Citing and using the material and information contained therein for not-for-profit publications or in public media, while for the purpose of informing the citizens, as well as the use thereof for other non-commercial purposes, shall be allowed upon a mandatory stating the source thereof and the copyright owner.

The use of the material for any other purpose shall not be allowed without a previous approval by the copyright owner (Center for Democratic Transition).

CDT shall not be held liable for any subsequent interpretation of the information published herein.
TABLE OF CONTENTS

I  INTRODUCTION ........................................................................................................4

II  FUNCTIONING OF THE ORGANIZATION ............................................................6
   1. Functioning of the CDT bodies ..............................................................................8
   2. CDT personnel ..........................................................................................................11
   3. Organizational schema ..........................................................................................13
   4. CDT and media ..........................................................................................................14
   5. Principles and guidelines for growth and development in 2012 ........16

III  PROGRAM AREA: DEMOCRACY ..........................................................................19
   1. Financing of political parties ..............................................................................19
   2. Analysis of Prime Minister Igor Lukšić’s discourse during the first 100 days in office .................................................................24
   3. EU/NATO workshops ............................................................................................25
   4. Participation in creation and implementation of the Action Plan for Monitoring Implementation of Recommendations provided in the European Commission’s Opinion ........................................................26
   5. EU Accession Negotiations – Analysis of National Structures for Negotiations ...........................................................................27

IV  PROGRAM AREA: GOOD GOVERNANCE ..........................................................30
   1. POTEZ – Project for Accountable, Transparent and Efficient Communities ....................................................................................30
   2. Open Institutions ....................................................................................................36
   3. Raising Capacities to Increase Transparency in Municipality of Kotor ......................................................................................41
   4. Community Empowerment – a Key for better Environment ..............................................................................................................42
   5. Partnership with Westminster Foundation for Democracy ....................................................................................................................45

V  PROGRAM AREA: CIVIL SOCIETY ........................................................................46
   1. YouthNet Nikšić – Sarajevo ..................................................................................46
   2. Open Door: Social Empowering of Youth in Plužine ............................................48
   3. Without Borders – Within Limits: Montenegrin youth between the EU and passivity ..............................................................................49
   4. NGO Sustainability Index – for 2010 and 2011 ....................................................50
   5. NGO status ..................................................................................................................50
VI INTERNATIONAL COOPERATION .................................................................51
   1. Trainings and seminars .............................................................................51
   2. International conferences, seminars and study visits..........................52
   3. International observers’ missions ............................................................56

VII ORGANIZATIONAL AND TECHNOLOGICAL DEVELOPMENT OF
   THE ORGANIZATION ..................................................................................57
   1. Website - www.cdtmn.org .......................................................................57
   2. Website - www.potez.cdtmn.org ...............................................................59
   3. Website - www.mrezamladih.cdtmn.org ....................................................59
   4. Social Networks ..........................................................................................59
   5. CDT internal functioning .........................................................................60
   6. Praxis Montenegro LLC. ...........................................................................60

VIII PROGRAM SUPPORT ................................................................................63
   1. Research Center .......................................................................................63
   2. Publishing activities ..................................................................................66

IX CDT INCOME AND EXPENSES ...............................................................67
   1. CDT income in 2011 ................................................................................67
   2. CDT expenses in 2011 ..............................................................................70
Dear citizens,

Here is the Annual Report on the work of the Center for Democratic Transition (CDT) for 2011. On its website the CDT annually publishes a report on its program activities and financial operations, since transparency in work and accountability to citizens are values that we publicly stand for and promote by our example.

Last year has been very successful, but also very exhausting for the CDT. Peculiar political moment and Montenegro's progress towards the European integrations have led to improved cooperation between state institutions and civil sector. However, due to the lack of adequate institutional mechanisms and also because of a highly politicized and divided society, the influ-
ence over creating public policies was difficult to acquire making sure, at the same time, that professionalism, independence and the position of the “third” sector are preserved. It seems to us that we have succeeded in that.

In 2011, the CDT was dedicated to constant enhancement of good practices in managing our work. The CDT Assembly and the CDT Supervisory Board both met twice last year, while the Managing Board was meeting on monthly basis. Late last year we have aligned the CDT Statute with the new Law on NGOs, but we have kept the Supervisory Board and the Managing Board, although we are not obliged by the law to do that. These bodies have an important role in decision-making and supervising of our activities, work and results, and we believe that having a single body in charge of various responsibilities is contrary to good practices.

In 2011, in each of the three program areas we have achieved excellent results.

In the program area DEMOCRACY, we continued monitoring political parties financing and promoting legislative changes, which resulted in adoption of the new The Law on Financing of Political Parties, in creation of which we also took part. Not all CDT proposals have been accepted, but the new Law offers a basis for significant improvement of the situation in this area if its consistent implementation is ensured, which is something the CDT will continue insisting on in the coming year as well.

In addition, while expecting the negotiations on accession to the EU to begin, we have started a public dialogue on national negotiating structures and negotiation process at the time when such topic had not even existed in the public discourse. Only a few days after the Council of Europe’s decision, we offered, to those in public who were interested, a good quality comparative study on the process itself and we received public confirmations from government officials that civil society is wanted and needed in the process. In 2012 the CDT will continue its efforts in order for the EU accession process to be transparent, consultative and participative, offering new knowledge, good quality support and argumentative criticism.

In the GOOD GOVERNANCE program area we contributed to increasing openness and transparency of institutions, on state and local level. Last
year, the Montenegrin Parliament, independently and in timely manner, prepared and published the annual report on its work – in which we were able to recognize our direct contribution, since previous years this institution had been preparing these reports with our support. The Montenegrin government has implemented a large part of the CDT recommendations for increasing its openness and transparency, including publishing information on its website and adopting new regulations enhancing communication with citizens and increasing their influence on decision making.

We “confronted” local governments with methodologically founded indicators of their transparency and led most of them to make minor or major changes and enhance their transparency and communication with citizens. We also got involved in the story on sustainable development, believing that “good governance” and “sustainable development” are mutually compatible and close concepts when it comes to their values. Of course, the efforts in this area are not completed and through its programs and projects the CDT will continue encouraging public institutions to attain good governance standards.

The program area CIVIL SOCIETY has continued to evolve in line with the three-year strategic plan. In 2011 we encouraged activism and connecting of youth, as well as citizens associations which are based on the values we ourselves nourish, and we worked on enhancement of NGOs legal status. We have linked high schools from Nikšić and Sarajevo and enabled for friendships to evolve between 40 participants and their families from the two cities. We also spent some time with high-school students from Plužine and prepared a joint theatrical play that we performed in that town. We discussed European values with students and prepared a short movie on citizens participation.

We prepared reports on sustainability of the Montenegrin NGO sector for 2010 and 2011 for the needs of the USAID and the MSI. We also actively participated in the discussion on the Law on NGOs and by-laws related to the NGOs status, proposing some solutions, a part of which has actually ended up in the final documents. We will continue this activity in the coming year, since we believe that additional reforms or regulations, procedures and transformation of the civil sector itself are yet to come.
In 2011, we have continued developing the CDT Research Center and offered to public several good quality research projects and analyses. In the coming period we are preparing to offer new projects, using new researching techniques and methods. We also continued with technological development of the organization, through constant improvements of the website, internal website, and communication with users via social networks.

We continued to develop Praxis LLC, a company established to contribute to the CDT financial sustainability. The profit from this source enables us to stay independent and maintain our principles when it comes to funds collection and to apply only for those funds and projects that are in line with our vision and mission and which we have competence and quality to implement.

CDT is a non-governmental organization which, through developing and encouraging public dialogue, education of political actors, promoting and monitoring institutions, processes and policies, work on enhancement of democracy, characterized by a fair and accountable government, a dynamic civil society and active and well informed citizens.

The CDT mission is in practice reflected in the way we works, in the organizational structure, procedures and working rules, our respect for laws and also in our relations with government, employees, volunteers, citizens, donors and partners.

Sincerely yours,

CDT Team

CDT For Democratic Transition
II FUNCTIONING OF THE ORGANIZATION

1. Functioning of the CDT bodies

Last year we have wrapped up the process of transformation of the organization started in late 2009. The result of the process is responsible and good quality functioning of the bodies, enhanced communication and knowledge exchange among the employees. We have started a new system of schedule viewer (interactive calendar), which has significantly enhanced the work of the CDT team and improved coordination during activities.

We have set new archiving rules, improved our IT sector, established regular “e-communication” between members of the organization’s bodies, etc. There have also been some changes in the composition of the Assembly and boards, and late last year the Statute has been amended as well.
Although the transformation has been a success, the organization continues to grow, following management rules and positive experiences.

**The CDT Assembly**

The CDT Assembly met twice in 2011.

The regular session was held on 2 April 2011. New members of the organization’s bodies were elected on this session (Milica Kovačević and Bojan Božović in the Managing Board; Tamara Bulajić in the Supervisory Board) and the Annual Report on the CDT work for 2010 was adopted. New members of the Assembly were also elected – Ivana Drakić, Biljana Jovanović and Zoran Rakočević. Finally, future plans were presented and there were discussions on the organization’s work.

Special session was held on 24 December 2011 to elect members of the boards (re-elected members of the Managing Board are Tatjana Koprivica, Aida Ramusović and Bojan Baća, while in the Supervisory Board Katarina Jović-Martinović became a new member and Bojan Spaić was re-elected) and discuss amendments to the Statute which had to be aligned with the new Law on NGOs.


In 2011 we received several applications for membership in the CDT and they will be reviewed in the coming year.
Managing Board

Managing Board has continued its activities in 2011. The composition of the Board has changed comparing to the year before and its members are Milica Kovačević (president), Tatjana Koprivica (vice-president), Aida Ramusović, Bojan Baća and Bojan Božović. Managing Board met 12 times in 2011 and the topics of significance for the organization’s functions were discussed during these sessions. In line with its responsibilities, the Board offered recommendations and made decisions that were implemented through the work of the Executive Board and it significantly contributed to the CDT work.

Supervisory Board

The Supervisory Board met twice in 2011. During these sessions, topics falling under this Board’s responsibilities were discussed and some novelties were introduced in its work (e-mail communication network, regular reporting on the organization’s work through sending documents, etc.) The members of the Supervisory Board were: Bojan Spaić (president), Marina Božović (vice-president) and Tamara Bulajić. Late last year Katarina Jović-Martinović has become a new member of the Supervisory Board, while Bojan Spaić has been re-elected.

Executive Board

The Executive Board has continued managing the organization on an operational level through daily meetings and direct communications with the employees. Just like other CDT bodies, this Board has also undergone some changes in its composition in 2011. The Board had consisted of Dragan Koprivica (president), Milica Kovačević (vice-president) and Milivoje Krivokapić. In late March 2011 Milica Kovačević has been replaced by Milana Čabarkapa (vice-president) and the Board has continued its work in that composition in 2011.

CDT acts

The CDT bodies have issued a number of acts in 2011. The most important one is definitely the Proposal for Amendments to the CDT Statute in accordance with which the Statute has finally been amended in 2011.
When the new Law on NGOs was enacted in August 2011, all NGOs registered pursuant to the previous law became obliged to, within a year since enacting of the new law, align their statutes with the new law and submit them to the competent ministry. The legislators threatened that those NGOs which do not fulfill their obligation before the proscribed deadline and in the manner proscribed would be erased from the NGOs Registry.

Therefore, the CDT Executive Board ordered a detailed analysis of the organization’s Statute with regard to its alignment with the new Law on NGOs.

The analysis indicated that there were discrepancies between the CDT Statute and the new Law on NGOs in the part related to the NGOs bodies and their responsibilities, so in order to fulfill the legal obligation of aligning the Statute before the deadline, it was necessary to prepare the Proposal for Amendments to the CDT Statute and submit it to the organization’s Assembly for adoption.

That was done and the Proposal for Amendments to the Statute received the required majority of votes on the CDT Assembly special session. The Statute has been amended in accordance with the mentioned proposal, submitted to the competent ministry and published on the CDT website.

2. CDT personnel

In 2011 the CDT had 11 employees, i.e. 9 with permanent contracts, 1 with temporary contract and 1 volunteer contract.

CDT personnel in 2011: Dragan Koprivica – executive director, Milica Kovačević – deputy executive director (since May 2011), Dušan Radoman – secretary general (until November 2011), Blažo Crvenica – program coordinator for publishing, Milivoje Krivokapić – program coordinator (until April 2011), Bojan Baća – program coordinator for research, Biljana Pejović
— deputy secretary general, Đorđije Brkuljan and Ivana Drakić - project coordinators, Biljana Jovanović – assistant project coordinator, Bojan Tešić – volunteer intern.

In April 2011, Milica Kovačević has been elected president of the organization, while Milana Čabarkapa has been elected deputy executive director. Since November 2011 Biljana Pejović is the secretary general of the CDT.

Since June 2011, former intern Biljana Jovanović has started working as an assistant program coordinator.

Bojan Tešić, an electrotechnics engineer, has been working as an intern-volunteer in the IT sector since June 2011.

In addition to permanent employees and interns, the CDT worked with a number of contractors on various projects (experts, trainers, consultants, project coordinators, assistants, researchers). In 2011 the CDT used the services of over 30 contractors.
3. Organizational schema
4. CDT and media

In 2011 we registered a significant increase in interest of media for projects and activities of the CDT. Hence, in the media archive for 2010 we can find that the CDT was mentioned 141 times, while in 2011 the number increased significantly to 455. The reasons for such a drastic increase are better quality and expanded scope of work, new information resulting from the work of our Research Center, generally more attention placed on NGOs in media space, but also establishing of new media.

Presence in media in 2011, divided by months, would look like this:

CDT in media in 2011 (455)

1 The number does not include those cases which the media archive does not register. According to the CDT internal records, there were 50 of those.
Analyzing these numbers we can conclude that we were successful in achieving our media coverage plan and our messages were able to reach citizens and interested parties.
5. Principles and guidelines for growth and development in 2012

Based on a strategic document prepared in September 2010, all future activities of the CDT will be conducted in 5 major areas, following the formula 3+1+1 as follows:

1. Program area – **DEMOCRACY**
2. Program area – **GOOD GOVERNANCE**
3. Program area – **CIVIL SOCIETY**
4. Area – **ORGANIZATIONAL AND TECHNOLOGICAL DEVELOPMENT OF THE ORGANIZATION**
5. Area – **PROGRAM SUPPORT**

It is from the CDT development strategy from 2010 through 2013 that we pull out basic guidelines for the organization’s development and goals we intend to achieve in 2012.

The program area **DEMOCRACY** needs to evolve in the direction of development of projects started so far. The priority for 2012 in this area will be activities directed at motivating citizens to be more active and to follow up closely on and check up on the promises that politicians give them on daily basis. In this area we will continue analyzing discourse of political subjects.

In addition, in the coming year the CDT will continue researching negotiating process with the EU which is expected to start in June 2012. We believe that not enough information on the process is available to our public and the path Montenegro is obliged to complete during the negotiations with the EU is not completely clear yet.

The program area **GOOD GOVERNANCE** needs to evolve in the direction of development and enhancement of the projects started so far with emphasis on development of good governance on state level. So far no good quality study has been made on to what extent are state bodies truly transparent, open and willing to be a service for citizens. In 2012, the CDT will thoroughly deal with these issues. Another very important area is good governance on local level. We plan to continue the initiatives on establishing
good governance on local level as a continuation of very successful project POTEZ. In addition, one of the main objectives in the coming year will still be the development of the part of good governance dealing with sustainable development as the foundation for development of Montenegro.

The program area CIVIL SOCIETY should be directed at checking up on implementation of the new law regulating NGOs status. A priority will be to continue supporting transparent allocation and spending of funds which NGOs receive from tax payers. We have also planned to, through our membership in the Council of Statistical System, initiate making of an adequate statistics on NGOs with the aim of improving the status of NGOs in Montenegro. Furthermore, through researches and public presentations we will insist on importance of the role of civil society in the negotiating structures of Montenegro in negotiations with the EU. The CDT will continue taking part in working bodies associated with the mentioned program areas.

As a part of developing the area ORGANIZATIONAL AND TECHNOLOGICAL DEVELOPMENT OF THE ORGANIZATION we put an emphasis on further development of the company “Praxis Montenegro”, its profiling on the market and achieving its main mission. In 2012 Praxis will continue with researching and logistical and organizational activities through conducting polls and developing methodologies that have not been used in our country before. Travel agency Praxis Travel will continue with promotion of booking and selling of cheaper plane tickets, as well as booking of hotel accommodation. Praxis Montenegro is developing in the IT area as well and its primary activity is web design. The Praxis team will offer new and contemporary solutions in web design and that way lead the company in a business sphere which is still in its infancy. Furthermore, we will develop design services and print preparation offer. The goal is to offer original ideas which will help promotion of activities and products of the company and its clients.

In addition, the CDT will continue its organizational development in direction of preserving the status of one of the most transparent NGOs in the country. This is related to transparency of the organization’s internal functioning, transparency of programs and projects as well as financial transparency. In 2012 we plan to introduce a new system of the organization’s internal control and financial audit.
Furthermore, as a part of this program area, we will keep on with continuous training of the CDT team in all necessary fields in order to achieve one of the most important objectives from the three-year strategic plan and grow out of “a traditional organization” into “a learning organization”.

Finally, we will continue developing our website, our site for the organization’s internal functioning, as well as our Facebook and Twitter networks. We expect the number of people following CDT’s activities on Facebook and Twitter to increase for at least 20%. In 2012, we plan to redesign our website and develop it improving its interaction with citizens.

The area **PROGRAM SUPPORT** needs to develop in the direction of strengthening and better organizing of the Research Center, which, in addition to researches, will continue with capacity building for putting together plans, program policies, etc. Therefore, in the coming year as well the imperative is to wrap up the organization as a think tank.

Furthermore, the publishing activities of the organization should be intensified in the direction of translating and publishing scientific works, textbooks and interesting literature from different fields.

These guidelines are identified in the annual and monthly plans. In addition to program areas, the plans also include methods of communication between the CDT and its surroundings, and plans for financial functioning of the organization.
III PROGRAM AREA: DEMOCRACY

1. Financing of political parties

Within the program area DEMOCRACY, in 2011 significant attention was again paid to financing of political parties.

The project of monitoring financing of political parties, which is financed by the Balkan Trust for Democracy (BTD) and is the continuation of earlier activities in the field, resulted in confirming the same irregularities in implementing the The Law on Financing of Political Parties:

- on local government level, the budget funds intended for political parties on local level are not being paid as prescribed (some municipalities did not pay the funds to political parties at all);
- political parties do not submit reports on the funds spent during election campaign, their annual financial reports are not submitted within deadlines prescribed by law, and such behavior is not being sanctioned;
- competent institutions do not act in line with their responsibilities, i.e. they do not file complaint of violation and do not issue sanctions, i.e. they do not conduct investigations in situations where there is reasonable doubt that an offence has taken place.

A novelty with regard to earlier project was that in 2011 the CDT had a chance, for the first time, to conduct monitoring of political parties financing in the part related to reports on parliamentary parties’ property. Based on that, it was determined that the total income of parliamentary parties in 2010 was around € 4,500,000.00, and the majority of parties did not publish the names of donors, either physical or legal persons. Out of the total income amount, less that € 19,000.00 was received from legal persons donations. By analyzing the report, the CDT determined that in 2010 political parties had received the following amounts from private sources (including both financing their regular work and the election campaign):

1. Bosniak Party (Bošnjačka stranka – BS) – € 200.00 from physical persons, no donations from legal persons;
2. Democratic Party of Socialists (DPS) – € 654,190.00 from physical persons, € 9,646.00 from legal persons;
3. New Democratic Power FORCA – € 280.00 from physical persons; € 250,00 from legal persons.
4. Croatian Civic Initiative – no donations;
5. New Serb Democracy – € 9,000.00 from physical persons; € 9,000.00 from legal persons;
6. Movement for Changes – no donations;
7. Social Democratic Party – € 59,505.00 from physical persons; no donations from legal persons;
8. Socialist People’s Party – € 5,120.00 from physical persons; no donations from legal persons.

Of all political parties whose reports came under review, only the DPS published the names of its donors, which was followed by a number of phone calls by citizens claiming that they had not donated the money to that party. On several occasions, the CDT called upon the State Prosecutor’s Office to conduct required steps and investigate the case in order to determine
whether there had been any misuses by the party. It was only late last year that the State Prosecutor’s Office conducted measures in order to determine possible violations of law.

The research has also indicated that a huge problem for successful monitoring of political parties financing is the lack of adequate form of submitting their annual statements of accounts, and, in addition, the National Electoral Committee did not publish 35 audit reports on annual statements of accounts.

The CDT has published the research results in the publication „Financing Political Parties from Private and Budget Sources in 2010“ enabling the interested individuals to follow on the situation with regard to financing political parties in Montenegro for this year as well. The publication can be found at the following URL http://www.cdtmn.org/images/stories/izdavastvo/financing-to-political-parties-2010.pdf

In addition to the activities related to the implementation of the described project, in 2011 the CDT took part in two working groups tasked to prepare proposals for the The Law on Financing of Political Parties and the Law on National Electoral Committee.

The new Law on Financing of Political Parties has come into effect in August, with its application delayed until 1 January 2012. The novelties contained in the Law, which the CDT had insisted on during the Law proposal making stage, are related to introducing a series of bans regarding restricted use of state funds, use of service vehicles, as well as employing and engaging employees in the period starting on the day of announcing elections until the election day. The aim of these bans is to try to affect present negative practice of misusing state funds, as well as employing a lot of people in order to secure election victory, which subsequently creates organizational and human resources problems in government institutions. On the CDT’s proposal, the Law now obliges political parties, twice a month during election campaign, to submit to the National Electoral Committee a report on physical and legal persons’ contributions, while on the other hand the National Electoral Committee is obliged to publish these reports on its website. This solution, if the Law is implemented consistently and appropriate sanctions taken in case of
violations, will result in increased transparency in relations between civilian and economic sector and political parties.

The CDT recommendation regarding provisions on sanctions, prescribing a wide range of sanctions against individuals violating the Law, has not been accepted although it was based on the GRECO’s recommendations for Montenegro. It can be expected that the system of sanctions which the Government insisted on and which proved to be dysfunctional in the past, is still a black spot in the entire procedure, especially due to failure of government institutions to implement the Law. In the future, the CDT will continue pushing for reform of the sanction system, which would enable more respect for procedural regulations.

During the process of drafting the Law on Financing of Political Parties, the CDT was particularly emphasizing the importance of auditing political parties’ reports, recommending that the competence over that should be handed over to the State Audit Institution, more precisely – that deadlines should be set for State Audit Institution to audit political parties’ financial reports. The proposal, which is more suitable from the point of view of resources available for its realization and professional skill of personnel working in State Audit Institution, was rejected, and the Government instead promised to establish an independent National Electoral Committee and form a new working group tasked with preparing the proposal for the Law on National Electoral Committee.

Although on several occasions during the working group’s activities, the CDT was emphasizing that the adoption of the Law would require 2/3 majority in the Parliament of Montenegro and was raising the question of whether there was political will to adopt the Law at all, the government representatives in the working group insisted on continuation of work, only to conclude, after three months of work and during a government session, that the Law should be withdrawn and that whatever wanted to be achieved with it should be done through amendments to the Law on Fi-
nancing of Political Parties, which, as mentioned above, has come into force in August 2011. In order to start amending the law on Financing of Political Parties, the CDT used the opportunity to reiterate the need to limit membership fee paid to political parties and, to a certain extent, that restriction has been included in the amendments to the Law. Whether the new legal solution will lead to improvements in the area of financing politics will depend on how consistently it would be insisted on its implementation.

In late 2011, the CDT has started a new project regarding financing of political parties. On the one hand, the project is a continuation of monitoring of the financing of political parties in Montenegro, while on the other hand, its goal is to enable regional cooperation and experience sharing between NGOs in the region in order to establish a unified methodology for monitoring of the financing of political parties. With regard to that, in late December a regional network of NGOs has been formed, consisting of the CDT, the Citizens Association GONG from Croatia, the Citizens Initiative MOST from Macedonia, the Center for Development of Serbia, the Transparency International from Bosnia and Herzegovina and the Initiative for Progress from Kosovo. The network’s task will be to adopt a unified methodology for monitoring financing of political parties, but also to publish a regional bulletin and start the project’s website offering any information of relevance for financing of political parties in countries where the network member NGOs come from. The project called “Money and Parties – Montenegro and the Region” is implemented with the financial support of the Balkan Trust for Democracy.

In addition, the CDT has published a policy brief regarding the financing of political parties, which was the result of the CDT employees taking part in the program TRAIN (Think Tanks Providing Research and Advice through Interaction and Networking), organized by the German Foreign Policy Council.

Through its work, the CDT will continue influencing improvement of the political parties financing system, especially by creating policies and legal solutions.
2. Analysis of Prime Minister Igor Lukšić’s discourse during the first 100 days in office

In April, as its contribution to the discussion on the Government’s first 100 days, the CDT has published an analysis of Prime Minister Lukšić’s discourse. The analysis dealt with the Prime Minister’s discourse during the Government’s first 100 days, with an emphasis on the image of Government that he wanted to present to public, but it also included the Prime Minister’s views of the topics current at the time: census, the European Union, NATO, communication with opposition and relations with Serbia. The purpose of analysis was not to question Prime Minister Lukšić’s views, but to analyze a broader context (socio-political, cultural, ideological, professional, etc.), i.e. the “place” from which Prime Minister speaks, but also the image that he wanted to create of himself and of the Government.

The analysis included a concrete time period (Government’s first 100 days) in a concrete Montenegrin social and political context, conditioned by concrete events and topics. As sources of information we used three daily newspapers – Vijesti, Dan and Pobjeda, but also the Government’s official website. We used critical discourse analysis in analyzing information. The project was completed and presented to public in April.

The analysis showed that Prime Minister had tried to portrait the new Government in the frame of socially accountable liberal discourse. He mostly talked about problems in the context of public policies, and less in the parameters of daily politics, which resulted in his public appearances being marked by professional/technical discourse, while in non-political issues he tried to present himself as “a guy next door”. However, the discourse tried to minimize, even deny, the political significance of census. In addition, in Prime Minister Lukšić’s discourse, “Europe” and “European” have become the main denominators, the guarantors of quality and progress. On the other hand, the Euro-Atlantic integrations have not been presented as the goal of its own, but as means for faster accession to the European Union.
3. EU/NATO workshops

In the period March – May 2011, as a part of the project “EU/NATO workshops”, the CDT continued the education of Montenegrin high-school graduate year students on the process of European and Euro-Atlantic integrations.

The project’s target group included graduate year high-school students from Podgorica, because they have been recognized as an important factor in the above-mentioned processes.

The CDT maintained the role of neutral lecturer and the goal of these workshops was for the students to learn objective information on NATO and the European Union in order to build critical opinion on these topics of extreme importance for Montenegro.

Interactive workshops took place in 11 high schools in Podgorica with 1200 graduate year high-school students taking part. The lecturers were the graduates of the School of Political Studies and the Law School who had participated in the project in the past as well.

Just like last year, the workshops were divided into two parts.
The first part of workshops was dedicated to the Euro-Atlantic integrations and, after showing a short movie, the lecturer, together with students who actively participated in discussions, was going through the most important information and issues regarding NATO. The second part of workshop was intended for discussion on the European integrations and students, again actively participating, were provided with an opportunity to hear about the most important information on the European Union and the Montenegro’s perspective on the path to the European integrations.

Throughout the workshops there was a constant dialogue between lecturers and students who had a chance to expand their knowledge on these areas.

The workshops lasted 45 minutes and afterwards the brochures with information that they had heard during the lesson were distributed to students.

The project was financed by the funds received from the Government of Montenegro’s Coordination Team for Implementation of Communication Strategy for Montenegrin Euro-Atlantic Integrations.

4. Participation in creation and implementation of the Action Plan for Monitoring Implementation of Recommendations provided in the European Commission’s Opinion

The beginning of 2011 was marked by fierce public debate on the Draft Action Plan for Monitoring Implementation of Recommendations provided in the European Commission’s Opinion. The CDT took part in the public debate by submitting a number of recommendations for enhancements in the areas of fight against corruption and civil society. The CDT representatives also took part in public debates organized on the topic by the Ministry of Foreign Affairs and European Integrations.

On 17 February, the Montenegro government adopted the Action Plan which included a number of the CDT proposals, including the adoption of the new Law on Financing of Political Parties in line with recommendations by GRECO, as well as a series of measures for improvement of normative and institutional framework for the work of NGOs including drafting new Law on NGOs.
The working group for drafting the The Law on Financing of Political Parties was formed in early April and Milica Kovačević was appointed a working group member representing the CDT. The working group was working on drafting the Law until early July, when the Government, on 7 July, approved the Proposal of the Law. The Parliament of Montenegro adopted the Law on Financing of Political Parties on 29 July 2011 and the Law will come into effect on 1 January 2012.

In September 2011, the Government of Montenegro started drafting the Law on the National Electoral Committee and formed a working group with Dragan Koprivica, the CDT executive director, as one of its members. The working group had prepared the Draft Law in November. However, eventually it was decided to give up on adopting the Law due to the lack of political will. Instead, the Government initiated amendments to the The Law on Financing of Political Parties and handed over the control over financing to the State Audit Institution.

In cooperation with the Youth Initiative for Human Rights (YIHR), we submitted a number of recommendations for improvements of the Draft Law on NGOs and we took part in a public debate on the Law. One of our proposals has been accepted and incorporated in the text of the Law.

5. EU Accession Negotiations – Analysis of National Structures for Negotiations

In August 2011, with the support of Embassy of the Kingdom of the Netherlands and in cooperation with Dr. Martin Brusis from the University of Munich, the Center for Democratic Transition started implementation of the project „EU Accession Negotiation – Analysis of National Structures for Negotiations“.
The overall objective of the project was to start a national level dialogue on structures which will be involved in the process of negotiating with the EU, as well as to, by analyzing good practices, reach solutions which will help Montenegro form the best possible negotiating model capable to respond to the future challenges. A special focus is put on coordination during the process of negotiations with the EU, as well as the future roles that civil sector and the Parliament will have.

In the period July – September, the CDT Research Center conducted a comparative analysis of negotiating structures in eight countries which have joined the EU in 2004 (Hungary, Czech Republic, Slovenia, Poland, Estonia, Latvia, Cyprus and Slovakia). In addition, the research included negotiating structures of the Republic of Croatia, as a country which had been through the negotiating process and is now at the doorstep of joining the European Union.

For the purpose of the research, a special questionnaire was designed consisting of 100 questions and 60 sub-questions, divided into five segments which were crucial for the research. In addition, a smaller questionnaire was designed, also divided into five chapters, with 43 specially selected questions which were sent to the relevant e-mail addresses, i.e. the addresses of governments, parliaments and civil sector experts from the countries which were the focus of our research.

The questionnaire was filled in with the data obtained from the aforementioned contacts, as well as through analyzing Internet sources and relevant studies, analysis and articles from this field.

In October, after finishing the research, the CDT has published the main results in the form of Topics for Consideration, dealing with important issues regarding forming of the future Montenegrin negotiating structures. These Topics for Consideration served as a basis for publication of “Analysis of National Structures for Negotiations with the European Union” which has been published in November.
In December, a regional round table was organized on the topic “Beginning of Negotiations and Accession Negotiations with the EU – Negotiating Experiences and Good Practices”. The round table was opened by: Milica Kovačević (CDT), Slavica Milačić (Ministry of Foreign Affairs and European Integrations), Laurent Louis Stokvis (HE Ambassador of the Kingdom of the Nederland) and Leopold Maurer (Head of the European Union Delegation to Montenegro). The round table panelists were: Dr. Martin Brusis (University of Munich), Željka Babić and Suzana Drešaj (Ministry of Foreign Affairs and European Integrations of Republic of Croatia), Lubomir Fajtak (Head of Parliamentary Institute of National Council, Slovakia), Boris Raonić (NSEI – National Council for European Integrations), Miodrag Vuković and Vasilije Lalošević (International Relations and European Integrations Committee), Vuk Maraš (MANS – Network for Affirmation of NGO Sector) and Srđa Keković (USSCG – Union of Free Trade Unions of Montenegro). The event was also attended by representatives of government institutions, Montenegrin Parliament and civil sector, media representatives and guests from abroad. The goal of the round table was, by gathering as many as possible experts from Montenegro and abroad, to open a debate on challenges of the negotiating process, as well as to, through experience sharing between countries that had been through the mentioned process and those that are yet to start negotiating, recognize the best practices and consider all possible options in order for Montenegro to prepare in the best way possible for the coming commitments and to find the optimal negotiating model. The aforementioned publication was presented during the round table.

In addition to the regional round table, two debates were organized in December for the School of Political Studies students, during which students were informed about the results of research conducted by the CDT followed by an active discussion on preparations for the process of negotiations with the EU and the Montenegrin progress on the path to the EU.

Also, based on the research results and the conclusions made at the round table, a policy brief was published in December aimed at indicating the existing problems and concrete solutions regarding formation of structures for the process of negotiations with the EU.
IV PROGRAM AREA: GOOD GOVERNANCE

1. POTEZ – Project for Accountable, Transparent and Efficient Communities

In 2011, the Center for Democratic Transition (CDT) implemented the project POTEZ – Project for Accountable, Transparent and Efficient Communities. POTEZ is aimed at one of the key challenges of democratization in Montenegro – establishment of principles and guidelines for good governance on local level. The project was designed to evaluate and follow on the progress in introducing standards of good governance by Montenegrin municipalities. The project was implemented with the help of experts from the Croats NGOs GONG.
The first stage of the project POTEZ was financed by the Open Society Institute Foundation – Representative Office in Montenegro in the period October 2010 – January 2011. The activities in the first stage of the project implementation included: analysis of legal framework, developing methodology, creating database and training for researchers. These activities were completed in January 2011, while the second stage started in April 2011 with financial support by the Local Government and Public Service Reform Initiative of the Open Society Institute - Budapest. After data collection and analysis, in July 2011 we presented the preliminary research results based on the data collected in May and June for all Montenegrin local government units (JLS). The results were not satisfying, because they showed that more than half of municipalities were not transparent, according to transparency indicators of the research. Therefore, the CDT representatives urged municipalities to improve the existing situation within three months (by 10 October) and inform the project team on the changes made. In order to easily inform local governments on the project and the transparency indicators we have created the website www.potez.cdtmn.org where all information on the project and individual results of municipalities can be found. That way all interested local government units (JLS) can have easy access to the guidelines and recommendations for improving their transparency.

We are pleased to say that the local government units have recognized the importance of the project and that 14 local government units (2/3 of the total number) contacted us in the period between July and October. Due to good communication, during those three months we cooperated with the municipalities with mutual desire to improve their transparency. The data for the final research were collected by 25 October 2011. On the final press conference the progress achieved in the period between the preliminary and the final research of POTEZ were presented, but it was emphasized that there was still room for improvement of transparency in Montenegrin local government units.
The project’s final event, the conference “Transparency and Good Governance on Local Level” was held on 25 November in Podgorica. The conference wrapped up the project and gathered a number of experts on establishing good governance on local level from Montenegro and the region. After the introductory speeches by Dragan Koprivica, the CDT executive director, Ivan Brajović, Minister of Internal Affairs, and Rajko Golubović, the Secretary of Montenegrin Municipalities Community, the awards were presented to the highest ranking local government units according to the research results. Afterwards, in two panel discussions, the participants discussed good practices and problems on the regional level. Among other conference participants were: Mladen Jovović, the assistant to the minister for local governance, heads and representatives of Montenegrin municipalities, representatives of NGOs from Montenegro and the region, as well as media representatives. It was concluded that the progress in the area does not require huge financial resources, and that the awareness and the willingness of local government to improve is what really matters. In addition, the sense of satisfaction was expressed over the improvements achieved by the municipalities in the period between the preliminary and the final research, stating, however, that there is still a lot of room for improvement.

In addition, the publication “Transparency and Good Governance on Local Level” was presented at the conference and it contains the final results of research and examples of good practices identified by the research team. The publication can be found at the following URL: http://www.cdtmn.org/images/stories/izdavastvo/transparency-and-good-governance-at-local-level.pdf.

**About research**

In this research, transparency in work of local governments has been understood in somewhat broader sense of overall openness of local government institutions towards citizens and target groups. Therefore, we researched five dimensions (areas) of local government transparency. Each dimension has different relevance for the overall research. The dimensions are as follow:
1. openness of municipality assembly sessions,
2. openness of local government units’ decisions,
3. cooperation of civil society organizations,
4. application of the Law on Free Access to Information, and
5. functioning of local communities.

For the purpose of the research, these five dimensions were analyzed using 44 indicators, i.e. questions on the municipality documents and practices. We were obtaining the answers to these questions using four different methods: by analyzing municipalities’ statutes and rules of procedure of municipal assemblies, through the questionnaires sent to addresses of all municipalities, by searching through official website of municipalities and by making direct phone calls. For each satisfying answer 1 point was awarded. For non-satisfying answers no points were awarded. All additional information, as well as individual results of municipalities by indicators can be found at the project’s website www.potez.cdtmn.org.

The CDT also conducted a research on openness of local government units’ budgets, as the sixth dimension of the project POTEZ. The goal was to collect more information on whether employees of local government units are sufficiently familiar with the regulations related to budget, as well as whether budget is being prepared, adopted and spent in legally prescribed way. The research on openness of local government units in Montenegro was conducted in June and July 2011 and the data were collected on 16 local government units (out of the total number of 21). More detailed analysis of the data collected shows some flaws, especially in financial cooperation between central and local government, supervision, budget control and audits. The research indicated that deadlines for budget adoption are not being met and that there is a huge problem with cooperation between central and local governments. This is related to the fact that municipality irregularly received taxes and fees that are prescribed to them by law. The report on the research can be found at http://www.cdtmn.org/images/stories/dokumenti/Istrazivanje-otvorenosti-budzeta-jls.pdf.

**Final results**

The highest possible result for a municipality in this research is 10. We divided the entire ranking scale into four categories:
municipalities which are severely non-transparent (municipalities with less than 2,5 points),
non-transparent municipalities (municipalities with 2,5 – 5 points),
partially transparent municipalities (5 - 7,5 points) and
transparent municipalities (7,5 - 10 points).

Due to the progress that the municipalities have made by the final research, the situation in November 2011 has significantly changed comparing to the results from July 2011. There are no severely non-transparent municipalities in Montenegro (municipality Šavnik used to be one), while the number of non-transparent municipalities is 5. The non-transparent municipalities are: Kolašin, Plav, Rožaje, Žabljak and Šavnik. There are 11 partially transparent municipalities including: Mojkovac, Podgorica, Budva, Bijelo Polje, Berane, Cetinje, Nikšić, Plužine, Pljevlja, Ulcinj and Andrijevica. These municipalities can be considered transparent in some areas, while they definitely still need to do more in order to be more accessible to its citizens. There are 5 transparent municipalities now and these are: Kotor, Danilovgrad, Herceg Novi, Tivat and Bar. For comparison, the preliminary results had shown that 11 local government units had less than 5 points, while that number has now been reduced to 5. In addition, earlier only municipalities Kotor and Herceg Novi were considered transparent, and now they were joined by Danilovgrad, Tivat and Bar.

The highest score was 9,74 (Kotor municipality), the lowest one was 3,57 (Šavnik municipality), while the average was 6,30. When compared to the preliminary results, the average result has increased from 5,01 to 6,30. Chart 1 shows preliminary and final results of municipalities (from June and from October). It is clear from the chart that only 4 municipalities had no progress in the overall results. Those municipalities are: Plav, Rožaje, Žabljak and Kolašin. By far the biggest progress was the one of municipality Danilovgrad, from 3,84 to 9,47, and it is now ranked second on our transparency list. Regarding the progress made, municipality Plužine follows Danilovgrad, from 2,78 to 5,66.
In the 2011 Progress Report on Montenegro, the European Commission has assessed that public, efficient and accountable administration on local level is yet to be established. The project POTEZ has definitely contributed to the transparency of local government units, which is obvious from the progress registered after only three months. However, local government units should not remain on this level, because there is still a lot of room for improvement, as European officials have accessed.

What leads us to conclude this is the information that an average result in the research was 6,30 (on the scale 0 - 10), and only five municipalities won more than 7,5 points and can be considered transparent. The findings of our research also indicate that the size of a local government unit and its budget do not directly affect the overall transparency results. Some municipalities with very small budget per capita even showed even partially transparent / transparent results (5 – 7,5 points or more). Therefore, the research did not impose on the municipalities the tasks requiring huge financial means, especially with regard to those municipalities which already have their websites. The majority of indicators represent minimal standards of transparency which do not require huge investments.

Therefore, it seems to us that there are two key elements for enhancing transparency of local government units - awareness of what all transparency means and willingness of local government to make progress. The communication we have established with local government units tells us that there is good will for improvement in the majority of Montenegrin municipalities. We were left
with the conclusion that the Montenegrin municipalities had not been aware of everything included under transparency and what are the ways to get closer to citizens. By cooperating with local governments’ representatives during past three months that conclusion has been confirmed, because many of them have expressed their gratitude to the CDT for the project that has provided them with concrete guidelines on the road to achieving transparency.

We are aware that a huge number of Internet indicators put those local government units that do not have their websites in unfavorable position, but we believe that a local government in 21st century cannot and must not function without that media. Access to information online enables citizens to get information on every day political issues in a fast and simple way, and the interactive quality of the media offers new forms of communication with elected representatives. While some municipalities’ websites, i.e. those of municipalities of Herceg Novi, Tivat and Bar are very systematic and offer simple and easy searches, for the majority of municipalities that is not the case. Therefore we point out to the need for local government units to enhance their existing websites in order to improve the way their contents are presented, because otherwise their usefulness remains questionable.

The CDT will try repeating the research occasionally in order to measure the progress of the Montenegrin municipalities. With time the methodology would be revised in order to increase transparency standards. It is obvious that in only three months POTEZ has not only identified the main problems when it comes to transparency in local governments, but it has also acted in a constructive way in order to overcome the flaws. However, there is a lot more room for improvement.

2. Open Institutions

The project “Open Institutions” is generally aimed at increasing the contribution of civil society organizations to democratic development of Montenegro and development and promotion of good governance principles through strengthening cooperation between state institutions, civil society organizations and citizens. The specific goal of the project is to increase transparency and accountability of Government and Parliament. The project lasts 18 months and is financed by the EU through the Delegation of the European Union to Montenegro.
Through the project activities and during the stages of the project implemented so far, concrete results have been achieved in the field of introducing standards of openness and transparency of the Government of Montenegro through legislature regulating the Government’s work. The Government has adopted the Decision on Publishing Materials from the Government of Montenegro’s sessions prescribing that, before the beginning of each session, the agenda is to be published, and after the session is over, the materials that were discussed during the session (proposals of laws, provisions, information...). In addition, the Government has also adopted the Proposal of the Law on Amendments to the Law on State Administration. The amendments are further regulated by the public discussion procedure and further increase and enhancement of transparency of state institutions can be expected.

The project has started in January 2011 and it consists of four groups of activities: Internship program, the program “Open Government”, the program “Open Parliament”, and strengthening of the NGOs role in decision making. In the text below the activities implemented in 2011 will be presented.

**Internship program**

The Internship program is a program of additional education of students which enable students to, in addition to the theory they learn in universities, also acquire practical experience by working as interns in state institutions.

The Internship program gave a chance to 20 students from Montenegrin universities, selected as the best candidates in a transparent procedure, to work as interns for 5 months in the Montenegrin Parliament, Government, ministries and other state institutions.
As a part of the 9th generation of the program in the Parliament of Montenegro, five interns worked in the Parliament for 550 work days, with the total of 1650 working hours. The students of the 9th generation were: Ernesa Kardović, Milena Marković, Vanja Čabarkapa, Ivan Perović and Elvis Salković.

In the Government of Montenegro, ministries and other state institutions, as a part of the 5th generation, there were 15 interns working in the Government and its committees for 1650 days with the total of 4950 working hours. The 5th generation of interns included: Jovan Brkuljan, Iva Popović, Jelena Jovanović, Ana Aligrudić, Bojana Kalezić, Tanja Đukić, Miloš Popović, Milena Zonjić, Katja Vukotić, Lena Radusinović, Jelena Pečurica, Darvin Murić, Đordije Otašević, Mirjana Filipović and Dunja Šoškić.

The work of interns has contributed greatly to the work of institutions in which they served their internship.

**Program “Open Government”**

As a part of the program “Open Government” in cooperation with the General Secretariat of the Government of Montenegro, we published Bulletin on the work of Government twice a month, organized visits of citizens to the Government, prepared Comparative analysis of legislative and good practices relating to openness and transparency of the Government’s work, and worked on implementation and promotion of good quality solutions.

The bulletin “Open Government” is aimed at increasing the level of how much citizens know about the work of the Government of Montenegro. The bulletin contains the information on all important Government activities as well as the most important decisions, especially proposals of law that Government adopts during its sessions. The bulletin is published twice a month on Montenegrin and English language, and so far 21 bulletins were published.
In 2011, our organization organized the visits to the Government of Montenegro where organized groups of citizens had a chance to visit the Montenegrin Government building, get to know about its organization and functioning and talk to some government representatives. So far we have organized two visits of citizens to the Government.

The CDT Research Center has prepared a research on openness and transparency of work of the Government of Montenegro, including comparative solutions from the EU countries, as well as the countries in the process of European integrations. In the period January – April 2011, we analyzed the existing constitutional, legal and practical solutions in the Montenegrin system, as well as the systems in Croatia, Serbia, Slovenia, Sweden and Estonia. The good practice examples of Germany, Latvia, Lithuania, Macedonia and Belgium were also considered.

**Program “Open Parliament”**

As a part of the program “Open Parliament”, and in cooperation with the General Secretariat of the Parliament of Montenegro, last year we published monthly Bulletin on the work of Parliament, offered assistance to the newly established Department for Research, Analysis, Library and Documentation of the Parliament of Montenegro, and organized a study visit of representatives of the Parliament service to the Croatian Parliament and Croatian Information - Documentation Referral Agency. We also prepared a comparative analysis of organization and work of the research and documentation centers of parliaments in the region and the EU.

Bulletin “Open Parliament” offers citizens the information on all important activities of the Parliament of Montenegro, informing and educating them on legal procedures and documents. The bulletin, published once a month, is a unique place where the reader can simply find a list of all proposals of laws that are in the parliamentary procedure, as well as their current status. It also offers information on which parliamentary committee reviewed a proposal and what is its opinion on it. In addition, the bulletin provides information on the supervisory role of the Parliament, offering the reader, inter alia, all information of relevance for control hearings. Since January 2011, 10 bulletins “Open Parliament” have in total been published so far.
In 2011, we offered assistance to the employees of the newly established Department for Research, Analysis, Library and Documentation of the Parliament of Montenegro. The assistance was in the form of providing consultations by our research expert to the employees in the research center. In addition to consultations, the assistance also included deploying interns, who were a part of the Internship program, to the research center where they contributed a lot with their hard work.

Our organization has shared very useful knowledge with the Parliament employees working on preparation of the 2010 Annual Report of the Parliament of Montenegro. We had obtained the experience in preparing annual reports of the Parliament by working on two previous annual reports. Parliament employees have presented significant progress comparing to the previous period and they were able to prepare the report efficiently and in a very short period of time.

Last year, we organized a study visit for representatives of the Parliament Service. Representatives of the Montenegrin Parliament Service and representatives of the Center for Democratic Transition (CDT) visited the Croatian Parliament and Croatian Information-Documentation Referral Agency (HIDRA) in Zagreb. The participants also had a chance to be introduced to the work of various services of the Croatian Parliament – Parliamentary Session Preparation and Organization Department, Parliamentary Legislative Publications Department, Information and Documentation Service, Internet Editorial and Library.

In addition to the aforementioned activities related to the program “Open Parliament”, we also prepared the “Comparative Analysis of Organization and Work of Research and Documentation Centers of Parliaments in the Region and the EU” (http://www.cdtmn.org/images/stories/dokumenti/istrazivanje-istrazivacki-centar-skupstine-crne-gore.pdf). The analysis contains a review of experiences and practices in some countries of the EU and the region, with short critical overview of the existing internal rulebooks defining the work of the Research Center as well as some concrete recommendations for its future work. A key recommendation by the CDT is for the Research Center to focus on systematization of information available, with precisely defined mandate, types and sources of information and research papers, as well as creation of own (statistical) databases on key national economic, social and financial trends.
3. Raising Capacities to Increase Transparency in Municipality of Kotor

In the period April – October 2011, the Center for Democratic Transition, in cooperation with Kotor Municipality, implemented the project “Raising Capacities to Increase Transparency in Municipality of Kotor”, supported by the foundation “Partnership for Transparency Fund”.

The project is based on developing of capacities of the Kotor municipal administration for countering corruption, increasing transparency of its work and improving the interaction with citizens and all interested groups.

By establishing a formal cooperation with Municipality Rijeka, the regional leader in the area of transparent municipal administration, the CDT helped Kotor Municipality to develop and enhance its existing anti-corruption strategy. The adoption of the new improved Program on fight against corruption and the Action Plan is expected in early 2012.

The CDT also helped in creation and implementation of simple interactive web solutions enabling easy access to key information on the municipality work and thereby increasing transparency of the official website of the municipality.

One of the project’s results is the establishment of good quality implementation of the Law on Free Access to Information.

On the municipality’s website now, in addition to contact form, overview of the types of information in municipality’s possession and information related to the citizens’ rights regarding the Law, the citizens also have contact information and information on the authorized official who deals with access to information and to whom official requests can be sent electronically.

In addition to involving the public in the decision-making process and improving the quality of information provided to its citizens, the municipality...
has introduced a new form of informing the public on itself and its work, in order for the citizens to understand the actual decision-making process, as well as the way in which decisions affect them.

Namely, this includes the bulletin “Kotor - Open City”, prepared jointly by the CDT and the Kotor Municipality for the months June, July and August in both electronic and printed form. After this period, the Municipality of Kotor has continued publishing and distributing the bulletins on its own as an example of good practice, at the same time proving the sustainability of the project ([www.cg.opstinakotor.org/index.php?option=com_content&task=view&id=1094&Itemid=1](http://www.cg.opstinakotor.org/index.php?option=com_content&task=view&id=1094&Itemid=1)).

### 4. Community Empowerment – a Key for better Environment

The NGO Terra, in cooperation with the Center for Democratic Transition (Montenegro), the Albanian Center for Human Rights ACHR and the Skadar Municipality (Albania), is implementing the project “Community Empowerment – a Key for better Environment” from 1 December 2010 until 31 March 2012, as a part of the IPA Cross-Border Program Albania - Montenegro, 2007-2013.

Participants in the project are divided by areas into five groups, with five participants each: students, university representatives, local government or ministry representatives, representatives from business sector, media and the NGO sector representatives.

The project has five-member Supervisory Board with the task to monitor implementation of project activities and provide expert assistance to participants.

The project has officially started with the 24 – 25 January study visit of partners from Albania. Within the project, participants from Albania, along with their hosts from Montenegro, had a chance to attend useful lectures. Also, a visit to the Town Council of Tuzi was organized, followed by a visit to the company AD “Plantaže” and the leading environmental NGO Green Home. During the visit to Albania, on 22 – 24 February, the project participants
visited Tirana and Skadar and learned about the main environmental issues in the cross-border area, but also in Albania in general. They visited the Albanian Center for Human Rights in Tirana, which is a partner in the project, followed by a visit to the Studio for consultant services, geology and environmentalist projects “G&G group”. The second day, the visits to the Skadar Municipality and the Arhus Information Center – AIC Albania were organized, and afterwards, the visits to Skadar Lake and damps on the Bojana River. In the afternoon there was a lecture organized at the University Administration building in Skadar. The objective of this visit was to introduce and connect the project participants from Montenegro and Albania.

As a part of the second stage of activities, two workshops on local level were organized, on 22 – 23 March and 29 March. The participants from Montenegro took part in the workshop in Skadar on 16 March. The goal of these workshops was to identify key problems for sustainable development in the cross-border region. The participants jointly came up with a number of ideas and topics for the trainings that followed in the next stage of the project. During these workshops, researches prepared by experts engaged for the project were presented:

In June and July, specialized trainings on the following topics were organized in:

- National framework and perspectives in the area of sustainable development in Montenegro,
- Biodiversity of Skadar Lake, protection of plants and animals, poaching,
- Study on floods and Skadar Lake, preparation of strategy on regional level,
- Sustainability of hydro potential in Montenegro, hydro power plant on Morača River,
- Waste (waste waters, landfill), industrial polluters, recycling,
- Ecotourism,
- Alternative source of energy, green energy,
- Sustainable construction, illegal construction problem,
- Education; educational system reform and introducing sustainable development,
- Raising awareness of citizens on issues of sustainable development.

The final stage of the project is related to expanding of knowledge, connecting and representation. Two TV debates were organized on 21 – 22 December, on TV stations Vijesti and Montena, where current sustainable development issues were discussed and which helped public get informed more on the project itself. Since one of the main objectives of the project is raising awareness on sustainable development and introducing the topic to citizens, in these TV shows the objective was fully achieved. During that stage, a bulletin containing review of basic goals and project activities was published. The bulletin has been distributed to hundreds of addresses within target groups that take part in implementation of the project. The bulletin can be found at the following URL [http://www.cdtmn.org/images/stories/dokumenti/newsletter-jaka-zajednica.pdf](http://www.cdtmn.org/images/stories/dokumenti/newsletter-jaka-zajednica.pdf).
The last activity is the final conference that is to take place on 31 January 2012 and the goal will be exchange and presentation of acquired knowledge, presentation of the outcome of all project activities and informing general public on the achieved results.

The project is implemented with the support of European Union which co-finances 85% of the total cost of the project.

5. Partnership with Westminster Foundation for Democracy

In 2011 again, the CDT, as a local partner for legislature supervision, took part in the Westminster Foundation for Democracy (WFD) program aimed at the Montenegrin Parliament capacity building.

In February 2011, as a part of this project, a two-day seminar was organized on strengthening expert support to the parliamentary committees. The participants were presented with methods of researching and reporting used by members of boards in the UK Parliament, as well as a manual defining the procedure on work of the secretaries of the UK Parliament committees. The training was run by Kenneth Fox - the secretary of the Education Committee in the House of Commons, Graham Allen – an expert in the Economics Department of the Library in the House of Commons (Research Service) and Milica Kovačević - the CDT deputy executive director.

The WFD has the objective to build the Parliament capacity through improvement of skills and knowledge of employees in the area of legislature supervision, financial control and parliamentary communication, as well as through devising long-term strategies for human resources development in the Parliament.
1. **YouthNet Nikšić - Sarajevo**

In the period 1 February – 31 September 2011, the Center for Democratic Transition, in cooperation with the NGO Alfa Centar (Nikšić) and the Center for Promotion of Civil Society (Sarajevo) implemented the project „YouthNet Nikšić – Sarajevo“.

This is a cross-border project between Montenegro and Bosnia and Herzegovina, i.e. Nikšić and Sarajevo, whose main objectives are:
- establishing good quality relations between young people from Nikšić and Sarajevo,
- creating long-term friendship between the two municipalities,
- encouraging communication and experience exchange in the region,
- raising awareness of the two countries mutual objectives.

The end result of all project activities was a better, better quality and more dynamic relationship between young people in the region, i.e. high-school students from Nikšić and Sarajevo. All project activities served the purpose of socializing, education and bringing the students closer together.

It started with selecting the students and then 40 high-school students (10 from each school) presented the core of the project with each activity being based on them.

The first gathering took place in Sarajevo, where students from Nikšić visited students from Sarajevo high schools. The visit was organized in April and lasted for four days. The following activities were organized: introducing Sarajevo, introducing the way school works, visits to museums, galleries and other cultural institutions, visit to city authorities as well as sports and debate contests.

The return visit of Sarajevo students to their colleagues in Nikšić was organized in September and all those activities which had taken place in Sarajevo were also organized in Nikšić (introducing the town of Nikšić, visits to cultural institutions, debate and sports contests...).

It is important to emphasize that during these visits the students were staying at the homes of friends from the other city, in order to achieve as close relationship as possible and so that they could familiarize with the way of life of their friends in the other country. That detail gives a special value to the project.

In between the two visits, in June, a summer school was organized (2 days in Plužine, 2 days on Tjentište), symbolically – from both sides of the border.
The summer school had both entertainment and educational character. A number of workshops were organized enabling expanding of students' knowledge. It should be emphasized that prominent guests from both countries took part in the summer school. Those were people from the domain of science, art, and politics.

During the project an office was opened in each of the 4 high schools serving as logistical support to participants in their activities. Also, the project’s website was designed - [www.mrezamladih.cdtmn.org](http://www.mrezamladih.cdtmn.org) - enabling creating of new ideas.

As an ultimate product and value, an official anthem of the project was composed by professional musicians in cooperation with students ([www.youtube.com/watch?v=-fV685nrIyk](http://www.youtube.com/watch?v=-fV685nrIyk)).

### 2. Open Door: Social Empowering of Youth in Plužine

In the period September 2010 – March 2011, the CDT conducted a project called Open Door: Social Empowering of Youth in Plužine (financed by an Italian cooperation and implemented by the International Migration Organization in cooperation with the Office for Youth).

The main objective of the project was to offer an opportunity for high-school students to take an active part in social and political life of the community through two types of activities:
- **practical** – consisting of web-journalism training for students, as well as designing and administering a website which would serve as an info service for young people, but also older citizens who want to be informed on all important decisions of the municipality administration;
- **creative** – aimed at encouraging students to, in an imaginative way – concretely, through a theatrical play – express their perception of the main social, cultural and political problems in their community.

With this project, the CDT has managed to directly involve the youth of Plužine not only in the life of their community, but also in local government. The project promoted the values of tolerance, cooperation and active youth. During the project, meetings of students with the Plužine major were or-
3. Without Borders – Within Limits: Montenegrin youth between the EU and passivity

In the period January – March 2011, the CDT, in cooperation with the Italian organization ARCI-Margot, implemented a project called Without Borders, Within Limits: Montenegrin Youth between the EU and passivity (financed by an Italian cooperation and implemented by the International Migration Organization in cooperation with the Office for Youth). The project gathered 20 participants.

The main goals of the project were: promotion of cultural differences as a value, fight against discrimination and motivating of students to actively participate in the Montenegrin society. Through a number of various, but related and independent activities, students have learned practical and creative ways of expressing their opinion in public. In short, the goal of the project was to show to the young people in Montenegro that “the European identity” is being built “from the bottom up” through concrete activities of young people and not only “from above” through institutions.

The representatives from the ARCI-Margot led workshops with students. Public interactive lectures of Nenad Veličković and Dimitrij Vojnov were also organized. The key result of the project is a four-minute movie on social participation as a European value written, filmed and edited by the project participants.
4. NGO Sustainability Index – for 2010 and 2011

CDT made a report on sustainability of the NGO sector in 2010 and 2011 for the international annual publication NGO Sustainability Index for Central and Eastern Europe and Eurasia, published by the USAID and the MSI. The sustainability index indicates progress and regress in development of the sector, but it also mitigates a comparative analysis between countries in the region. The index represents an important and unique source of information for NGOs, governments, donors, academics and others who want to understand and measure sustainability of the NGO sector. The publication can be found at the following URL: [http://program.counterpart.org/Armenia/wp-content/uploads/2011/02/USAID-NGO-Sustainability-Index-PDF.pdf](http://program.counterpart.org/Armenia/wp-content/uploads/2011/02/USAID-NGO-Sustainability-Index-PDF.pdf).

5. NGO status

By sending written suggestion to the Ministry of Interior Affairs, as well as by taking an active part in public debates, the CDT contributed to the process of drafting the new Law on NGOs. Our proposals and suggestions with regard to the Draft Law on NGOs, some of which are even included in the final text, can be found at [http://www.cdtmn.org/images/stories/dokumenti/cdt-yihr-komentar-nacrta-zakona-o-nvo-12.04.2011.pdf](http://www.cdtmn.org/images/stories/dokumenti/cdt-yihr-komentar-nacrta-zakona-o-nvo-12.04.2011.pdf).

In addition, the CDT also submitted written comments and suggestions to the Ministry of Interior Affairs on the draft versions of the Regulation on Procedures and the Methods of Implementing Public Debates in the Process of Preparing Laws and the Regulation on Closer Cooperation and Procedure of Establishing Cooperation with Government Bodies and NGOs. The main request was to increase transparency during the process of selecting the NGO representatives to be involved in the work of government bodies regarding preparation of draft regulations, as well as enhancement of the existing system of organizing public debates. The comments and suggestions presented in the joint opinion of the CDT and the Youth Initiative for Human Rights can be found at [http://www.cdtmn.org/images/stories/dokumenti/cdt-yihr-misljenje-uredbe.pdf](http://www.cdtmn.org/images/stories/dokumenti/cdt-yihr-misljenje-uredbe.pdf).
VI INTERNATIONAL COOPERATION

1. Trainings and seminars

• Milivoje Krivokapić, a member of the CDT Executive Board, attended the first module of X. generation of the School of Democratic Governance, organized in Bečići in the period 18 – 20 February on the topic "Strategic Planning", including the lecture “Democratic Political Culture”, exercises and workshops on communication and training in making an action plan using the Law on Energy Efficiency as a model.

• Milivoje Krivokapić, a member of the CDT Executive Board, on 27 – 29 June took part in the program "Ethics and Democracy", as a part of the Summer School in Democracy, organized by the Council of Europe in Strasbourg.
• Milica Kovačević, the CDT president, was in Iraq on 21 – 29 October invited by the National Democratic Institute where she advised and trained a number of Iraqi NGOs in data analysis, preparation and distribution of monitoring reports and strategic planning.

• Biljana Jovanović, an assistant project coordinator, was in Sarajevo on 7 – 13 November attending a training for long-term election observers (LTO) organized by OSCE/ODIHR.

2. International conferences, seminars and study visits

• The CDT representatives and participants in the project "Strong Community, Key to Sustainable Development" were in Albania for a study visit on 24 – 25 February, where they had a chance to visit Tirana and Skadar and be introduced to the main environmental problems in the cross-border region, but also in Albania in general. The goal of this visit was to have the participants in the project from Montenegro and Albania meet each other and connect. The lectures and discussions with the Albanian partners have raised numerous questions and topics that will be precisely defined in the next stage of the project during two workshops on local level.

• The CDT representatives and local partners in the project "Youth Network Nikšić - Sarajevo" visited BiH partners – the Center for Promotion of Civilian Society - CPCD, the Municipality Sarajevo and high schools in Istočno Sarajevo and Dobrinja - on 21 – 23 February. The Montenegrin delegation consisting of Dragan Koprivica, the CDT executive director, Darko Blagojević, the coordinator of the CDT Nikšić office, Žarko Raičević, the director of the Grammar School in Nikšić, Duško Lučić, the director of the High school of Economics and Catering Business in Nikšić and Sanela Dedović, a representative of the Alfa Center, together with their partners, made a comprehensive plan for implementing project activities.
• The CDT representatives and participants in the project "Strong community, key to sustainable development" were in Albania on 16 March attending a workshop in Skadar. The goal of the workshop was to identify key problems for sustainable development in Albania and the cross-border region. Through joint work participants came up with a number of ideas and topic for the coming trainings.

• Ivana Drakić and Đorđije Brkuljan, the CDT project coordinators, were in Dubrovnik on 3 – 6 April attending a seminar as a part of the program "Fostering Policy Dialogue: TRAIN Program", organized by the German Foreign Policy Council. The seminar’s objective was for the participant to be introduced to the method of writing proposals for public practical policy (policy paper).

• Representatives of the Center for Democratic Transition (CDT) and representatives of the Montenegrin Parliament Service were in Zagreb on 23 – 25 May 2011 where they visited the Croatian Parliament and HIDRA (Croatian Information-Documentation Referral Agency). The visiting delegation included five employees of the Montenegrin Assembly - i.e. the employees of the Office of General Secretary, IT Department and Department for Research, Analysis, Library and Documentation - as well as two the CDT representatives.

• Representatives of the Center for Democratic Transition (CDT) and the Kotor Municipality visited Rijeka Municipality on 7 - 8 June. The visit was organized by the CDT and the NGO GONG from Croatia as a part of the project "Building Capacities for Increasing Transparency in Kotor Municipality", implemented with the support of the Partnership for Transparency Fond. The Montenegrin delegation was presented with different ways of informing and communicating with citizens and media, including ways for finding needed answer through posting information on the Municipality Rijeka website which has links to websites of local boards, through Multimedia website and development of IT systems as a basis for transparency and efficiency of the city administration.
Ivana Drakić and Đorđije Brkuljan, the CDT project coordinators, were on a study visit in Berlin on 6 – 10 June as a part of the program called "Fostering Policy Dialogue: TRAIN Program", organized by the German Council on Foreign Relations. The program’s objective is to incite an active dialogue between think tanks and political actors in the Western Balkan countries.

The CDT president, Milica Kovacevic, was in Vilnius, Lithuania on 28 June – 2 July attending the 6th Ministerial Conference Community of Democracies. The CDT president also attended the meeting of civil society representatives with the US State Secretary Hillary Clinton and the Lithuanian Foreign Minister Audroniusom Ažubalisom, as a part of Strategic Dialogue with Civil Society, held on 30 June.

Ivana Drakić and Đorđije Brkuljan, the CDT project coordinators, were on a study visit in Brussels on 5 - 9 September as a part of the program “Fostering Policy Dialogue: TRAIN Program”, organized by the German Council on Foreign Relations. The goal of this study visit was presenting the organization’s work and a policy paper to representatives of the European Commission, the European Parliament, the Brussels think tanks and other relevant institutions.

Dragan Koprivica, the CDT executive director, attended the annual meeting on Declaration of Principles for International Election Observation, held in Brussels on 4 – 6 October. Among the meeting’s participants were Jerzy Buzek, president of the European Parliament, Catherine Ashton, the EU High Representative for Foreign Affairs and Security Policy and the former US president Jimmy Carter.
• The CDT president, Milica Kovačević, attended the 3rd Strategic Seminar „Future of Integrations in Southeast Europe – the Case of Montenegro” held in the Avala hotel in Budva on 7 – 9 October organized by the Montenegrin Ministry of Foreign Affairs and the European Integrations. The seminar was continuation of a series of meetings and gatherings with the aim to, in an open atmosphere and fostering the culture of dialogue and opining sharing, help Montenegro identify the main issues it might face in the coming stages of the EU and NATO integrations.

• The CDT executive director Dragan Koprivica and the CDT president Milica Kovačević attended the conference „The Role of Civil Society, Citizens and Media in the Western Balkans: Challenges as an Opportunity” organized by the Transparency International Bosnia and Herzegovina and the Civil Rights Defenders on 22 – 23 November in Sarajevo.

• The CDT executive director, Dragan Koprivica, attended the conference "Citizens on watch/duty", held on 7 December in Belgrade. The conference was organized as a part of the regional project “Civil Society and New Technologies in Southeast Europe Countries – Building Civilian Society Capacities for Using New Technologies” started by the citizen association “Zašto ne” from Bosnia and Herzegovina in partnership with the Serbian organization CRTA and the foundation “Metamorphosis” from Macedonia. The project connects regional initiatives which in various areas of activities use new technologies, creating opportunities for exchange of experience and successful regional cooperation. The conference in Belgrade was the first in a series of joint activities of this project and was focused on political accountability, monitoring government work, elections and election process.
• A member of the CDT Managing Board, Tatjana Koprivica, attended the Workshop on Public Diplomacy for representatives of civilian sector from partner countries held at NATO headquarters in Brussels on 13-14 December 2011. The workshop was attended by civilian society representatives from Montenegro, Macedonia, Serbia, Bosnia and Herzegovina, Ukraine, Azerbaijan, Armenia, Georgia, Kyrgyzstan, and Finland.

3. International observers’ missions

1. **Website - [www.cdtmn.org](http://www.cdtmn.org)**

The CDT website is bilingual – in addition to the C/S/B/H language, the entire content exists in English as well and is also accessible for cell phones.

The website follows the work and informs public on all activities of the Center for Democratic Transition. Citizens can check on the CDT’s work and obtain all necessary information on our activities, projects, partners and donors. The website is adapted to the CDT strategic directions and follows the work of the CDT’s three program unit: DEMOCRACY, GOOD GOVERNANCE AND CIVIL SOCIETY. On the website, in separate sections, all the CDT RESEARCHES are posted, as well as all published materials in the section PUBLISHING.
In the section **ABOUT US** all important documents regarding the organizational structure can be found and transparency and openness to public of the CDT work can be observed. All information related to the CDT functioning – statute, founding documents, as well as information on the CDT bodies, structure and network, can be found there.

It is important to note that the website contains annual reports, consisting of the program part and the financial part, so that citizens can, at any time, have insight in the CDT work.

In the section **OTHERS ABOUT CDT** you can read about what the participants in the CDT’s programs, government officials, representatives of international community, political parties and academic community have said about the CDT.

On the CDT home page news updated on regular basis are posted, as well as a number of useful and up-to-date links: archives of election results in Montenegro, current projects and donors, tenders, video gallery, links of our friends, social networks that the CDT is a member of, current job announcements, bulletins, site map, contacts, etc.

In 2011 we have upgraded our website with new interactive solutions such as application for mailing list for receiving our bulletins. An application for online donations is being prepared. During the year, we did detailed analysis using Google Analytics and Webmaster Tools, made required changes, and also maintained the website statistics. In 2011 the CDT website had 27 382 visits, with daily average of 75,01 visits per day. Visitors of our website are primarily from Montenegro 77,99%, followed by Serbia 8,64%, Bosnia and Herzegovina 1,84%, USA 1,75%, etc.

In early 2012 we will reconstruct the website – refresh visual environment which will enable easier content search.
2. **Website - www.potez.cdtmn.org**

The website of the project POTEZ was created in June 2011. The website contains a database on transparency of municipalities with an interactive map of Montenegro. By clicking on a municipality, visitors can obtain information on transparency of that municipality based on the research that the CDT conducted in 2011.

The website contains information on the project, partners and donors, reports and announcements, contacts, as well as an option for comparison of transparency of municipalities’ results.

3. **Website - www.mrezamladih.cdtmn.org**

The website of the project Youth Network Nikšić – Sarajevo was created in March 2011. The website contains information on the project, its partners, donors, and schools participating in it. The website also offers news archives on events related to the project, as well as video and photo galleries.

4. **Social Networks**

The CDT Facebook group (URL: http://www.facebook.com/groups/10823726301/) was active in 2011, its content is enriched and by the end of the year, the number of group’s members has exceeded 1150. In addition to the group, there is also the CDT page (URL: http://www.facebook.com/pages/Centar-za-demokratsku-tranziciju-CDT/139420946128519), which also follows the organization’s activities. The CDT’s Twitter profile (URL: http://twitter.com/CDT_Montenegro) follows the activities of the CDT in English.
5. CDT internal functioning

In September 2011 we have switched to Google services such as Google Calendar and Google Documents. That has enhanced the organization’s management and collaboration of employees in the Center of Democratic Transition. With the help of this service, employees can, in a simple and fast way, obtain all information and documents related to all activities in the CDT, and also have an insight in each other’s tasks in order to synchronize their time easier. All announcements and changes in the calendar are synchronized with mobile phones of employees via Google SMS service. We have also created mailing groups within the organization, enabling easier and more efficient functioning.

6. Praxis Montenegro LLC

In 2011 our company Praxis Montenegro LLC has established more stable management and started new activities. Established in 2009 with the goal to start with market segment of specific kinds of knowledge that the CDT possesses, the company directed its resources last year towards creating new possibilities for improving the students quality of life, employing people, promoting business moves that the society in general benefits from, as well as enabling long-term financial stability of the CDT.

In 2011 there was a change in the company’s leadership, so since April 2011 Milivoje Krivokapić has taken over the position of executive director.

First, it should be noted that the company has continue its work in researching and logistics organizational area. For the needs of the East-West Management Institute (EWMI) we have conducted a poll on corruption, including judiciary, public institutions, and firms. Close to 30 people were engaged for the project and they collected the requested data in a professional and responsible manner. By doing that, we once again fulfilled our company’s mission.
Travel Agency Praxis Travel

Praxis Montenegro – Travel Agency has started working in February 2011. In May 2011 we have become a member of the IATA and the BSP for Serbia and Montenegro, enabling us to start offering plane tickets for all IATA members, which includes selling plane tickets for destinations around the world. In addition to mediation in selling plane tickets and travel insurance, the Agency also offers booking and selling plane tickets for low cost companies, rent-a-car services, as well as booking hotel accommodation. Today our Agency is a successful business and aims at increasing the number of its clients.

Praxis WEB

In 2011 Praxis Montenegro has started web design and hosting services business. The company’s management has assessed that it would be useful to run this kind of business, which is still in its infancy in our country. That is when we started designing attractive, functional and interactive websites, adapted to the user and optimized for achieving best performances. We are focused on designing different websites, from simple web presentations to forums, blogs, and various custom data management systems (CMS) and portals.

Praxis Design

Having in mind huge experience in the field of design and creativity of the CDT team, we came up with an idea to start providing designing services and print preparation services. Starting from the idea, in mid last year we defined the offer for this kind of business, so today our company offers print preparation services for all kinds of publications, promo materials, logo design, etc. In cooperation with our old partners, we also provide the service of printing all kinds of material.
In mid 2011, we started preparing for publishing the book GLOBALIZATION – A VERY SHORT INTRODUCTION, one of five titles from Oxford edition, which in a precise and good quality manner deals with interesting socio-political topics. With this, the company Praxis Montenegro has entered the arena of publishing and our plan is also to publish all other books from the mentioned edition.

Our company will aim at developing the existing and starting new activities, which will enable its profiling on the market. The main objectives are taking part in tenders and implementation of projects engaging the CDT network. That way we will promote the company, as well as the CDT, creating a good quality team which will be able to conduct a great number of activities, especially implementation of logistically demanding projects.
8. PROGRAM SUPPORT

1. Research Center

Research Center has been established as support for those CDT project activities requiring scientifically and methodologically based research and expert analysis. The Center works on projects and researching teams are created ad hoc depending on the nature of project. In its network, the CDT has a great number of highly skilled personnel, capable of conducting even the most demanding researches and analyses.

In 2011, several researches were conducted and here we mention only the most significant ones:

POTEZ – In October 2010. The CDT has started implementing the project POTEZ (Project of Accountable, Transparent and Efficient Community). POTEZ is aimed at one of the key challenges for democratization in Montenegro – establishing principles and regulations of good governance on local level.
Research as a part of the project is designed in order to evaluate and follow the advancement in introducing good governance standards by Montenegrin municipalities through measuring and analyzing the advancement of municipalities in a number of areas. Five dimensions of transparency in local governments were subject of research: openness of municipality assembly sessions, openness of decisions of local governments units, corporation with civil society organizations, application of the Law on Free Access to Information and functioning of local communities. Within the project, there was a research on openness of budgets of local governments units in Montenegro.

**Analysis of national structures for negotiating with the European Union**
- In the period June – September, the CDT Research Center conducted a comparative analysis of negotiating structures in eight countries which have joined the EU in 2004 (Hungary, Czech Republic, Slovenia, Poland, Estonia, Latvia, Cyprus, Slovakia). The research also included negotiating structures of the Republic of Croatia, as a country which had been through the negotiating process and is now at the doorstep of joining the European Union. For the purpose of this research a special questionnaire has been designed consisting of 100 questions and 60 sub-questions. In addition, a smaller questionnaire has also been designed - also split into five chapters, with 43 specially selected questions – and sent to the selected e-mail addresses of governments, parliaments and civil sector experts from the countries which were in the focus of research. The focus of research was on composition, role and organization of structures involved in the process of accession negotiations with the European Union, with special emphasis on the role of Parliament and civil sector. The research was conducted with the aim to point to important issues which Montenegro is to face when forming negotiating structures, as well as, by analyzing best practices, to attempt to reach solutions which would be useful in future negotiations.

**Analysis of discourse of Prime Minister Igor Lukšić during the Government’s first 100 days** – The analysis dealt with the Prime Minister’s discourse in the Government’s first 100 days, with emphasis on the new image of the Government which the Government wanted to present to the public, but it also included Prime Minister’s views on the topics current at the time: census, the European Union, NATO, communication with opposition and the relationship with Serbia. The analysis covers a concrete time period (100 days since forming the Government) in a concrete Montenegrin social and political context conditioned by concrete events and topics. We used three daily papers as the
source of information – Vijesti, Dan and Pobjeda - but also the Government’s official website. We applied critical discourse analysis in analyzing data.

**Financing political parties from budget and from private sources in 2009 and 2010** – In January 2011, the Research Center continued the research dealing with financing of political parties. This time the research also included private sources. The sources of data we used for the research were: the laws and decisions published in the Official Gazette of Montenegro, the official data obtained from the Montenegrin Ministry of Finance and the local government institutions, based on the Law on Free Access to Information, as well as the reports of political parties published on the website of the National Electoral Committee (DIK). The research was followed by a publication which analyzed Montenegrin regulations on financing of political parties offering good practice examples for comparison purposes.

**Openness and transparency of Government work**

The CDT Research Center conducted a research on openness and transparency of work of the Montenegrin government, including comparative solutions of the EU member countries, as well as those in the European integrations process. In the period January – April 2011, we analyzed the existing constitutional, legal and practical solutions in the Montenegrin system, but also in Croatia, Serbia, Slovenia, Sweden and Estonia. The good practices of Germany, Latvia, Lithuania, Macedonia and Belgium were also reviewed. After a detailed review and comparison between our and other systems with regard to these issues, the conclusions were made regarding which direction should further activities take in order to enhance transparency and openness of the Government.

**Parliamentary Research Center**

As a part of the project „Open Institutions“ the CDT Research Center has prepared a comparative analysis of organization and work of the parliamentary research and documentary centers in the region and the EU. The analysis included review of experiences and practices in some European Union member countries and the region, with brief critical overview of the existing internal books of rules defining the work of the Research Center, as well as concrete recommendations for its further development.
2. Publishing activities

In 2011 the CDT published the following publications:
- Analysis of national structure for negotiations with the European Union (November 2011);
- Transparency and good governance on local level (November 2011);
- Cost of politics in Montenegro (November 2011);
- Financing of political parties from private and budget sources in 2010 (June 2011).

All publications can be found in electronic form on the CDT website www.cdtmn.org under section PUBLISHING.

In 2010 the CDT published 35 electronic bulletins.
- Bulletin „Open Government“ – 22 editions (numbers 17-38),
- Bulletin „Open Parliament“ – 10 editions (numbers 1-10)
- Bulletin „Kotor – Open City“ – 3 editions (number 1-3)

Bulletins can be found on the CDT website home page www.cdtmn.org and on official websites of the Government, the Parliament and the Kotor Municipality.
IX  CDT INCOME AND EXPENSES

1. CDT income in 2011

Overall budget of CDT in 2011 was 312,208.92€, out of which 122,951.00€ was received in 2010 for projects implemented in 2011. These are the projects financed by: the European Union, International Organization for Migrations (IOM), Balkan Trust for Democracy (BTD), Foundation Open Society Institute and Praxis Montenegro LLC. Total income of CDT in 2011 was 189,257.92€.
### Donor Structure

#### Income in 2011

<table>
<thead>
<tr>
<th>DONOR</th>
<th>AMOUNT (€)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Foreign and international foundations (OSI, BTD, PTF, WFD, ERSTE)</td>
<td>87,317.00</td>
</tr>
<tr>
<td>European Union</td>
<td>58,059.00</td>
</tr>
<tr>
<td>Bilateral donors (Embassy of the Kingdom of the Netherlands, USAID, German Foreign Policy Council)</td>
<td>23,811.92</td>
</tr>
<tr>
<td>Related legal entities (Praxis Montenegro LLC)</td>
<td>11,000.00</td>
</tr>
<tr>
<td>Local community support (donations and membership fees)</td>
<td>8,070.00</td>
</tr>
<tr>
<td>State and municipal funds (Coordination Team for Implementation of Communication Strategy of European and Euro-Atlantic Integration)</td>
<td>1,000.00</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>189,257.92</strong></td>
</tr>
</tbody>
</table>

- **Foreign and international foundations**: 46.14%
- **European Union**: 30.68%
- **Bilateral donors**: 12.58%
- **Related legal entities**: 5.81%
- **Local community support**: 4.26%
- **State and municipal funds**: 0.53%
- **Income in 2011 - Donor structure**
<table>
<thead>
<tr>
<th>PROJECT NAME</th>
<th>DONOR</th>
<th>AMOUNT (€)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Money and Politics</td>
<td>Balkan Trust for Democracy</td>
<td>39,592.00</td>
</tr>
<tr>
<td>POTEZ - Project for Accountable, Transparent and Efficient Communities</td>
<td>Local Government and Public Service Reform Initiative of the Open Society Institute - Budapest</td>
<td>30,625.00</td>
</tr>
<tr>
<td>YouthNet Nikšić - Sarajevo</td>
<td>European Union</td>
<td>29,220.00</td>
</tr>
<tr>
<td>Open Institutions</td>
<td>European Union</td>
<td>28,839.00</td>
</tr>
<tr>
<td>Raising Capacities to Increase Transparency in Municipality of Kotor</td>
<td>Partnership for Transparency Fund</td>
<td>14,000.00</td>
</tr>
<tr>
<td>Institutional support</td>
<td>Praxis Montenegro LLC</td>
<td>11,000.00</td>
</tr>
<tr>
<td>EU Accession Negotiations – Analysis of National Structures for Negotiations</td>
<td>Embassy of the Kingdom of the Netherlands</td>
<td>9,680.00</td>
</tr>
<tr>
<td>Donation, Dodge Grand Caravan</td>
<td>USAID / NDI *</td>
<td>9,181.92</td>
</tr>
<tr>
<td>Institutional support</td>
<td>Donation of physical persons **</td>
<td>7,640.00</td>
</tr>
<tr>
<td>NGO Sustainability Index</td>
<td>USAID / MSI</td>
<td>4,200.00</td>
</tr>
<tr>
<td>Montenegrin Parliament Capacity Building</td>
<td>Westminster Foundation for Democracy</td>
<td>2,100.00</td>
</tr>
<tr>
<td>EU/NATO workshops</td>
<td>Coordination Team for Implementation of Communication Strategy of European and Euro-Atlantic Integration</td>
<td>1,000.00</td>
</tr>
<tr>
<td>Expenses for preparation of project proposal</td>
<td>ERSTE Foundation</td>
<td>1,000.00</td>
</tr>
<tr>
<td>TRAIN program</td>
<td>German Foreign Policy Council</td>
<td>750.00</td>
</tr>
<tr>
<td>Institutional support</td>
<td>Membership fee</td>
<td>430.00</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>189,257.92</strong></td>
<td></td>
</tr>
</tbody>
</table>
In March 2011, our longtime partner and donor, the National Democratic Institute (NDI) has closed its program in Montenegro after 11 years of work. After closing their offices, the USAID and the NDI have donated to the CDT their used furniture and equipment, as well as a vehicle, Dodge Grand Caravan, year of manufacture 2004.

Pursuant to the CDT work regulations, Article 40, paragraph 1, employees engaged as CDT representatives donate 50% of net fees received for working outside of the organization.

2. CDT expenses in 2011

<table>
<thead>
<tr>
<th>EXPENSES</th>
<th>AMOUNT (€)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1. Salaries</strong></td>
<td></td>
</tr>
<tr>
<td>Expenses for net salaries for employees</td>
<td>54,885.41</td>
</tr>
<tr>
<td>Expenses for engaging external contributors</td>
<td>50,962.61</td>
</tr>
<tr>
<td><strong>2. Taxes and contributions</strong></td>
<td></td>
</tr>
<tr>
<td>Taxes and contributions on salaries of employees</td>
<td>36,929.45</td>
</tr>
<tr>
<td>Taxes and contributions on external contributors fees</td>
<td>7,207.70</td>
</tr>
<tr>
<td><strong>3. Functioning of the organization</strong></td>
<td></td>
</tr>
<tr>
<td>Office rent</td>
<td>8,826.70</td>
</tr>
<tr>
<td>Material expenses (office supplies and consumables, electricity, telephones)</td>
<td>11,929.87</td>
</tr>
<tr>
<td><strong>4. Program expenses</strong></td>
<td></td>
</tr>
<tr>
<td>Expenses for projects implementation (services expenses and travel expenses)</td>
<td>93,393.61</td>
</tr>
<tr>
<td><strong>5. Other</strong></td>
<td></td>
</tr>
<tr>
<td>Amortization expenses</td>
<td>5,246.94</td>
</tr>
<tr>
<td>Expenses for negative currency exchange differences and interests</td>
<td>1,861.90</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>271,244.19</td>
</tr>
</tbody>
</table>
Expenses in 2011

- Expenses for net salaries for employees: 20.23%
- Expenses for engaging external contributors: 18.79%
- Taxes and contributions on salaries of employees: 13.61%
- Taxes and contributions on external contributors’ fees: 2.66%
- Office rent: 3.25%
- Material expenses: 4.40%
- Projects implementation: 34.43%
- Amortization expenses: 1.93%
- Expenses for negative currency exchange differences and interests: 0.69%
- Expenses for negative currency exchange differences and interests: 0.69%