

6TH INTERNATIONAL STUDENT CONFERENCE ON LOCAL SAFETY AND SECURITY



UNIVERZITET CRNE GORE
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SLOVENIAN RESEARCH AGENCY

PREVENTION OF CORRUPTION IN THE PROCESS OF PRIVATIZATION AT MONTENEGRO

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FUNDAMENTAL TERMS

TERM-
PRIVATIZATION

TERM- CORRUPTION



STRATEGY FOR THE FIGHT AGAINST CORRUPTION AND ORGANIZED CRIME

- Vision
- Mission
- Principles
- Fundamental Objectives



VISION AND MISION

Montenegro has decided to develop in advance the legal framework, institutions and capacities, to cooperate with the countries of the region and international organizations, as well as to use all available capacities in the fight against corruption and organized crime.

Society with an efficient system and recognizable results in the fight against corruption and organized crime with the aim of elimination these threats to the greatest extent possible.

PRINCIPLES AND FUNDAMENTAL GOALS

The strategy is based on the following principles: existence of political will, rule of law, respect for basic human rights and freedoms, development of personal and institutional integrity, respect for international standards, partnership with the community as well as many others.

Further harmonization of national legislation with international standards in the field of fighting corruption and organized crime, creating preconditions for preventing corruption and organized crime at all levels, rationalizing administrative procedures and eliminating business barriers, strengthening internal and external control of the work of all branches of government, and especially strengthening the supervisory function Assembly of Montenegro.

MONTENEGRO

- Legislation and subordinate legislation
- Government of Montenegro
- Measures and activities

MEASURES AND ACTIVITIES

1. Activity- Defining and regulating this area

The body in charge



Ministry of finance

Realized



Law, report and conclusions

2. Activity To establish an Investement Agency

The body in charge



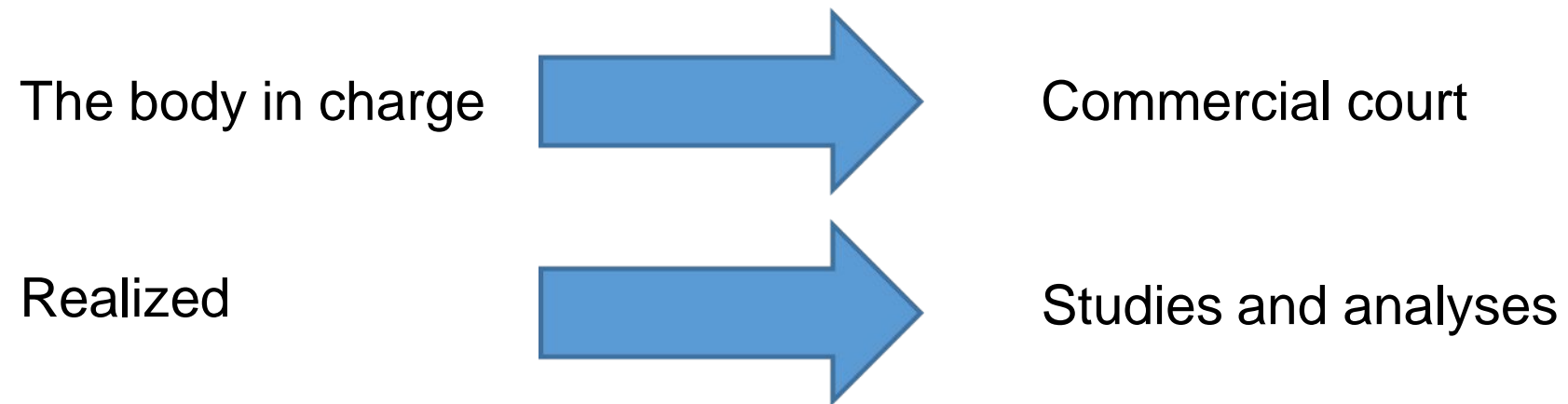
Ministry of finance

Realized



Completely

3. Activity – Doing the studies and risk assessments



4. Activity – Access to informations, decisions and contracts

The body in charge
council



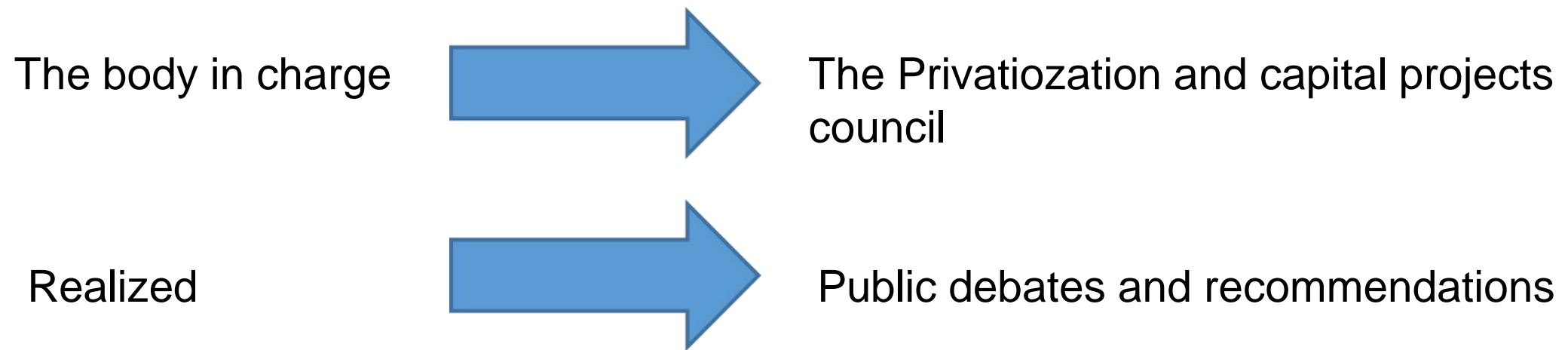
The Privatization and capital projects

Realized



Intensively

5. Activity – Public debates



6. Activity- Transparency of work

The body in charge



The Privatization and capital projects council

Realized



Meetings and decisions

GOALS OF THE COMMISSION FOR MONITORING AND CONTROL OF PROCEDURE PRIVATIZATION

1. Establish a normative and institutional system for monitoring the implementation of the privatization contract i improve the transparency of the process through the use of information technologies, free access to information and proactive publication of data;
2. Ensure the efficientwork of the Commission for monitoring and controlling the resulting privatization process specific recommendations for improving laws, policies and practices;
3. Ensure public participation in the process of designing and implementing privatization strategies for companies of special interest to the public, especially in the field of transport, tourism and of energy.

PRIVATIZATION PLAN FOR 2023

It is planned to start the preparation and implementation of public tenders for the privatization of the following companies:

- HG „Budvanska rivijera” AD Budva(sale of shares)
- „Castello Montenegro” AD Pljevlja(sales of shares)
- „Institute of Ferrous Metallurgy” AD Nikšić (sales of shares or recapitalisation)
- „Montepranzo Bokaprodukt” AD Tivat(sales of shares)
- „Tourist center Durmitor” d.o.o Žabljak(sales of 100 % shares).

According to the model of selling shares through the stock exchange, it is planned to offer shares of the following companies:

- AD „Agrotransport”-Podgorica;
- „ Kotor project AD-Kotor;
- AD „ Metal produkt”-Podgorica;
- AD „ Montenegroturist” –Budva;
- „Crnogoracoop” AD-Danilovgrad.

The privatization plan will be submitted to the Government for consideration and adoption.

CASES

1. Željezara Nikšić

- March 2002 - December 2002 „**Rusmont Steel**”
- October 2003 - July 2004 „**Neksan**”
- July 2004 „**Midland Resources Holding Ltd.**”
- November 2006 „**MN Specialty Steels**”
- December 2022 Elektroprivreda Montenegro „**Željezara Solar**”



2. Institute „DR SIMO MILOŠEVIĆ” Igalo

This is a case of illegally stopped privatization.

There were five privatization attempts, two were stopped.

- The public call has been published on October 16, 2018
- In August 2018 almost 26% of the institute`s shares, which were owned by Serbia, were purchased for 2.8 million.
- In 2019 the government announced that they will cancel the tender, with the explanation that the proposal was unfounded, as well as that the majority of the members of the contract had been agreed with the consortium.



3. Hospital Meljine in Herceg Novi

- In September 2019 at the request of Elektroprivreda, bankruptcy was opened in the hospital due to a debt of almost 243 thousand euros.
- After numerous privatization attempts in the past the hospital is being transferred to the public health system, as of March 1 this year.



LITERATURE:

Ministry of Internal Affairs and Public Administration, strategy for the fight against corruption and organized crime, 2014, Podgorica; number of pages: 3, 4, 16, 26, 27

Government of Montenegro, Operational document for the prevention of corruption in areas of special risk, 2016, Podgorica; number of pages: 6, 7, 8, 9

Union of Employers of Montenegro, Report: Corruption in Montenegro, 2016, Podgorica, page number: 8

THANK YOU FOR YOUR ATTENTION!

