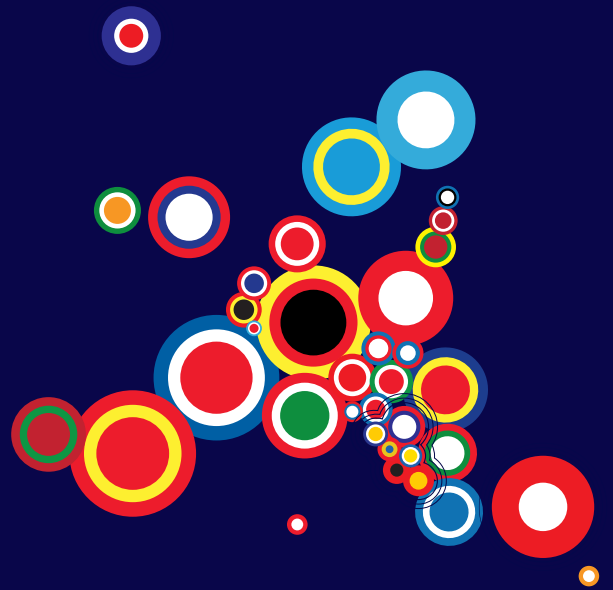




## INSTRUMENT FOR PRE-ACCESSION ASSISTANCE (IPA II) 2014-2020

### MONTENEGRO

Alignment and  
Implementation of the EU  
Internal Market *acquis*



#### Action summary

The overall objective of the Action is to facilitate trade and internal market development, while the specific objective of the Action is alignment and implementation of the EU internal market legislation. This Action will consequently contribute to the development of the private sector and raise competitiveness of economy.

The Action is expected to significantly contribute to the free trade between Montenegro and EU through eliminating unnecessary restrictions, i.e. all technical trade barriers between the EU and Montenegro. It will result into aligning of significant part of the national legislation under Chapter 1 and 28 with the EU *acquis* and will strengthen the administrative capacity of all relevant institutions for implementation of the national strategic framework on Internal Market and consumer protection.

Thus, the Action will support investments and competition and thus will foster growth and private sector development. It will also have a direct impact on the economic and social benefits of the Montenegrin consumers

<b>Action Identification</b>	
<b>Action Programme Title</b>	Annual Action Programme for Montenegro (2014)
<b>Action Title</b>	Alignment and Implementation of the EU Internal Market <i>acquis</i>
<b>Action Reference</b>	IPA/2014/032-803.15/ME/Internal Market
<b>Sector Information</b>	
<b>IPA II Sector(s)</b>	Competitiveness and Innovation
<b>DAC Sector</b>	33110 – Trade policies and administrative management
<b>Budget</b>	
<b>Total cost</b>	EUR 2.4275 million
<b>EU contribution</b>	EUR 2.150 million
<b>Management and Implementation</b>	
<b>Method of implementation</b>	Indirect management
<i>Indirect management:</i> <b>National authority or other implementing body</b>	Directorate for Finance and Contracting of the EU Assistance Funds (CFCU)
<b>Implementation responsibilities</b>	/
<b>Location</b>	
<b>Zone benefiting from the action</b>	Montenegro
<b>Specific implementation area(s)</b>	/
<b>Timeline</b>	
<b>Deadline for conclusion of the Financing Agreement</b>	At the latest by 31 December 2015
<b>Contracting deadline</b>	3 years following the date of conclusion of the Financing Agreement, with the exception of the cases listed under Article 189(2) Financial Regulation
<b>End of operational implementation period</b>	6 years following the date of conclusion of the Financing Agreement

# 1. RATIONALE

## PROBLEM AND STAKEHOLDER ANALYSIS

The Action planned will support Montenegro in its preparations for joining the EU Internal market, where products are traded freely from one part of the Union to another. Within accession context, Montenegro needs to put in place all tools and establish the framework to allow free trade with the European Union - elimination of quantitative restrictions in trade, establishing common set of rules on products and safety standards, promotion of production methods that create a genuinely level playing field and establish consistent consumer standards, support to notification of restrictions and provision of information to businesses. In this respect, Action addresses two key issues:

- 1) Insufficient level of legal harmonisation with the EU *acquis* - The *Screening Report Montenegro for Chapter 1 – Free Movement of Goods*, as well as *Montenegro 2013 Progress Report*, outline clearly that Montenegro's legislation is only partially in line with the *acquis* in Chapter 1;
- 2) Insufficient administrative capacity for implementation of the legal and strategic framework on internal market including capacity to apply horizontal and procedural measures in areas such as standardisation, conformity assessment, accreditation, metrology and market surveillance, capacity for notification on restrictions on trade, as well as poor working conditions, weak coordination, etc. The *Montenegro 2013 Progress Report* outlines that: “Montenegro needs to build up its administrative capacity and staffing levels in several sectors to ensure the effective implementation of the *acquis*”.

The *Montenegro 2013 Progress Report* concludes that Montenegro can not be considered as sufficiently prepared for negotiations under Chapter 1 and respectively the European Commission did not recommend at this stage the opening of accession negotiations with Montenegro on Chapter 1 - Free Movement of Goods. Based on the *Montenegro 2013 Screening Report*: “specific gaps remain to be addressed in relation to the amendments of the legal framework, including the coordination and planning of steps towards full alignment and ensuring sufficient administrative capacity, the need for clarity on the scope of the use of the CE marking in Montenegrin law, and plans for alignment with Articles 34-36 TFEU”. On the other hand, in area of consumer protection (product safety and economic interest) EC recommended opening of the accession negotiations in the Chapter 28- Consumer and Health Protection, yet based on the *Screening Report*: “Enforcement of consumer *acquis* needs to be further improved... Efforts need to continue to ensure due functioning of market surveillance, including coordination between different stakeholders and technical training of market inspectors”.

To address the findings and the recommendations of the European Commission, Montenegro has developed a *Strategy for Free Movements of Goods* (FMG) with an *Action Plan* for its implementation. The Strategy was adopted in October 2014. By this step one of the opening benchmarks under Chapter 1 - Free Movement of Goods was addressed. Now the efforts have to be focused on the implementation of the Strategy and the Action Plan.

In parallel, Montenegro has started working on developing an *Action Plan* for aligning with Articles 34-36 TFEU (Action plan "34-36"). The *Strategy* and the *Action plans* envisage gradual adoption and implementation of the EU internal market *acquis* by 2018. This Action will support the implementation of both the Strategy on FMG and the Action plan "34-36" in the two aspects – drafting of the needed legislative texts and preparation of the stakeholders for the implementation of the newly adopted legislation. The action will also help the implementation of *National Programme for Consumer Protection* and will enhance capacities under Chapter 28, particularly as regards market surveillance.

The Action also seeks to enhance the coordination between the numerous actors in free movement of goods sector. The main beneficiaries of this Action are the Ministry of Economy (as a lead institution), Ministry of Health - Agency for Medicines and Medical Devices, Ministry of Sustainable

Development and Tourism and Ministry of Agriculture and Rural Development - Phytosanitary Authority) as well as the Administration for Inspection Affairs and the key quality infrastructure institutions: Bureau for Metrology, Institute for Standardisation, Accreditation Body.

The Ministry of Economy coordinates the activities of all institutions within the Action through a Working group of representatives who regularly meet.

The Action is designed to address a significant part of the key issues identified under Chapter 1 - Free Movement of Goods and Chapter 28-Consumer and Health Protection. At the same time, the full alignment with the EU legislation in the sector is not only a technical aspect of the accession negotiations but most of all – a benefit for the business, producers and investors as well as for the final consumers. The Action should significantly contribute to the free trade between Montenegro and EU and will support indirectly investments and therefore growth and private sector development. The implementation of this Action will have a direct impact to economic and social benefits for Montenegrin citizens through elimination of all unnecessary restrictions, i.e. all technical trade barriers between the EU and Montenegro. Accordingly, based on the established legislative and procedural framework, manufacturers and exporters of Montenegro will be able to market their products more intensive on the EU market.

#### **RELEVANCE WITH THE IPA II INDICATIVE STRATEGY PAPER (OR MULTI-COUNTRY STRATEGY PAPER) AND OTHER KEY REFERENCES**

The Action falls in the scope of Sector 5 - Competitiveness and Innovation of the *Indicative Strategy Paper for Montenegro (2014-2020)* (ISP), which outlines the IPA funding priorities for the period 2014-2020. The *ISP* links closely the support “in the area of free movement of goods, services and capital, enterprise and industrial policy, competition, financial services and research and development” to the negotiation and accession process. Section 5.1 of the *ISP* outlines that: “it is necessary for Montenegro to develop its quality infrastructure, in particular with regard to metrology, standardisation, and accreditation of products. Compliance with EU and international standards, such as on quality and health and safety, is the key to gaining market access and helping Montenegrin companies to gain access to and compete in the EU's internal market”. Furthermore, in the section 5.2 of the *ISP*, one of the main results to be achieved under this Sector is related to the: “Implementation of the Strategy on Free Movement of Goods, introduction of quality and safety regulatory requirements, and making the quality infrastructure fully compatible with EU requirements achieved”.

The link between the Action and the *Multi-Country Indicative Strategy Paper 2014-2020* has been addressed in the section 4.2. related to planned type of actions under the Sector - Competitiveness and Innovation: “The assistance will be geared to boost low levels of competitiveness, intraregional trade and trade integration in global markets, enhance the capacities of market participants (including improved access to advisory services, further development of regional cooperation in the area of quality infrastructure, clustering and FDI–SME linkages, enhancing business integrity and corporate governance) and access to finance for SMEs, in particular to enhance their growth and innovation potential with a view to economic growth and job creation”.

The Action also relates closely to the findings in the *Montenegro 2013 Progress Report*, which specifies that: “The strategy for introducing free movement of goods still needs to be elaborated and adopted in order to plan for Montenegro’s alignment with the acquis in this chapter, enhance coordination, and strengthen administrative capacity to ensure effective implementation.”

As regards *Europe 2020 Strategy*, the Action is designed to address key issues of: “*Competitiveness: The EU has prospered through trade, exporting round the world and importing inputs as well as finished goods. Faced with intense pressure on export markets and for a growing range of inputs we must improve our competitiveness vis-à-vis our main trading partners through higher productivity. We will need to address relative competitiveness inside the Euro area and in the wider EU.*”

The Action relates also to the regional strategy *South East Europe 2020* focused on achieving “Integrated growth - through deeper regional trade and investment linkages and policies that are non-

discriminatory, transparent and predictable and enhance the flow of goods, investment, services and persons within the region.“

There are links between the Action and some relevant national strategic documents such as *Montenegro Development Directions 2013-2016* (“to strengthen the competitiveness of the economic base, especially of SMEs, to strengthen innovation capacities and to improve links and networks between scientific organizations and SMEs”); *Strategy for Development of SME 2011-2015* (Specific objective 3 – Strengthening SME competitiveness and promoting entrepreneurship and following paragraph: “Increasing the competitiveness of SMEs and fulfilment of conditions for successfully entering the regional market and the single EU market represents one of the strategic priorities for Montenegro.”), *Strategy for Attracting Foreign Direct Investment 2013-2015* (Priority 2 - Improving competitiveness as a basis for attracting foreign direct investment), *Regional Development Strategy 2014-2020* (priority defined in the Strategy for all three regions “Competitiveness and innovation”) etc.

## **SECTOR APPROACH ASSESSMENT**

The Ministry of Economy is the lead Ministry in the sector which coordinates the work of the Sector Working Group and which will coordinate activities among partners<sup>1</sup> and stakeholders and define the time frame for the implementation of certain activities. The Sector Working Group consists of members from ministries, government bodies and institutions that cooperate closely and that are collectively involved in dealing with sector issues. Regarding the capacity of key institutions in the sector, a sufficient number of professional staff is currently employed for the existing volume of activities. But given the tendency to increase the volume of work, it is necessary to work on strengthening of institutions and their capacities. That should have positive effect on coordination of beneficiary institutions, as well as implementation of activities, thus addressing implementation challenges.

A sector budget doesn't exist, but necessary funds for financing this sector are identified in the state budget. Funds for co-financing of IPA action will be allocated from the budget of ministries and other beneficiaries, while the funds for activities of the Administration for Inspection Affairs related to this sector will be planned from the budget of the Ministry of Economy.

## **LESSONS LEARNED AND LINK TO PREVIOUS FINANCIAL ASSISTANCE**

The key lessons from the past and currently ongoing projects, that are relevant for the smooth implementation of this Action, as well as for its congruence and complementarity to future actions include: adequate and comprehensive coordination of all relevant stakeholders during the life-cycle of the action, make sure capacity building and awareness raising have specific and measurable purpose and ensure sufficient administrative capacity and expertise in the development and implementation of sustainable, results-oriented interventions in order to optimize the absorption of available funds.

Additionally, a generic lesson learnt through previous assistance to institution building in Montenegro relates to the fact that introduction of new legislation requires substantial efforts to be accepted and respected. Involving socio-economic partners (private sector representative organisations, civil society organisations etc.) should play important role for dissemination of the project results and respect of the newly adopted legal frame.

Following are the projects from which the main lessons learned were obtained and with which this Action has the direct links:

---

<sup>1</sup> Ministry of Economy, Ministry of Finance, Ministry of Sustainable Development and Tourism, Ministry of Science, Ministry of Transport and Maritime Affairs, Ministry of Internal Affairs, Ministry of Culture, Ministry of Agriculture and Rural Development, Ministry of Health, Ministry for Information Society and Telecommunication, Directorate for SME development, Intellectual property, Agency for Protection of Competition, Bureau of Metrology, Accreditation body, Institute for Standardization, Administration for Inspection Affairs etc.

- IPA 2006 *Alignment with commercial practice and the single market of the European Union, TRIM MNE;*
- IPA 2007 *Development of Quality Infrastructure in Montenegro (2010-2013), DQI MNE;*
- IPA 2007 *Accession to internal trade, AIM-GIZ;*
- IPA 2010 *Consumer protection and market surveillance, CPMS;*
- IPA 2010 *Achieving highest safety and technical quality of construction;*
- IPA 2011 *Development of Quality Infrastructure and Metrology DQIM, Montenegro;*
- IPA 2013 ongoing, *Development of Quality Infrastructure and Metrology in Montenegro, DQIM MNE.*

## 2. INTERVENTION LOGIC

### LOGICAL FRAMEWORK MATRIX

OVERALL OBJECTIVE	OBJECTIVELY VERIFIABLE INDICATORS (OVI)	SOURCES OF VERIFICATION	
To facilitate trade and internal market development in compliance with the EU <i>acquis communautaire</i>	Progress made towards meeting accession criteria in Chapter 1 and 28 Increase in the Exports/Import of goods and services to EU, relative to GDP (%)	Annual Progress Report Trade statistics of Monstat and Eurostat; Programme of Accession of Montenegro	
SPECIFIC OBJECTIVE	OBJECTIVELY VERIFIABLE INDICATORS (OVI)	SOURCES OF VERIFICATION	ASSUMPTIONS
To Align and Implement the EU Internal Market <i>acquis</i>	Level of alignment with the EU <i>acquis</i> in the Chapter 1 – Free Movement of Goods and Chapter 28 – Consumer and health protection  Improved enforcement record as regards consumer protection	Government Report on implementation of the Strategy of Free Movement of Goods and the National Programme for Consumer Protection	Continued Montenegro's Commitment to Accession  Steady progress on sector reforms in line with ISP and applicable national strategies
RESULTS	OBJECTIVELY VERIFIABLE INDICATORS (OVI)	SOURCES OF VERIFICATION	ASSUMPTIONS
<b>R.1:</b> Substantial part of national legislation (90%) under chapter 1 and chapter 28 aligned with the EU <i>acquis</i>  <b>R.2:</b> Administrative capacity of all relevant institutions for implementing the national strategic framework on Internal Market significantly improved	Number of prepared and adopted legislation  Percentage of legislative acts adopted compared to planned regarding Strategy, Action plan 34-36 and National consumer protection Programme  Number of institutions which received support  Number of people trained and breakdown (administration/business/consumer protection representatives)	Reports of the Ministry of Economy to the Government  Reports of Government to EC  Monitoring reports on strategy/programme implementation	Legal, institutional etc. proposals and results of the action are implemented in a consequent manner  Effective coordination between various institutions involved in the Action
ACTIVITIES	MEANS	OVERALL COST	ASSUMPTIONS

<p><b>A.1:</b> Harmonization of national legislation with Articles 34-36 of the TFEU in accordance with the Action plan and transposition of the EU <i>acquis</i> in the field of pharmaceuticals and medical devices, fertilizers, construction products and for products within the energy sector</p> <p><b>A.2.</b> Training of the national administration in the relevant institutions involved in chapter 1 and 28 in implementing and enforcing the newly adopted legislation</p> <p><b>A.3.</b> Improvement of the knowledge on internal market <i>acquis</i> among private sector, judiciary, NGOs, and other enforcement authorities and general public</p> <p><b>A.4.</b> Supply of equipment needed for Quality Infrastructure (QI) institutions, Agency for Medicines and Medical Devices and Administration for Inspection Affairs</p> <p><b>A.5.</b> Upgrading of the hardware and software infrastructure for the quality infrastructure bodies</p>	<p>Service contract Supply contract</p>	<p>EUR 2 427 500</p>	<p>Co-financing from national budget available</p> <p>Availability of sufficient staff, well-trained and motivated for carrying out Action activities</p>
---	---	----------------------	---



## ADDITIONAL DESCRIPTION

The Action will focus on aligning with and implementation of the EU Internal Market *acquis*, including the legislation linked to consumer protection. This specific objective will be realised through achievement of the following key results:

1. Harmonisation of a significant part of national legislation under chapter 1 and chapter 28 with the EU *acquis*. In this respect the Action will focus on alignment of the national legislation with Articles 34-36 TFEU (the Action will support the implementation of the Action plan for 2016 and 2017), and harmonization of national legislation with the part of the EU *acquis* in the field of pharmaceuticals and medical devices, fertilizers, construction products and for products within the energy sector;
2. Development of a new National Consumer Protection Programme (2016-2020)
3. Improvement of the administrative capacity of all quality infrastructure bodies for implementing the national legislative and strategic framework on Internal Market (Chapter 1 and Chapter 28). In this respect, the Action will:
  - i. Improve the knowledge of the staff of the QI institutions on the implementation of the EU and new Montenegrin legislation through professional courses, seminars and trainings;
  - ii. Improve the coordination between QI Institutions and national authorities/other stakeholders;
  - iii. Raise the awareness of all stakeholders, including enforcement authorities, judiciary sector business communities and civil society organisations on the EU internal market legislation;
  - iv. Enhance the standardisation process by supporting ISME certification under ISO 9001, ISO 14001 and ISO 18001 and by full alignment of the ISME statutory rules to the CEN/CENELEC requirements;
  - v. Enhance market surveillance and consumer protection through strengthening the enforcement capacity of the Administration for Inspection Affairs (including ecological inspectors) through organizations and execution of practical exercises on product safety on the market, and injunctions cases in front of national courts and prepare specification/description of the contents of MS inspectors toolboxes/equipment for testing in internal laboratories;
  - vi. Ensure preparation and a *peer evaluation* of the Accreditation Body of Montenegro to address obligations in accordance with Article 10 *Regulation 765/2008* linked to the EA MLA multilateral agreements within the European Co-operation for Accreditation (EA);
  - vii. Upgrade the hardware and software capacity of the key quality infrastructure bodies. A particular focus will be put on the improvement of the IT system of Institution of Standardization of Montenegro (ISME), which need to be aligned with the with CEN / CENELEC rules (*Regulation 1025/2012/EC*) for the full membership in CEN

Supply of equipment as follows:

- for the Bureau of Metrology - equipment will be supplied to support the verification of measuring instruments for the supervision of speed of motor vehicle, electricity meters and main clocks in telephone traffic charging; equipment for the national calibration laboratories and for control of pre-packaged products and measuring containers bottles; and equipment for metrology in chemistry;
- for the Institute for Standardization - equipment for the preparation of final publication: bonding and/or linking of printed materials, binding, inserting the proper care publications (e.g. hologram, etc.);

- for the Administration for Inspection Affairs - equipment for product safety assessment (inspectors toolboxes/ equipment for testing safety of products);
- for the Agency for Medicines and Medical Devices - equipment for establishing screening laboratory for detection of substandard and falsified medicines based on the specific X-ray diffraction technique.

The successful implementation of this Action will depend on one key external factor - political support with a strong commitment at central governmental and parliamentary level. This support is to be indicated by ensuring the required financial, human and material resources for the smooth operation of the action as well as by the *Strategy of Montenegro for the Implementation of the Acquis Communautaire in the Field of Free Movement of Goods 2014-2018* along with the adoption of the *Action plan for the gradual alignment of Montenegrin legislation with Articles 34-36 TFEU*.

The availability of resources (adequate working conditions) should be considered as a precondition for this Action.

### **3. IMPLEMENTATION ARRANGEMENTS**

#### **ROLES AND RESPONSIBILITIES**

The main beneficiaries of the Action will be the Ministry of Economy, Ministry of Sustainable Development and Tourism, Ministry of Agriculture and Rural Development (Phytosanitary Authority) Ministry of Health, Agency for Medicines and Medical Devices Administration for Inspection Affairs, Institute for Standardisation, Bureau of Metrology, Accreditation Body of Montenegro, and Agency for Medicines and Medical Devices.

Directorate for Finance and Contracting of the EU Assistance Funds (CFCU) being the Implementing Agency under IPA bears the sole responsibility for the proper implementation of all contracts in line with the relevant contractual provisions and the requirements governing the indirect management of EU assistance. The Project Implementation Unit (PIU) of the Ministry of Economy will provide support to the CFCU whereby ensuring the proper technical implementation of the contract activities. In this regard, the CFCU and the PIU will closely cooperate throughout the contracts implementation process.

Implementation monitoring will be performed in order to obtain information on progress achieved and collect data required to prepare relevant reports for the National IPA Coordinator (NIPAC) Office and the CFCU, providing advices to contribute to tackle any issues and possible mistakes which could endanger the successful completion of the implementation. The major tools of the PIU for performing monitoring are: monitoring visits, participation in the regular progress meetings, participation in the Steering committees meetings, review of regular progress reports and participation at on-the-spot checks, carried out by the CFCU.

A Steering Committee (SC) will be established to review the Action progress, comprising of representatives of PIU of the Ministry of Economy, beneficiary institutions, CFCU, NIPAC Office and the EUD. The SC may invite other organisations to attend meetings in cases where this will bring added value to discussion, direction and outcomes of the Action. Representatives of the other key stakeholders may also be invited to attend SC meetings.

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

The activities will be achieved through one service and one supply contract. Total amount of the Action is EUR 2 427 500. The Action will be implemented through the indirect management. The national co-financing will be provided jointly with the EU funds from the budget of the Ministries (Economy, Health, Sustainable Development and Tourism, Agriculture and Rural Development),

Quality infrastructure institutions (Institute for Standardisation, Accreditation body, Bureau for Metrology), Administration for Inspection Affairs, Agency for Medicines and Medical Devices.

#### **4. PERFORMANCE MEASUREMENT**

##### **METHODOLOGY FOR MONITORING (AND EVALUATION)**

Monitoring and evaluation of the implementation of this Action will be conducted in accordance with the rules of indirect management and respecting the requirements and provisions of IPA II regulations and those that will be laid down in Framework Agreement and in respective Financing Agreement. Achieving of the Action results will be regularly monitored by the responsible national implementing body and National IPA Coordinator.

Implementation of this Action will be subject of special attention of Sectoral Monitoring Committee and IPA Monitoring Committee which shall measure progress in relation to achieving the objectives of the actions and their expected outputs, results and impact by means of indicators related to a baseline situation, as well as progress with regard to financial execution. The Sectoral Monitoring Committee will report to the IPA Monitoring Committee and will make proposals on any corrective action to ensure the achievement of the objectives of the Action and enhance its efficiency, effectiveness, impact and sustainability.

Moreover, in accordance with Article 8 of Commission Implementing Regulation (EU) no 447/2014 NIPAC shall take measures to ensure that the objectives set out in the Action are appropriately addressed during the implementation of EU assistance. Procedures for implementing monitoring activities will be set out in the revised Manuals of Procedures aligned with new IPA regulations. Best practices from the monitoring of implementation of previous actions and recommendations given by external monitoring in this sector will be also taken into consideration.

This Action shall be subject to evaluations, in accordance with Article 30(4) of Regulation (EU, EURATOM) No 966/2012 and with Article 22 of Commission Implementing Regulation (EU) no 447/2014. The results of evaluations shall be taken into account by the IPA Monitoring Committee and the Sectoral Monitoring Committee.

## INDICATOR MEASUREMENT

INDICATOR	DESCRIPTION	BASELINE (2010)	LAST (2014)	MILESTONE 2017	TARGET 2020	SOURCE OF INFORMATION
Progress made towards meeting accession criteria Chapter 1 – Free Movement of Goods and Chapter 28 – Consumer and Health Protection	This indicator measures level of the alignment with the <i>acquis</i> in Chapter 1 – Free Movement of Goods and Chapter 28 – Consumer and Health Protection	<p>Although Montenegro has taken initial steps to bring its national legislation into line with the principle of free movement of goods, most elements of the EU <i>acquis</i> are not yet in place.</p> <p>Montenegro has aligned its legislation with a significant part of the <i>acquis</i> in the area of consumer protection. On health protection, while the country has made many steps forward in the recent past and the basic administrative and legal infrastructure is in place, additional efforts are needed for it to be able to align with the <i>acquis</i> and to implement it effectively in the medium term.</p>	<p>Overall, preparations in the area of free movement of goods are relatively advanced.</p> <p>Overall, preparations in the areas of consumer and health protection are moderately advanced.</p>	Montenegro has reached overall a good level of preparation in the area of free movement of goods, as well as consumer and health protection.	Montenegro is well advanced in the area of free movement of goods, as well as consumer and health protection.	EC Progress Report
Increase in the Exports/Import of goods and services to EU, relative to GDP (%)	/	40,18 (2011)	40,28 (2012)	41 - 43	42 - 44	Trade statistics of Monstat and Eurostat
Number of prepared and adopted legislation	Alignment with the <i>acquis</i> in accordance with the Accession Programme	0	0	At least 2 laws prepared and adopted	Alignment with the <i>acquis</i> in accordance with the negotiation obligations	<p>Reports of the Ministry of Economy to the Government</p> <p>Reports of Government to EC</p> <p>Monitoring reports on strategy/programme implementation</p>
Percentage of legislative acts adopted compared to planned regarding Strategy, Action plan 34-36 and National consumer protection Programme	This indicator measures level of alignment and implementation regarding chapter 1 and 28	0%	0%	At least 80% of legislative acts adopted compared to planned	Alignment with the <i>acquis</i> in accordance with the negotiation obligations (100%)	<p>Reports of Government to EC</p> <p>Monitoring reports on strategy/programme implementation</p>

INDICATOR	DESCRIPTION	BASELINE (2010)	LAST (2014)	MILESTONE 2017	TARGET 2020	SOURCE OF INFORMATION
Number of institutions which received support	Following institutions will receive support : Ministry of Economy (as a lead institution), Ministry of Health - Agency for Medicines and Medical Devices, Ministry of Sustainable Development and Tourism and Ministry of Agriculture and Rural Development - Phytosanitary Authority) as well as the Administration for Inspection Affairs and the key quality infrastructure institutions: Bureau for Metrology, Institute for Standardisation, Accreditation Body	0	0	10	10	Monitoring reports on strategy/programme implementation
Number of people trained and breakdown (administration/business/consumer protection representatives)	Employees from the following institution will be trained: Ministry of Economy (as a lead institution), Ministry of Health - Agency for Medicines and Medical Devices, Ministry of Sustainable Development and Tourism and Ministry of Agriculture and Rural Development - Phytosanitary Authority) as well as the Administration for Inspection Affairs and the key quality infrastructure institutions: Bureau for Metrology, Institute for Standardisation, Accreditation Body	0	0	at least 30	at least 30	Monitoring reports on strategy/programme implementation

## **5. CROSS-CUTTING ISSUES**

### **ENVIRONMENT AND CLIMATE CHANGE (AND IF RELEVANT DISASTER RESILIENCE)**

Activities proposed within this Action as a part of the objective related to the alignment and implementation of the internal market through the implementation of the *Strategy on Free Movement of Goods* is aligned with the provisions of *Law on Environmental Protection (Official Gazette of Montenegro, No. 48/08)* and the *Regulation on Strategic Estimation of the Environmental Impact*. All activities will be additionally valorised concerning the environmental impact.

In addition, consumer protection and market surveillance have impact on nature protection as the increased awareness and demand on behalf of consumers and legislative requirements force business to invest into environmentally-friendly technologies. Therefore, training activities will include a specific component to address environmental issues.

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

All primary stakeholders have been consulted in the formulation of the intervention and will participate in the implementation. Representatives of civil society will be consulted and involved during the implementation phase. Action is open to involve other stakeholders such as media, local authorities and institutions and research centres.

### **EQUAL OPPORTUNITIES AND GENDER MAINSTREAMING**

At Action level, it is of great importance that all representatives from involved relevant institutions are aware of equal opportunity issues, and that they also possess the required knowledge to implement activities under the Action correctly.

Equal opportunities will therefore be a part of the training to be delivered. In supporting legislative harmonization, gender needs will be taken into consideration and provisions that enhance equal opportunities will be introduced. All activities will respect the principles of equal treatment and opportunities for both, man and woman. Institutions benefitting from the Action are equal opportunity employers.

### **MINORITIES AND VULNERABLE GROUPS**

The Action will assist beneficiaries in implementing mechanisms to ensure that in the legislative process, the internal policies, structure or operating procedures of the beneficiary institutions the principle of equitable representation of minorities and the protection of minority right is taken into consideration.

## **6. SUSTAINABILITY**

Sustainability of this Action is of vital importance in implementing the EU internal market *acquis*.

Therefore, the sustainable perspective and benefits of the Action, in order to maintain results of the Action after IPA support has ended, will be reflected through:

- Further strengthening of Montenegrin administrative capacities;
- Trained staff that can continue to disseminate knowledge;
- Further use of policy documents after EU support has ended;
- Maintaining of working premises and equipment.

## **7. COMMUNICATION AND VISIBILITY**

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

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

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

The use of *Communication and Visibility Manual for EU External Actions* is compulsory. The contractor shall use the appropriate stationery in letterheads or fax headers sheets and report presentation format, but should add the phrase “*This Action/programme is funded by the European Union*” as well as the EU flag when relevant. Elements of the communication strategy may include: press release, press conferences, leaflets and/or brochures, newsletters, web pages, vehicle panels, promotional items, reports, audio-visual productions. Any supplies or equipment delivered under an EU-funded Action must be clearly identified and must visibly carry the EU logo and the mention “*Provided by the support of the EU*” in the operational language of the EU programme and in the local language.

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

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

The beneficiary shall report on its visibility and communication actions in the report submitted to the IPA Monitoring Committee and the Sectoral Monitoring Committees.

## **LIST OF ANNEXES**

- 1. List of reference documents**



## **ANNEX 1**

### **List of reference documents:**

- Strategy of Montenegro for the Implementation of the Acquis Communautaire in the Field of Free Movement of Goods (draft version) 2014-2018;
- Development Strategy of Construction in Montenegro until 2020;
- Market Surveillance Strategy of Montenegro;
- Montenegro Development Directions 2013-2016;
- National Programme for Consumer Protection 2012-2015;
- Regional Development Strategy 2010-2014;
- Strategy for Regional Development of Montenegro 2014-2020;
- Strategy for Enhancement of Competitiveness at the Micro Level 2011-2015.