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Economic Reform Agenda for Montenegro – bridge to EU

Paper's goal

In the paper, conceptual basis of **Economic Reform Agenda for Montenegro-2002-2007** are presented, key achievements made since 2002 and preparatory measures in Montenegro necessary for accession to EU².

Economic Reform Agenda is one of documents which realization creates real preconditions for Montenegro's accession to EU. Accession to EU is not only administrative act, but is more creation (building) of institutional framework which will lead to change in behavior and dominant mindset.

1. Conceptual basis and Agenda's objectives

Document »**Economic Reform Agenda for Montenegro, 2002-2007 – Report and Recommendations**« is further upgrade of document »Economic Reform Agenda for Montenegro, 2002-2006«, adopted by Government of Montenegro in March 2003. Two years after Agenda's implementation, it was necessary to evaluate work done, especially from lessons point of view which will be used in upcoming period. Also, success in Agenda's implementation creates necessity to introduce new activities and refresh original document.

Such strategic vision is based on key pillars of new economic system which has been created since 1998 (presented in document: New Start), and those are:

- a) Open market economy
- b) Dominant private ownership
- c) Property rights protection and freedom and protection of contracts

This is how continuity of conceptual system changes and economic policy will be provided, which is important information for entrepreneurs, investors and managers, and all those who want to enter into business. It is so called announcement effect, which creates continuous policies and in accordance to which companies creates expectations from Government and reform process.

This document represents a **vision** of activities necessary to be undertaken in next couple of years. This document represents conceptual framework for operative activities. That is why document does not go into details. This is not bureaucratic document. **Agenda is document**

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² Economic Reform Agenda is document adopted by Government of Montenegro in March 2005. Document contains measures and steps necessary for further operationalization and realization of ideas and concepts presented in document: "Conceptual basis of new economic system", prepared in 1999.

aimed for investors, entrepreneurs and managers and it should be read in such context. Investors, entrepreneurs and managers are target group, as their activities leads to GDP growth, employment growth and growth in standard of living of Montenegrin citizens.

This document serves to achieve strategic goal of Montenegro: **EU and NATO membership.** Document is focused on economic aspects of those goals. It is estimated that EU membership will provide more possibilities for investors, entrepreneurs and managers from Montenegro, or to all business people. It is challenge and responsibility for business, but for state and society as well. Agenda represents trough institutional environment creation and Government's policies, evolutive process and strategic integration of business in EU. Accession to EU has not been understood as one ideological-administrative act, but emphasis is on process and substantial changes in way of thinking, business operation methods and organization of the state.

For the past two years, certain degree of **macroeconomic stability** has been achieved (budget deficit reduced, low inflation rate, creation of new institutional framework). Macroeconomic stability was focus of attention of the Government for the past two years. We should emphasizes fact that introduction of DM and later of EURO as only legal tender introduced real parameter in Government's finance, as EURO was the scanner of all weaknesses in the system. Also, EURO has increased overall transparency of fiscal operations. Additionally, EURO has been great tool to attract foreign investors. Monetary stability, stable currency and prices makes individual choices easier and help individuals to follow their natural ability to allocate resources in best way.

In upcoming period, focus will be moved from **macroeconomic stability to economic growth and development**, or to dynamise economy. It is the most important way to increase **living standard and quality of all citizens.** Living standard and quality of life will be improved the mostly if growth and development is based on private sector activities and its creative and innovative potentials. It is important to emphasize that moving focus of Government to growth and development does not mean that Government will be investor itself and will manage companies and redistributive policies. When 2/3 of the economy is owned by private sector and when strategic goal is EU accession, or market with 450 million of people and 10.970 billion € of GDP, role of Government is significantly different compared to its role in old system. Goal of the Government is not to intervene but to create health business environment (institutions, or rules of game). Government should not protect, but **encourage** and promote economic growth and development policies. Success at European market, where competition is enormous, and risk to survive higher, can achieve only companies, banks, insurance and investment funds, entrepreneurs, who relay on its own creativity and innovative abilities, on strategic partnership, but not on state as in the past. That's why growth and development will be stimulated trough increase of **economic freedom.** Economic freedom is always related to individuals and his abilities: his freedom to work, to produce, to consume, and to invest. Our intention to access EU means that we have to increase economic freedom in Montenegro and to make its level closer to EU countries, as Estonia, Ireland and Slovakia. With protected economy we can not access to EU. It means that we have to introduce in Montenegro measures which will provide free flow of goods, services, currencies, capital and information. We can not advocate free flow of goods but at the same time limit our entrepreneurs to invest abroad. What will happen when Montenegro integrates into EU? Who will limit any freedom of trade and capital movements? Agenda is

based on **integral market** approach (all markets works constantly and integrated: goods, capital, labor, information), as this is the way how things in EU works. What is excuse to introduce any limitation to integral market, if in 5-7 years we will remove all such barriers once we integrate in EU? Integration means to accept codes of conduct and way of thinking from integration which you becoming a member. Such great market ask same rules and principles for each company, bank or fund, or ask full economic freedom, competition and individual responsibility for results. Government does not protect any company or bank. Companies work under huge competition at large internal market. There is no protection or guaranties. Market is large from our perspective and we can not influence it. Also, we can not ask for fast integration into EU and at the same time keep protectionism measures. Goal of Agenda is to make compromise between these two sides of the medal and to make both processes going with the same speed. That is why Agenda is bridge to EU.

Economic freedom is important for **regional economic cooperation** in West Balkan. On of the key development pillars in Montenegro is encouragement and development of regional cooperation, as it is important evolutive step to introduce principles and conduct business in accordance with EU standards and criteria.

Economic freedom, in terms of easy entrance to business, will help to reduce **poverty**. It is necessary to provide easy entrance and start up for good business ideas, and attention should be focused on business ideas more than to capital necessary for business star-up. Barrier should be reduced and people should have access to financial sources. This is the link between Agenda and Strategy for Poverty Reduction, adopted by Government of Montenegro in 2004.

For the past two years since first Agenda was introduced, we learned two important lessons: one positive and one negative. Positive one is that Montenegro has **human capital** necessary to create new institutions and laws. There are lot of people with modern knowledge and skills, which is the greatest recourse for reforms in Montenegro. But, we have to be aware of “**implementation gap**”, or more evidenced problem of enforcement and implementation of legal acts and procedures. This is why Agenda emphasizes implementation in upcoming period.

This is reason to point our importance of **state administration reform** on both, republic and local level. Other than already undertaken steps, especially measures focused to profesionalization of administration, current concept of organization should be reanalyzed, considering fact that Montenegro is small state, in terms of geographic size and population. Size of state and administration should be consistent. High fiscal burden will reduce competitiveness of Montenegrin products and services, which will be more obvious once we enter EU. If state is not organized in accordance with micro state principles, based on increased efficiency, less organizations and lower costs, our access to EU market will be painful.

Protection of property rights and contracts are key for investors. That is why reform of judicial system is important and necessary to attract foreign and domestic investors. Protection of property rights, which is underlying idea in Agenda, asks for efficient and good real estate registry, land property, which is strongly pointed out in this document.

Having in mind huge changes in Montenegrin economic system, it is necessary to analyze compatibility of it with currency **political system**. It is important from two reasons: 1) size of Montenegro, and 2) necessity to communicate with EU authorities and institutions once we integrate in EU as much effective as possible.

Goals of the Agenda

The goal of the Economic Reform Agenda is to set forth a series of discrete but interconnected tasks that if completed, will transform the Montenegrin economy. Expected outcomes of the Economic Reform Agenda are discussed in the introductory pages. Followed by sixteen individual sections each dedicated to a particular aspect of economic reform. Several themes cover priority tasks that were chosen and developed.

The first of these tasks is the recognition that *entrepreneurship* will be a key driver of future economic growth. Developing an entrepreneurial economy requires a wide range of reforms in the business environment (legal, regulatory, simplification of administrative procedures, incentives, etc.) making it administratively easy to understand, fast, and inexpensive for new businesses. It also requires mechanisms for permanent monitoring of business trends, and securing effective economic growth. A comprehensive review of public sector activities and the tendering of those services that are suitable for private sector participation will open new opportunities for entrepreneurs and at the same time it will help reduce the employment disproportion between public and private sector. Tax rates will be analyzed and adjusted to maximize private sector growth, attract investment and shift workers from the gray to the formal economy. A broadening of the tax base and improved tax base structure combined with tighter control of government expenditures will create the space to reduce tax burden on private sector.

Private citizens seeking to invest in their companies need greater access to credit at more affordable rates, and the ability to reduce risk with access to a full range of insurance products and services. To achieve this, Montenegro needs a well -regulated, consolidated and privatized financial sector. These reforms will help create a business environment that stimulates individual initiative, and the conditions for private sector led economic growth to replace the principles of the past; a command economy directed by the public sector. Respect for and legal protection of private property rights is fundamental to this undertaking.

As a basic component of Gross Domestic Product (GDP), *investment* is a recurring theme throughout the Agenda. The overall goal is to decrease the amount of economic and legal uncertainty. Uncertainty leads to low levels of domestic and international capital available for investment, and indirectly, to high rates for capital, which is the price for investment risk in an uncertain economic environment. Reforms aimed at reducing uncertainty are prevalent throughout the Agenda, including: resolution of contracting issues, restitution, an efficient judicial system, and a legal framework that ensures fair, judicious and expedient compensation to entitled parties, and that gives confidence to potential investors that their property and businesses will be secure. Reform legislation and implementation of new laws for secured transactions and mortgage will increase the availability of secured credit, which is one of conditions of economic growth. Effective laws and enforcement of anti-corruption practices will further increase investor confidence.

The combination of a dependable, efficient legal framework, fair and equal tax treatment, effective corporate governance practices and respect for property rights are fundamental to the ability to attract investment to Montenegro's economy.

Such framework needs to be complemented with attractive and specific investment projects. A mechanism is needed for the quick identification of liabilities in order to resolve claims that the state has in formerly state owned companies, with determined use of new Law on Insolvency of Companies. These two actions will open new investment opportunities in sectors of the economy that are potentially viable. Completing the sale of residual shares will help investors consolidate controlling interest, thereby giving them the ownership position they need to justify substantial capital investments.

A third theme in the Agenda is the formalization of the *gray economy*. In a depressed economy, gray market activity offers an alternative to formal unemployment, but deprives Montenegro of tax revenues and reduces the competitiveness of legitimate businesses. Shifting workers from the gray economy to the informal economy would create space for radical decrease of tax rates. Doing so may also create space for reducing tax rates and stimulating private sector growth and the creation of new jobs. Expanding of the tax base with the existing “gray” sector would contribute to the decrease of fiscal unbalance that would arise if the growth of the public sector was stimulated with the tax rates decrease. The most effective way to shift businesses and workers to the formal economy is to remove their incentives for participating in the gray economy. The combination of taxes and pension, health and unemployment contributions is 65% of the gross salaries. Reducing the cost and the regulatory and administrative burdens of participating in the legal economy would facilitate a shift to the formal economy, increase formal number of available jobs, and enable legalization of “gray employment”. Specific projects that will stimulate legalization of employment and provide new budget revenue will be realized in this segment.

The availability of funded, individual retirement accounts where workers set aside their own money and see it grow through investment increases the incentive to participate in the formal labor market in order to take advantage of these schemes. Giving businesses full control over their own commercial funds and bank accounts, and increasing access to loans provides an additional incentive to shift to formal market activity. Improvements in tax administration would make it more difficult and costly to continue to participate in the gray economy. Measures that remove barriers and numerous activities that create disincentives for remaining in the gray economy will represent a combination that causes a natural shift from the gray economy to the formal economy.

Competition and competitiveness are also central themes in the Agenda. Improving healthy competition in the economy is a prerequisite to improving the economy's competitiveness. Ending subsidies to state owned companies will increase competitive pressures and prevent businesses supported with public funds from unfairly “crowding out” private businesses. Simplification of procedures for businesses to enter and exit the market that will result from the reform of the business regulation system will increase competitiveness. A new anti-monopoly

law and the gradual introduction of WTO rules will allow legal action to be brought against companies that try to monopolize markets and stifle competition.

Increasing the **competitiveness** of the Montenegrin economy begins with a complete review of existing business regulatory and securities legislation and adoption of new legislation negotiated as a condition of EU and WTO accession. Harmonization with the laws of the EU, WTO and major trading partners will facilitate lower cross-border transaction costs. Anti-corruption legislation and an overhaul of the government's administrative structures and civil service practices will increase Montenegro's regional competitiveness and attract investment. Modernization of the public administration and implementation of clear procedures, together with implementation of the anti-corruption law will enable Montenegrin economy to improve its competitive position and attract direct investments. In the near term, three of the most pressing needs are to correct Montenegro's fiscal imbalance, to establish reliable, accessible economic statistics, and to ensure a renewable and stable supply of electricity.

Local government plays an important role in creating a competitive business environment. In a recent survey conducted in Montenegro, 100% of the businesses surveyed cited 'administrative burdens' as one of the top five barriers to doing business in Montenegro. Local governments need to review and streamline administrative processes like business licensing and construction permitting. Citizens, businesses and local government must jointly establish goal, mechanisms and models to upgrade and improve communal services that are vital to local business development, such as water, solid waste management, roads, lighting and security. For local governments to be efficient partners in revitalizing local economies, they need to be professional, decentralized, and have stable revenue flows.

Cutting across all others is the theme of **job creation** in the legal labor sector. In addition to those measures already mentioned, a market-based, flexible labor law that does not unduly burden employers is critical to improving employment. The current regime is costly and does not offer sufficient flexibility. Consequently, the labor law reduces the incentive for employers to hire in the legal sector. Creating conditions for greater flexibility is fundamental to increasing employment.

Stagnant, indebted and undercapitalized state or former state owned companies are unable to offer new jobs, or to sustain the employees they already have. These companies cannot attract and retain the best and brightest workers with adequate salaries. Revitalizing these companies through the voluntary restructuring provision in the Law on Insolvency of Business Organizations, or liquidating companies that are not viable in order to free up their assets for productive use, are ways these firms can contribute to solving the employment problem over the long run. The goal of the Project for the Restructuring and Transformation of Companies is to prepare these companies to attract investors, to complete the process of privatization, and define their status that would lead to liquidation. Targeted public works policies and projects in key sectors where Montenegro has a competitive advantage, maintenance and developing those advantages can generate long-term, sustainable, high wage employment.

The Economic Reform Agenda for Montenegro presents a list of obligations that need to be realized in a defined timeframe. The activities herein are interconnected with activities presented

in the Strategy for Reform of the Administration of Montenegro, the Strategy for introducing ICT in the education system of Montenegro, Strategic Plan for Reform of Education (2003-2004). The Agenda is dynamic in character, and is linked with activities for the reduction of poverty, incentives for developing entrepreneurial employment, sustainable development of Montenegro as an Ecological State and with individual social project.

2. Results of ERA realization and forecast for 2005-07

Macroeconomic trend and macroeconomic stabilization indicators

Gross Domestic Product (GDP) In 2004, achieved real growth to GDP is 3.7%. Processing industry which participates with 10.9 % in GDP realized the growth of 13.1% which resulted in the growth of GDP of 1, 4%. Production of electricity, gas and water realized the growth of 21% which is, having in mind a share of the sector in GDP of 5.6%, affected into the growth of GDP of 1.17%. Remaining 1.13% of GDP growth is the result of an aggregate growth in agricultural sector whose share in GDP is 11.4% and services sector (trade, transport, tourism, financial intermediation, etc.) which represents 60% of GDP. **Private sector** participates with approximately 44% in production of gross domestic product and is a dominant generator of growth.

Inflation. Introduction of DM and later of EURO as legal payment tender of payments is a monetary policy strategy which resulted in reduction of inflation to 4.3% in 2004. At the beginning of monetary reform (2000) inflation rate was 49.2%, which was followed with drastic reduction to 23.8% in 2001, 9.2% in 2002, 6.2% in 2003 and finally 4.3% in 2004.

Unemployment³. Unemployment rate in 2004 was 22.6%. Several researches indicated that private sector was generator of new work places and factor which reduced unemployment.

Budget expenditures. Expenditures of Central Budget of Montenegro have been realistically reduced in 2004 in comparison to 2003. Share of expenditures in GDP in 2004 was at the level of 26.58%, while it was 27% in 2003. Deficit of the Central Budget of Montenegro in 2004 at the level of 2.1% of GDP is lower compared to 2003, when amounted 3.16% of GDP. The goal of fiscal policy in coming period will be the reduction of both fiscal expenditures and deficit in order to create space for fiscal relief on businesses in Montenegro.

International exchange. Value of export of goods and services increased from 198.6 million € in 2002 to 622.7 million € in 2004. At the same time value of import increased from 815 million € (2002) to 913.7 million € in 2004. Faster growth of export compared to import resulted in continuance of reduction of foreign balance of trade⁴ of deficit share in GDP, from 25.6% in 2002 to 18.96% in 2004.

Foreign direct investments. Value of investment is significantly conditioned with the dynamics of privatization process in Montenegro. In the period from 2001-2004 the highest level of FDI was in 2002⁵ and amounted to 87 million € i.e. 141 € per capita. Foreign direct investments in 2003 were € 38.7 million while in 2004 €50 million, respectively €62.6 and €80.6 per annum per capita.

³ Bad quality of statistics of labor force disables analyses of high reliability. Various sources indicate various tendencies in unemployment rate trend.

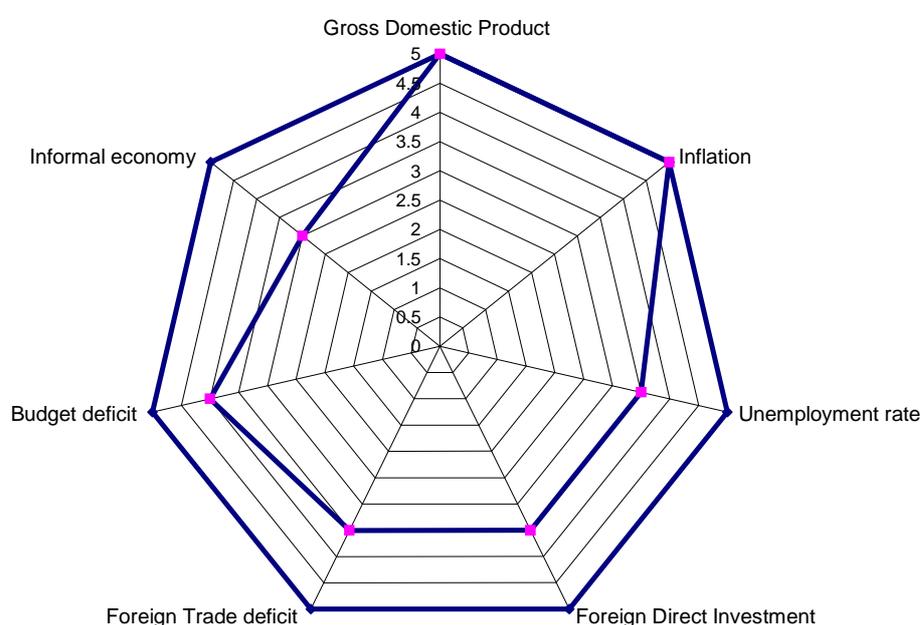
⁴ Foreign trade balance refers to balance of exchange of goods and services.

⁵ Privatization of Jugopetrol represented 75% of total FDI

Foreign Debt of Montenegro in 2003 amounted to € 438 million, while in 2004 it increased for approximately 64 million € and reached the value of 502.7 million €. Share of foreign debt in GDP was 30.57% in 2003 and 32.75% in 2004.

Index of Human Development. New indicator being analyzed in Montenegro since 2004⁶ shows progress in this sphere. Human development index⁷ increased from 0.766 (2001) to 0.788 in 2004. This value places Montenegro in countries with the middle level of human development and it is very close to the threshold to the high level (value of index of 0.800 and more). According to preliminary estimations this value will be reached in Montenegro in 2008.

Indicators of achieved macroeconomic stability



⁶ Report on human development in Montenegro is being prepared by UNDP and ISSP

⁷ HDI is an indicator summarizing level of human development. It measures average achievements in country from three perspectives: (1) Health of population, measured through life expectancy; (2) Knowledge, measured as level of literacy (it carries two thirds of index) combined with primary, secondary and tertiary level of enrolment in elementary/high schools and universities; (3) Living standard measured as GDP per capita PPP in US\$

Macroeconomic forecast

Following table shows macroeconomic indicators forecast.

Macroeconomic indicators	2005	2006	2007
Gross Domestic Product (€ million, current prices)	1,644.0	1,759.0	1,873.3
Population (mid year)	623,189	625,682	628,184
Gross Domestic Product per capita (€, current prices)	2,638.0	2,811.3	2,982.1
Real GDP growth rate	4.1	4.5	4.5
Public spending as share in GDP	46%	43%	40%
Inflation rate	3.5	2.9	2.5
Unemployment rate	21.6	20.6	19.3
Foreign Direct Investment (€ mn)	150.0	180.0	200.0
Foreign Direct Investment per capita (€)	240.7	287.7	318.4
Human Development Index	0.790	0.792	0.795

In upcoming period, expected real GDP growth rate (annual) is 4.5%, which is higher than in previous years, 2.3% in 2003 and 3.7% in 2004. Also, low inflation rate is expected as well as decline in unemployment rate. Also, inflow of FDI is expected.

In other words, recovery process of Montenegrin economy will continue even faster in the future.

3. Organizational aspect for Montenegrin accession to EU⁸

While the other countries of the region have started negotiations and came to the Agreement, Serbia and Montenegro has “spent” two years trying to find a basic institutional framework of the two member states (the Belgrade Agreement, March 2002), then one more year till the adoption of the Constitutional Charter, and then half year more till the adoption of the Action Plan for Harmonization of Economic Systems of Serbia and Montenegro, with the view of removing obstacles to the free movement of people, goods, services and capital in the internal market. The obvious need for external harmonization, harmonization toward the EU, is replaced by a focus on internal harmonization between the two member states, which has often deviated from basic standards of the WTO and the EU.

It is obvious that the SAP model has not proved to be the optimum solution in the case of the State Union, whereby the issue of Kosovo still remains open, i.e. the dialogue about the future of the third entity of Serbia and Montenegro is expected to become the subject of political dialogue in mid 2005.

The year 2004 is de facto the first year of serious preparations for the process of European integration, when also in Montenegro the need for creating institutional bases for the process of association is imposed, i.e. for the process of approach of Montenegro’s economic system toward the EU. The approach toward the EU becomes a specific strategic objective which brings about the “Europeanization” of country’s institutions, legal and economic system reform, which can be recognized in the reforms carried out in the public administration, improved cooperation with the civil sector, active participation of population through the PRSP programmed, radical changes in the legislative and education system, employment policy strengthening, customs system, regional and sector policies, environmental protection policy, etc., which should, along with the reduction of business barriers and investment climate improvement, enable faster realization of this objective.

The Action Plan for Harmonization of the two Economic Systems has emphasized diversity and complexity of the process of harmonization between the two member states, taking into consideration the differences in their economic structure, priorities, size, strategic projects, currency, level of privatization, etc. The present forum of the EU and Serbia and Montenegro, the Enhanced Permanent Dialogue, was held through four hitherto sessions, without any important results in the field of internal harmonization. Therefore, the State Union member states are more and more turning toward their own economic systems and their own harmonization with EU standards in proportion in which each state can individually achieve that.

⁸ This section is based on paper by Minister for economic integration and EU accession in Government of Montenegro, prof. Gordana Djurovic: *Montenegro – Regional Economic Cooperation and European Perspectives*

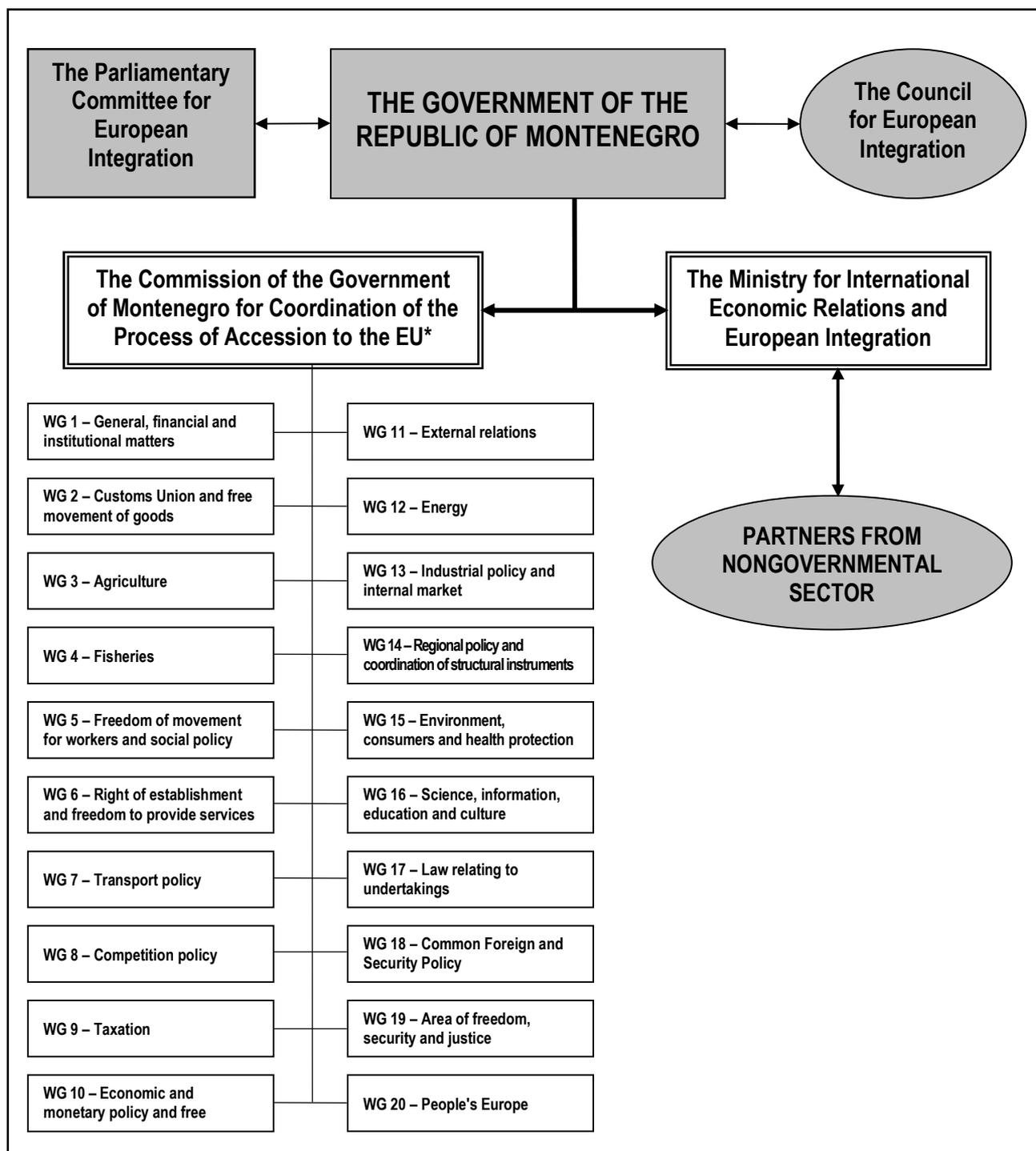
Therefore, the year 2004 was considered as **the first year of serious preparation of Montenegro for the process of European integration – creation of the full capacity of Montenegro as state on our road to EU.**

3.1. Network for European Integration in Montenegro

The Committee for European Integration of the Assembly of the Republic of Montenegro was formed in November 2003, while **the Council for European Integration of Montenegro** and the **Commission of the Government of the Republic of Montenegro for Coordination of the Process of Accession to the European Union** were formed in April 2004.

Together with the adoption of the **Action plan for implementation of the recommendation from the European Partnership in November 2004**, The Government of Montenegro decided to develop further the Commission for Coordination of the Process of Accession to the EU in the new **20 working groups for the adoption of the specific chapters of the Acquis communautaire.**

Ministry invited six NGOs partners, such as Economic and Law faculty, in the implementation process of the **Communication strategy for the informing the citizens about the Montenegrin's stabilization and association process to EU** (Strategy was adopted by Montenegrin Government in September 2004 with the first Action plan for implementation).



3.2. Main results in 2004 and the first quarter of 2005 after adoption of the Twin-Truck Approach suggested by European Union

Thanks to the EU recommendation from the Maastricht meeting (September 2004) and conclusions after the Meeting of the ministers for external relations of the EU members countries in Luxemburg (October 11, 2004), member states of the SCG **have agreed** about creation of the **new frame for strengthening of the European integration process**. Accordingly, two governments (Montenegrin and Serbian) put into the procedure Amendments of the Law of the Action plan for the internal harmonization of the two economic systems and open a lot of useful processes. The results in Montenegro, after the first 100 days of this idea are as follows:

- European integration network has been formed and **20 working groups** defined for implementation of certain chapters of the *Acquis communautaire* in the Government,
- **The Action Plan for Implementation of European Partnership Recommendations** has been adopted containing a list with 88 priority Laws to be adopted,
- A **Memorandum on Foreign Trade Regime** has been sent for future Montenegro's accession process to the WTO (after positive decision of WTO General Council on February 15, 2005)
- All the necessary inputs for elaboration of **Feasibility Study** have been submitted by Montenegro to the European Commission Delegation to Serbia and Montenegro,
- Montenegrin government adopted the new rules in the governmental procedures – the necessary part in the future process of drafting new laws is “**Compatibility Statement**” (level of harmonization with Acquis),
- Conference was held on the 17th of December 2004 with the view of presenting the **Communication Strategy for Informing the Public on Montenegro's EU Association Process** with its Action Plan for 2005 (Logo and motto of the European integration process in Montenegro have been defined and Agreement on Cooperation signed with 6 NGOs, as well as with the Faculty of Economics and the Law Faculty.

On April 12, the College of Commissioners finalized **the positive Feasibility Report for Serbia and Montenegro** which represent one very important step /precondition/ in preparation for negotiation process for SAA.

4. Instead of Conclusion

“Economic Reform Agenda for Montenegro, 2002-07: Report and Recommendation”, with its concept and practical measures should provide creation of institutional framework which will make Montenegro closer to EU.

This is the way to change system conceptually and to evolutively accept capitalist way of thinking.

Also, Montenegro has created necessary infrastructure and organization to make EU accession process faster.

Reference:

1. Government of Montenegro: Economic Reform Agenda for Montenegro, 2002-07: Report and Recommendation, April 2005
2. Veselin Vukotic: “*Conceptual basis for new institutional system in Montenegro*”, ISSP, 1999
3. Gordana Djurovic: “*Montenegro-regional economic cooperation and European perspectives*”, April 2005
4. “*Enlargement of the EU and its Impact on Management Development*”, 12th CEEMAN Annual Conference, Petersburg, 2004