measures for the rationalization of the judicial network and better human management in judiciary. Furthermore, the activities aim to improved track records on fighting against organised crime and corruption, particularly against money laundering, trafficking in human beings and tobacco and drug smuggling, as well as in the confiscation of proceeds of crime.

Knowledge and skills gained through this Action will be used during the process and will support Montenegrin administration in performing its tasks at the highest level contributing to building and leading processes of successful negotiations with the EU.

Furthermore , all the assistance provided through this Action in terms of technical assistance and capacity building are aimed for the Ministry to support its role in leading the policy and structural reforms required for the conclusion of EU negotiations, in particular closure of the Chapter 23 and Chapter 24, as well as fulfilling the respective benchmarks under these two Chapters.

Appendix 1: IDENTIFICATION OF THE PRIMARY INTERVENTION LEVEL FOR REPORTING IN OPSYS

A Primary intervention (project/programme) is a coherent set of results structured in a logical framework aiming at delivering development change or progress. Identifying the level of the primary intervention will allow for:

- ✓ Differentiating these Actions or Contracts from those that do not produce direct reportable development results, defined as support entities (i.e. audits, evaluations);
- ✓ Articulating Actions and/or Contracts according to an expected common chain of results and therefore allowing them to ensure a more efficient and aggregated monitoring and reporting of performance;
- ✓ Having a complete and exhaustive mapping of all results-bearing Actions and Contracts.

The present Action identifies as Primary Intervention:

Action level (i.e. Budget support, Blending)		
<input checked="" type="checkbox"/>	Single action	Present action: all contracts in the present action

