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Dear citizens,

You are reading the Center for Democratic Transition (CDT) 2012 Annual Report. We prepare this report every year in order to inform the public on our organization’s program and our financial activities. The report is also prepared because transparency in work and accountability towards citizens are the values we publicly promote and an area where we lead by example.

In 2012 we pushed for more transparent financing of political parties, better informing of citizens on the European and NATO integrations, but we also tried to direct the attention of society to a very important issue – the issue of political accountability. We recognize the lack of accountability as a key problem, equally present in all spheres of Montenegrin society.
We also dealt with the issue of good governance, i.e. the need for our state institutions to become aware of the importance of the implementation of these principles in their work. These principles guide how a government should act in order to increase accountability in society, to have the public taking part at all times in the decision-making and decision-executing processes, to be able to measure the government’s effectiveness in a high-quality way, to create a society characterized by transparency in public administration work, to lead to creation of non-biased and professional officials, and to establish the rule of law. The study we conducted in 2012 has raised numerous questions that we will be dealing with in 2013.

We have continued developing our Research Center with the aim to make better quality studies, but also to make them concrete enough so that the government can be offered well-argumented alternatives for resolving the problems that we are dealing with.

Using information and communication technologies (ICT) for achieving better transparency of institutions has remained one of the main objectives of our organization in 2012. The year has been marked by the establishment of a regional network of organizations which use ICT for the promotion of democracy, accountability and the participation of citizens in decision-making. We have intensified our organization’s presence on social networks and interconnecting our employees using modern technologies.

Status, transparency and financing of non-governmental organizations (NGOs) were our focus when it comes to dealing with the problems in civil society.

However, throughout all that, we have not neglected the development of our organizational structure and administrative procedures. We end the year 2012 as an organization with an established system of procedures regarding all segments of the organization. Our internal regulations have lead to several levels of control over the implementation of the budget, and the Supervisory Board is offered monthly reports on financial control. With internal regulations we protected the rights of each and every one of our employees, providing them with even more than what is prescribed by our positive legislation.
In 2012 we communicated directly with thousands of citizens and our good cooperation with the media enabled our messages to reach those we did not have the opportunity to meet. Our activities were additionally strengthened through the support provided by international institutions and foundations which have their offices in Montenegro and which supported our work.

The level of development at which the CDT is at the end of 2012 obliges us to continue developing and, through citizens’ activism, to give our contribution to the overall development of Montenegro into an organized, democratic and lawful country.

Sincerely yours,

CDT Team
II MANAGEMENT

1. Skupština CDT-a

In 2012 there was one annual session of the CDT Assembly, as prescribed by the Statute. The session took place on 11 May 2012. The main topic on the agenda was the adoption of the Draft 2011 Annual Report, which was unilaterally adopted by all attending members of the Assembly.

As of 31 December 2012, the Assembly had 28 members, including: Dra- gan Koprivica, Milica Kovačević, Blažo Crvenica, Milivoje Krivokapić, Bojan Baća, Ana Kovačević-Kadović, Tatjana Koprivica, Milovan Papić, Stanko Đuričić, Darko Blagojević, Milanka Jukanović, Ana Peković, Nataša Drčelić, Tamara Bulajić, Katarina Jović-Martinović, Marija Mirjačić, Biljana Pejović, Đordije Brkuljan, Damir Krpuljević, Dražen Žujović, Aida Ramusović, Mi-
lana Čabarkapa, Bojan Spaić, Marina Božović, Bojan Božović, Ivana Drakić, Biljana Jovanović and Zoran Rakočević.

2. Upravni odbor

The active work of the Managing Board continued in 2012. The Managing Board consisted of the same members as in the previous year: Milica Kovačević (President), Tatjana Koprivica (Vice-President), Aida Ramusović, Bojan Baća and Bojan Božović. In 2012 there were 12 meetings during which issues of importance for the functioning of the organization were discussed. The Managing Board continued giving recommendations and issuing decisions within their domain which were then implemented through the work of the Executive Board.

3. Nadzorni odbor

The Supervisory Board had two sessions in 2012. In addition to their regular activities, the Supervisory Board continued improving their work, a process which started the year before. The Board consisted of: Bojan Spaić (President), Tamara Bulajić (Vice-President) and Katarina Jović-Martinović.

4. Izvršni odbor

The Executive Board continued its practice of meetings on daily basis and direct communication with the employees. This practice has proved to be successful, which has lead to the improvement of the organization’s management. The Executive Board consisted of: Dragan Koprivica (President), Milana Čabarkapa (Vice-President) and Milivoje Krivokapić. In mid 2012, Blažo Crvenica was elected as a member of the Executive Board to replace Milivoje Krivokapić.
5. The CDT personnel

In 2012 the CDT had 18 employees, including 8 on permanent contracts, 4 on temporary contracts and 6 on volunteer contracts.

The CDT employees in 2012 were: Dragan Koprivica – Executive Director, Milica Kovačević – President, Biljana Pejović – Secretary General, Milana Čabarkapa – Deputy Executive Director, Blažo Crvenica – Member of the Executive Board for Financial Control and IT, Bojan Baća – Research Coordinator, Đorđije Brkuljan, Ivana Drakić, Biljana Jovanović, Milovan Papić – project coordinator, Bojan Tešić, Iva Simonović, Andrej Šepelj, Nataša Jovanović, Selma Rastoder, Jelena Čabarkapa – interns / volunteers.

Until June 2012, Biljana Jovanović worked as an assistant program coordinator (intern) in the CDT and then continued working as a project coordinator.

Bojan Tešić, an electrical engineer, was hired as an intern / volunteer in the CDT IT sector.

Iva Simonović, Andrej Šepelj, Nataša Jovanović, Selma Rastoder and Jelena Čabarkapa were hired in November 2012 as volunteers for the six month project – Info Center on Euro-Atlantic integration.

A special editorial board for the project Istinomjer has been formed. In 2012 the Istinomjer team consisted of: Duško Vuković (editor), Milovan Papić (project coordinator) and Ana Bogavac (journalist).

In addition to the employees and volunteers, the CDT also engaged a number of independent contractors for various projects (experts, trainers, consultants, project coordinators, assistants, researchers, etc.). In 2012 over 30 independent contractors were engaged.
In November 2012 the CDT started with the preparation of new job systematization and job descriptions in accordance with the new way of working and the needs of the program. For each position a suitable coefficient has been defined which serves as a basis for calculating the salaries of the CDT employees. According to the new systematization, the Executive Director represents the organization, makes decisions on the program and the financial management of the organization, and chairs the Executive Board, which also includes the Deputy Executive Director and an Executive Board member in charge of financial control. The CDT president is in charge of representing the organization, creation of program policy, and presiding over the Managing Board. The main duties of the CDT Secretary General are: financial, legal and administrative coordination, financial planning and reporting, and human resources management.

The coordination of the CDT program areas is the duty of program coordinators who are in charge of planning the program activities and development, actively working and communicating with the project coordinators within their program area, as well as with the media, the micro and the macro environment. In addition, the new job systematization prescribes the following positions: assistant to the Secretary General, assistant project coordinator and three categories of advisors, depending on their background and the organization’s needs.
6. Organizational scheme
7. Development of the organization’s internal procedures

7.1. Financial and administrative procedures

In January 2012 the CDT introduced new financial and administrative procedures in line with international standards and the organization’s needs. The administrative procedures include the following areas: following public procurement announcements, preparation of project proposals, implementation of project activities, writing reports to donors, internal communication with the team, external communication, archiving of documents.

Financial procedures include: planning of inflow and outflow, supplies, sending invoices, requests for payment from the CDT account, financial reporting, book-keeping.

As a part of the new financial and administrative procedures, internal CDT forms were introduced and they are used in the daily work of the organization, while obligatorily complying with the procedures prescribed by donors of each project respectively.

In June 2012, the CDT financial personnel underwent USAID training in financial work, administrative work and internal audit. In November 2012, the USAID experts visited the CDT and inspected the financial and administrative work of the organization, which resulted in their very positive assessment of our internal procedures.

The internal financial and administrative procedures of the CDT will be a part of our new Work Regulations, which were completed in December 2012 and were sent to the Managing Board to be reviewed and adopted.

7.2. Procedure control

7.2.1. Financial control

There are three levels of financial control at the CDT. The first level of control is conducted by the Secretary General and that is when the requests for payment are checked for the alignment with the project budgets. The next level of control is conducted by the Executive Board. It consists of the preparation of weekly requests for transferring money from the CDT account. These re-
quests are prepared by the member of the Executive Board who is in charge of financial control, while the actual transfer of funds from the CDT account is approved by the Executive Director. The third level of control is conducted by the Supervisory Board by checking the CDT’s monthly financial reports.

7.2.2. Control of implementation of project activities

The control over the implementation of project activities is conducted by project coordinators in cooperation with the Secretary General and program coordinators. In December 2012 monthly planning of project activities and expenses has been introduced in the CDT internal procedures. A month plan is an instrument that provides all necessary information on expenses and activities within each project, guaranteeing successful implementation of project activities and project budgets.

8. CDT and the media

In 2012 the media interest in the CDT projects and activities has continued. Therefore, in the media archive for 2012, we can find that the CDT was mentioned 621\(^1\) times, while in 2011 the number was 455.

In 2012 the media presence looked as follows:

The CDT media presence in 2012 (621)

\(^1\) The number does not include the media activities that are not registered in the media archive. According to the CDT internal records, there were around 100 media activities of that kind.
In addition to media coverage by the Montenegrin TV stations and print media, internet portals and radio stations were also reporting on our activities.
The characteristic of the CDT media presence in 2012 was the creation of a separate brand from the project Istinomjer.me. In the period September - December 2012 there were 27 articles published on this project. Citizens were able to read information on Istinomjer in five daily newspapers (Vijesti, Dan, Dnevne novine, Pobjeda, and Blic). Three TV stations with national coverage (Atlas, Vijesti, and Montena) had six news stories about the results of Istinomjer in their news broadcasts. Three news internet portals (Vijesti, CDM, and PCNEN) posted 20 articles about the Istinomjer analyses. The web counter on the most popular news portal, Vijesti shows that 12 articles posted on their portal were read by around 60 000 readers.

By analyzing these numbers we can conclude that we have successfully accomplished our media presence plan and that our messages have found their way to citizens and all interested parties.

9. Growth and development principles and guidelines in 2013

The level of development the organization achieved in 2012 made it necessary to organize the areas of work in the CDT in a new way. That was primarily caused by the need to expand certain program areas, but also to specialize within certain areas. In 2013, the CDT’s activities will be focused on the following topics:

- Area – Finances and administration
- Program area – Democracy
- Program area – Good governance
- Program area – Civil society
- Area – Information and communication technology (ICT)
- Program area - Research (Research Center)
- Area – Support to the organization (Praxis)

From the CDT strategy development in the period 2010 – 2013 we would like to emphasize the main guidelines for the development of the organization and the objectives that we intend to implement in 2013:

**Area – Finances and administration** will develop in a way that we will, primarily, adopt changes to the CDT Work Regulations aimed at creating new jobs that would be adapted to the new organizational scheme. In addition, in order to plan the organization’s finances in a better quality way,
we plan to additionally develop our plans of gross and net income and the annual operational and program budgets of the organization. Furthermore, we will continue developing our internal system of budget control, but also the reports which document the control. In 2013 we will start designing software which will unify a complete financial and administrative system of the CDT. We will continue developing this area in order to remain one of the most transparent NGOs in the country.

**Program area – Democracy** needs to be developed in the sense of developing current projects. We will continue with projects dealing with the issue of lack of political accountability in society. Additionally, we will continue tackling the problem of political parties’ financing through promoting better legal solutions, but also better implementation of the existing regulations. Furthermore, we want to raise the issue on a regional level through cooperation with our partners that also deal with it. We continue promoting better citizen awareness and more transparency of the EU and NATO integration process. The plan is to address more thoroughly the issue of misuse of state resources for political parties’ purposes.

**Program area – Good Governance** will be developed towards solving the problems identified through the project of monitoring the implementation of good governance principles on the state level – DURBIN. Primarily we will focus our attention to creation of documents which will define the most important issues identified in DURBIN, but also possible directions (options) and recommendation for resolving them. The focus will also be on the issue of e-transparency of state institutions. The goal is to promote the topic on the state level, but also on the regional level. Since the new Law on Free Access to Information has entered into force in 2013, a significant part of our work in this area will be related to this issue as well. We also plan to focus on the transparency of the work of local governments. Through each of these activities we will be advocating qualitative and quantitative improvements regarding the participation of Montenegrin citizens in decision-making processes.

**The program area – Civil Society** needs to be aimed at verifying the implementation of new legislation regulating the status of NGOs. One of the priorities will be to continue striving for transparent allocation and use of funds
that the NGOs receive from tax payers. In addition, our plan is, through our membership in the Statistical System Council, to initiate the compilation of adequate statistics regarding the NGOs which would be aimed at improving the status of NGOs in Montenegro. The CDT will continue taking part in working bodies related to the aforementioned program areas. Furthermore, we will participate in writing the new Strategy on cooperation between the NGOs and the Government. The development of this area will also be directed at helping other organizations build their capacities in various spheres of work.

**Area - ICT** will have three courses of development. First of all, in 2013, the goal is to start projects dealing with the use of ICT in increasing the transparency of institutions and the participation of citizens on a state and local level. In addition, we will be advocating the introduction of open data concepts in the work of Montenegrin institutions. The goal is to continue networking with organizations from the region and the EU which deal with these topics. Another course of development includes the continuation of the development of our website, the information system for the internal functioning of the organization, as well as the development of our Facebook and Twitter network. We will also work on the enhancement of the security of the entire system, and use modern hardware solutions in the organization’s work.

In 2013 we will significantly improve the work of the **Research Center** through the project of supporting the development of the organizational, researching and communicational capacities of the organization, implemented in cooperation with the Think Tank Fund from Budapest. For the first time, annual plans of work for various segments of the area will be prepared for research development purposes. A research plan will be made, and a list of researchers we have been working with so far, also including those we intend to invite for cooperation. Also, training will be organized for preparing and writing quality policy documents. In addition, we will strengthen our capacities advocating the solutions offered by our Research Center. The plan is to prepare at least 5 policy documents in 2013, addressing different topics.
In the area – Support to the Organization we will continue developing our company Praxis Montenegro doo. In 2013, Praxis will continue its research and logistical and organizational activities through conducting opinion polls and developing methodologies that have not yet been used in our country. The Praxis team will offer some new and modern website design solutions and thereby lead the company into a new sphere of activities that is still under development. Furthermore, we will develop our design and print preparation services. In 2013 we also plan to create the website for the Praxis doo company.

Continued training of the CDT team with regard to all relevant issues will continue in order to achieve one of the most important goals from our three-year strategic plan – to grow from “a traditional organization” into “a teaching organization”.

These guidelines are made concrete in annual and monthly plans or work. In addition to program and financial and administrative aspects, these plans also contain the methods of the CDT’s communication with its surroundings.
III PROGRAM AREA: DEMOCRACY

1. Money and politics

1.1. Monitoring of compliance with the Law on Financing of Political Parties

Financing of political parties was in the CDT focus in 2012, mostly through monitoring of the implementation of the new Law on Financing of Political Parties (LFPP), as a part of the project “Money and politics - Montenegro and the region”, financed by the Balkan Trust for Democracy (BTD). Through its work in the area of political parties financing, the CDT attempted to not only point out the irregularities, but also to recommend possible ways for overcoming the problems in practice, while emphasizing requirements for high procedural standards primarily in competent institutions, but also in the political parties themselves.
The new Law on Financing of Political Parties has introduced several novelties, including:

- an obligation to issue bi-weekly reports to donors during the pre-election campaign;
- a ban to hire new employees in state institutions in the period between the day of announcing the election and the election day, and
- an obligation for the State Audit Institution (SAI) to conduct an audit of annual income, property and expenditures report, as well as the annual state of accounts of political parties.

Although the LFPP has been left incomplete to a certain degree, it did, however, set significantly more requirements in comparison to the previous law (especially in the domain of reporting), to both political parties and relevant institutions, especially the SAI. The CDT also monitored to what extent the responses of political parties and relevant institutions were successful when it comes to requirements of the new LFPP, and the full implementation of the Law was constantly called upon.

### 1.1.1. Implementation of the LFPP through the adoption of by-laws

The very beginning of implementation of the new LFPP, through the adoption of appropriate by-laws, was not assessed as positive. Namely, in January 2012, the State Election Commission (SEC) issued the Guide to content of the reports on contributions to political parties by legal entities and natural persons during election campaigns, as well as the Regulations for calculating and reporting the in-kind contributions to political parties. The form of the report on donations by natural persons was missing every element necessary for identifying the donor, except for his/her name. With a form like this, the SEC failed to oblige political parties to more precisely identify their natural person donors during election campaigns, making it impossible for relevant institutions to control the work of political parties. Justifying that as a way of protecting personal data, the SEC thereby excluded the public from the process of controlling the political parties’ financing.

In addition, the Regulations for calculating and reporting the in-kind contributions for political parties, left a lot of room for misuse. The Law prescribes that the in-kind contributions shall be calculated based on their market value and reported as income. Through its by-law, the SEC signifi-
cantly stepped outside of its legal norm and prescribed that the in-kind contributions shall be calculated as the difference between the paid price for the product or service and its market value only if the difference is higher than 30%. This solution has practically enabled political parties to get 30% discounts without reporting it as in-kind contributions, and without considering that a preferential treatment in comparison with other consumers, which is unacceptable.

In March 2012, the Ministry of Finance issued the Regulation on the Form of the Annual Report on Income, Property and Expenditures of Political Parties and the Guide to the Form of the Report on Origin, Amount and Structure of Collected and Spent Funds for Election Campaigns. These acts entered into force on 28 March and they brought certain improvements in comparison with earlier forms. However, these late introduced forms lead to problems with submitting the obligatory annual report on property, income and expenditures of political parties.
An important obligation of the LFPP was related to political parties, i.e. issuing a decision on the amount of the membership fee for the current year. All political parties were obliged to do that no later than 31 January, as well as to submit those decisions to the SEC so that they could be published on the SEC website. The deadline was only met by 13 out of 37 political parties. After the CDT reaction, 11 more political parties did that, but in the end it was still 13 political parties that did not issue their decision of the membership fee amount.

1.1.2. Transfers to political parties on a local level

One of the aspects of monitoring the implementation of the LFPP was related to the local level, i.e. the transfers of local budget funds to political parties which are in local parliaments. On several occasions, the CDT pointed out failures to meet deadlines for transferring the funds to political parties in certain municipalities, but without positive results.

In informal communication with the competent secretariats in municipalities, and sometimes even through official correspondence, the CDT was receiving information that municipalities do not have enough funds for financing their current obligations and that was the reason for not paying them. On the other hand, a response from some municipalities was received only after several letters were sent to competent secretariats, or after sending letters to chief administrators, as second-instance institutions.

1.1.3. Annual report on property, income and expenditures of political parties for 2011

The obligations for political parties to submit their annual reports on income, property and expenditures, as well as their final state of accounts for 2011, got a new dimension with bringing in the SAI in the reports auditing process. The LFPP prescribes that these reports have to be submitted to the SAI no later than 31 March of the current year for the previous year, and the report form is prescribed by the Ministry of Finance.

However, the required forms of the Ministry were not published in the Official Gazette of Montenegro before 27 March and they came into force a day later, leaving thus three days for political parties to prepare reports on the valid forms (after the new ones were introduced, the old ones could no
longer be used). In this situation, out of the total number of 37 political parties which were registered in Montenegro at the time, the required reports were submitted by 20 of them, and most of them on invalid forms. Out of all parliamentary parties, six submitted reports on invalid forms. The CDT pointed out the flaws in reports detected through analysis, primarily regarding the use of invalid forms, changing of forms in order to avoid stating precise information, and even huge discrepancies in the entered data. The new reports asked for information on the structure of expenditures and the value of property, as well as information on membership fees and contributions by legal entities and individuals. Based on information provided in the reports, i.e. their imprecision, it was not possible to make a precise conclusion about the realistic financial situation of political parties. However, the key problem was the formal legal aspect of reporting, i.e. breaching of the deadline and the report not being submitted on the valid forms. The severity of breaching of this obligation is reflected in the fact that in that case the Ministry of Finance is obliged to suspend payment of funds to political parties that have breached the LFPP. However, the sanctions never materialized, which was later publicly stated by the SAI representatives stating that this was the first year of implementation of the new LFPP, and that was why they decided to act more in an educative way towards political parties teaching them how to fully respond to the Law’s requirements.

After the October 2012 parliamentary elections, the SAI published a report on the audit of these reports of political parties, pointing out a series of irregularities:

- that political parties do not keep business records in a unified manner;
- that the state pays for their office space or provides state property for office space purposes free of charge;
- that political parties still do not have an internal control system in place;
- that political parties significantly use cash payments, which is impermissible and has to be accompanied by proper documentation;
- that state and local government budget funds intended for the work of political parties are often not being paid only to the main account of the political party and that the legally prescribed amounts are often exceeded;
that political parties use loans from individuals as a form of funding intended for regular work use for financing of election campaigns;
• that political parties received more than 90% of funds from the state and local government budgets, which makes them subject to the Law on Public Procurement.

The recommendations issued by the SAI significantly overlapped with the CDT recommendations, especially in the part over the need to amend the LFPP in order to more precisely define the points that still remained undefined (e.g. loans from individuals).

In cooperation with the TV station Vijesti, the CDT prepared a short documentary over violations of the LFPP regarding the obligation to publish the annual reports of political parties, where we showed, in a simple and understandable way, which violations were registered and how political parties are trying to justify their acts that do not comply with regulations.

2. Regional activities

A very important segment of the project “Money and Politics – Montenegro and the Region” was related to the creation of a regional network for monitoring financing of political parties, which consists of, in addition to the CDT, the Citizens’ Association GONG from Croatia, Citizens’ Association MOST from Macedonia, INPO from Kosovo, Transparency International from Bosnia and Herzegovina and the Center for Development of Serbia. The network was formed in January 2012 with the task, through exchange of knowledge and experiences in the area of political parties’ financing, to point out the key problems in the area and inform the wider public on the most important aspects of political parties’ financing, as well as to adopt a unified methodology which would regionally be used for monitoring of financing of political parties.

The formation of a network is the first regional example of this kind. In 2012, by preparing detailed information on the situation regarding political parties’ financing in their respective countries, the network members con-

\[2 \text{ You can see the video on: } \text{http://www.youtube.com/watch?v=iTwv9iS5VzI} \text{ and } \text{http://www.youtube.com/watch?v=1MrxuuHJOFS} \]
tributed to publishing four editions of a regional newsletter. The newsletter was positively received in the entire region, especially among representatives of international organizations working on improving the situation in the area of democracy and political parties’ financing.

One segment of regional activities was related to training journalists from the region on how to cover and report on political parties’ financing. The training took place in May 2012 and it gathered representatives of the regional network members, as well as journalists from the countries in the region dealing with or starting to deal with this topic. The training also enabled sharing of experience among journalists themselves, regarding discovery and verification of information, as well as later presenting the information to the public. The importance of direct communication was emphasized between media representatives and the NGOs specialized in dealing with political parties’ financing, especially regarding the exchange of ideas and information, i.e. providing research guidelines.

By adopting a unified methodology for covering political parties’ financing regionally, the pre-conditions were met for the preparation of future joint projects which would enhance cooperation and enable taking more energetic steps towards changing the current situation in the area. The methodology allowed for peculiarities of legal systems of the regional network members countries, and especially the capabilities of each organization for monitoring political parties’ financing. It was developed during two regional meeting and the entire communication between the network members throughout the duration of the project.

The regional aspect of the project “Money and Politics - Montenegro and the region“ was completed by the creation of the website www.moneyandpolitics.me, which is in Montenegrin (B/S/M/C language) and English.
3. Elections 2012

3.1. Local elections - April 2012

Elections for aldermen in the municipalities Tivat and Herceg Novi were held in April 2012 and they were interesting, since that was the first test of implementation of the new LFPP in election campaign financing. The CDT monitored compliance with the new regulations, and assessed that the competent institutions had failed at their very first test. The new law did not bring the expected increase of transparency of election campaigns’ financing, due to the passive attitude of the SEC.

The first problem emerged with regard to the obligation of political parties to submit biweekly reports on contributions by legal entities and individuals throughout the campaign. The periods of submitting the reports varied completely and the reports were related to different periods of the campaign. Some political parties submitted only one report to the SEC during the campaign, while others submitted up to five reports. This happened because the SEC failed to properly instruct political parties about the dates and deadlines for submission of the reports, which lead to poor implementation of the rule. Not even after public appeals by the CDT did the SEC give their statement on this confusion over the dates and deadline, so it is still not clear to the public which political parties breached the LFPP.

The situation was not better either regarding the obligation to submit reports on origin, amount and structure of collected and spent funds for the election campaign. On the SEC website, out of 11 election lists that took part in the election in Herceg Novi there were only four reports published within the legally prescribed deadline. However, these reports were not accompanied by bank statements, which is contrary to the LFPP. In the elections in Tivat there were 10 election lists, but reports of only six of them were posted on the SEC website within the legally prescribed deadline. Out of those six, only two reports contained the required accompanying documentation – bank statements and receipts for the campaign.

For these and other breaches of the LFPP political parties were threatened with fines. There were clear statements in public whether and against which political parties, violation proceedings were initiated, or what the results of those proceedings were.
3.2. Pre-election debates 2012

One of the biggest flaws of the democratic processes in Montenegro, which the CDT has identified through its work, is the lack of accountability of politicians towards citizens. The problem is especially expressed in the pre-election campaigns which have been lead in Montenegro for years based on identity and historical issues, lacking concrete economic and social programs of political parties.

Therefore, in the last two weeks of the pre-election campaign for the October parliamentary elections, the CDT and the Citizens’ Alliance, with the support of the Rockefeller Brothers Fund, organized debates in five Montenegrin cities. Through the project we promoted accountability of politicians towards citizens and opened a dialogue on the topics which matter the most for the citizens’ everyday life and which are often ignored in the election campaigns. In addition, we offered citizens information about the political offer for parliamentary elections and, by doing that, helped them make a well-informed choice.

The participants in the debates were representatives of the election lists – high-ranking officials of political parties, deputy ministers, mayors. The topics that were discussed included: Health and Social Issues (Pljevlja); Tourism and Sustainable Development (Herceg Novi); Agriculture and Regional Development (Bijelo Polje); Education and Science (Nikšić); and Living Standard and Unemployment Issue (Podgorica). The citizens who attended the debate had the chance to ask questions directly, and we were also receiving and answering citizens’ questions via social networks.

Around 400 citizens attended the debates and the online audience followed them via social networks, while the debates themselves were broadcasted in the last week of the campaign on the TV station Atlas which has national coverage.
3.3. Financing of campaigns for parliamentary elections

Monitoring of election campaigns’ financing was the focus of the CDT’s activities regarding parliamentary elections. We were informing the public about violations of the ban on hiring new employees during the election process, violations of the obligation of political parties to submit reports, failure to report on discounts for media advertising. In addition, we invited the media on failure of institutions, especially with regard to giving up on their responsibility to initiate violation proceedings.

In late 2012 the flaws in the LFPP and problems with its implementation were recognized by the Government of Montenegro, announcing amendments to the law for the beginning of 2013.

3.3.1. Hiring employees during campaign

The CDT monitoring showed that on several occasions during the pre-election campaign violations occurred of Article 21 of the LFPP banning "public vacancy announcements and hiring of people in state institutions, state administration institutions, local government institutions, local administration institutions, public companies, public institutions and state funds, on temporary and project contracts, in the period from announcement of the election until the election day."

In August 2012, based on information obtained from the Employment Agency of Montenegro, there were 12 temporary vacancies announced. We also requested information on the number of people hired on temporary and project contracts, and based on the answers obtained, we concluded that in the same period state administration institutions and local governments hired at least 22 people. A number of municipalities and ministries have never responded to our requests for information, which is only a continuation of a common practice in Montenegro – non-compliance with the right to access information when it leads to disclosing of malpractice.

After our public reaction, and the pressure from the media and other organizations, this phenomenon was less present, or at least less visible, later on in the campaign. An attempt to initiate violation proceedings indicated that there were additional flaws in the Law, which has served as an extra push for having it amended.
3.3.2. Publishing reports

One more time, after the bad experience in Tivat and Herceg Novi, the SEC failed to issue clear and obliging guidelines to political parties regarding reporting on contributions during the election campaign. Therefore, once again a variety of reports of political parties and election lists ended up on the SEC website and they were related to different deadlines and submitted on different dates.

On several occasions, the CDT reported that there was a dilemma over when exactly the election campaign starts in the context of political parties’ financing. According to the Law on Election of Counsellors and Members of Parliament, the campaign starts on the day when election lists are confirmed. However, according to the LFPP, the campaign expenses include the expenses occurred since the day of announcing the elections until the Election Day. No political party/election list started reporting since the day of announcing of elections. A part of political parties/lists (AA, DPU, DSuCG, SNP, HGI, Forca) started reporting from the day when their election lists were confirmed. Other parties (DPS, PCG, DF, BS, SDP, SSR, SL, OSS, NS, DCB, LP) started reporting (some even started collecting funds) before the announcement of the election lists (in the span between 15 and 2 days leading up to the announcement), which was based on a criterion unknown to us. Finally, although the Law clearly states that the reports should be submitted “biweekly”, some political parties were creative there as well, so the SEC website contains reports covering the period of 9, 10, 14, 16 and 18 days, as well as a report in which the reporting period was not stated. Once again, the SEC did not react and did not inform the public which of the various approaches of political parties was the right one, and it did not start violation proceedings against those political parties which acted contrary to what the Law prescribes.

The situation is not better with the final reports on campaign financing either. According to the law, those who submitted election lists had a 30-day deadline to submit reports and accompanying documentation to the SAI. The reports and documentation should be published by SEC on its website, complying thereby with one of the most important principles of financing political parties legally – transparency. However, due to flaws in the law and the lack of willingness of the SAI and SEC to cooperate on the issue, the pub-
lic was deprived of information on the content of the reports. Until completion of this report, no reports by participants in the elections were made public on the SEC website, including the reports of the Democratic Fund and the Socialist People’s Party, which won a significant number of seats in the Parliament. In addition, there is no accompanying documentation for any published report – bank statements showing all income and expenditures from invoices for the election campaign.

3.3.3. Expenses for media advertisement

The new LFPP brought another novelty in the reporting. For the first time, political parties and election lists are obliged to also report the in-kind donations, services or products obtained free of charge or under more favorable circumstances in comparison with other consumers. In our opinion, the SEC has limited this provision of the LFPP by a by-law prescribing that the discounts should be presented in a report only if the difference in price is higher than 30%.

The CDT decided to monitor and analyze political parties’ advertising in the media during the pre-election campaign for parliamentary elections. That way we wanted to verify the correctness of political parties’ reports, i.e. to confirm how much political parties spent on one of traditionally the biggest expenditures in election campaigns – media advertising.

Through advertising monitoring we obtained information on political parties’ presence on seven TV stations in Montenegro – Atlas, In, Vijesti, Prva, Pink, Montena and RTCG for the period 1 September – 13 October 2012. For the same period we also did monitoring of advertising in print media including: Dan, Dnevne novine, Pobjeda and Vijesti. The assessment did not include local media, radio stations, internet media or public space advertising. The agency Arhimed did press clipping, collection of information and calculation of expenses for the CDT study.
The state TV station RTCG is obliged, pursuant to the Law on Election of Counsellors and Members of Parliament (LECMP), to provide equal and free broadcasting space on daily basis to those who submit confirmed electoral lists. The amount, according to the LFPP, is an in-kind income calculated based on the market value and reported as income. Therefore, the new election law has enabled political parties to have yet another source of income in the amount of €568,090. The RTCG advertising services provided to political parties “free of charge” have their market price and that is an additional income that political parties have received from the state of Montenegro.

The value of political parties’ advertising on commercial TV stations, according to official price lists, amounted to €652,527.

The expenses of TV stations advertising by political parties and TV station (RTVCG excluded)
The price of advertising space that political parties rented for the print media campaign, according to official price lists of these media, was €181,230.

Expenses of print media advertising by political parties and media

<table>
<thead>
<tr>
<th></th>
<th>AK</th>
<th>AOA</th>
<th>BS</th>
<th>DUA</th>
<th>DF</th>
<th>FzJ</th>
<th>HGI</th>
<th>KECG</th>
<th>KZ</th>
<th>PCG</th>
<th>SNP</th>
<th>SS</th>
<th>SNS</th>
<th>Total</th>
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</thead>
<tbody>
<tr>
<td>Dan</td>
<td>63,564.22</td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>85,000.26</td>
</tr>
<tr>
<td>Dnevne novine</td>
<td>1,350.00</td>
<td>3,315.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>4,665.00</td>
</tr>
<tr>
<td>Pobjeda</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>12,646.26</td>
<td></td>
<td></td>
<td></td>
<td>12,646.26</td>
</tr>
<tr>
<td>Vijesti</td>
<td>54,991.20</td>
<td>2,598.96</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Total</td>
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<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>118,555.42</td>
<td>0.00</td>
<td>3,948.96</td>
<td>12,646.26</td>
<td>0.00</td>
<td>31,848.90</td>
<td>0.00</td>
<td>820.52</td>
<td>13,410.34</td>
<td>181,230.40</td>
</tr>
</tbody>
</table>

A few weeks after we announced our results, official financial reports of election participants were posted on the SEC website. The available political parties’ reports significantly differed from our assessment made based on official price lists, which indicated that some media provided discounts to political parties for advertising, and that political parties failed to report that as in-kind donation.

As it was already mentioned, a part of political parties’ reports regarding parliamentary elections has never been made public, so it is impossible to do a detailed comparison with the monitoring results. In any case, the CDT will attempt, through its work, to have the obligation to report the in-kind donations additionally regulated and consistently implemented. That is the only way to secure equality for all participants in the election process.
4. Integrations

The Center for Democratic Transition has been active for a long time in the area of European and Euro-Atlantic Integrations with the goal to contribute to the quality of both the process itself and the process of informing the citizens about this topic.

With regard to European integrations, the CDT’s objective is to contribute to establishment of a transparent, open and efficient process of negotiations, the one that represents the interests of Montenegrin citizens the best. In addition, the CDT devotes equal attention to communicating the process to public and the need to provide timely and objective information about these topics to citizens.

Through our projects so far, we analyzed the negotiation structures and the roles of the Government, the Parliament and civil society in the negotiation process and the mechanisms of communication with citizens. In addition, the CDT also has its representative in the Working Group for Chapter 26.

Regarding the Euro-Atlantic integrations, our mission is directed at educating citizens on the topics related to the process of Montenegro’s accession to NATO, as well as at providing objective information on the Euro-Atlantic integrations. Through our projects we firmly advocate availability of information through a pro-active approach in information providing, education of various social groups and strengthening of dialogue on the topic. Through our biggest project in the area – the Info Center on Euro-Atlantic integrations, we strive towards reaching the aforementioned goals and creating a wide space for a dialogue lead with all information available which would finally make citizens feel that they are a part of the process.
4.1. European integrations

4.1.1. EUphoria – raising public awareness of the European integration process

In September 2012, financially supported by the Embassy of the Kingdom of the Netherlands, the Center for Democratic Transition stared implementation of the project “EUphoria – raising public awareness of the European integration process”. The main goal of the project was to point out the importance of timely and objective providing of information to citizens on the process of European integrations, as well as to recognize the chances and challenges of the communication process during accession negotiations.

In the first stage of the project we did a comparative analysis of Montenegrin Communication strategy for informing citizens on the EU, as well as an analysis of similar documents from countries in the region (Croatia, Slovenia, Serbia, and Bulgaria). The comparative analysis was aimed at emphasizing the best practices which could be used in Montenegro in the coming period in order to appropriately explain to citizens what the negotiations really are and what can be expected from entrance into the European Union.

The study resulted in recommendations for revision of the current Communication Strategy which were sent to the Ministry of Foreign Affairs and European Integrations. That way the CDT instigated a debate on the quality of communications in the process of European integrations wanting to provide its contribution to enhancement of communication mechanism between all participants in the process.

As a part of the project, a student debate was organized to discuss the campaign of informing citizens on the European integrations, and the next debate is planned for January 2013 when young people will have the chance to talk to experts on the factors affecting the trends of confidence in the European Union.

In the second phase of the project, organizing of roundtables was planned aimed at gathering the experts from the Government, the Parliament, the NGO sector and the media, as well as experts from the region, in order to discuss the importance of timely communication with citizens and the attitude of society and institutions towards the issue.
Policy brief, planned for March 2013 will offer a critical review of the current situation regarding the attitude of decision-makers towards citizens during the accession negotiations, but also a suggestion on how to enhance the dialogue. The document will be accompanied by an advocacy campaign aimed at raising the national dialogue to the highest level and enhancing the process of communication regarding the European integrations issues.

4.2. Info Center on Euro-Atlantic Integrations

The Info Center on Euro-Atlantic integration started working in November 2012. The CDT was lead by the idea to open the Info Center in order to establish an active dialogue and thereby expand the knowledge of citizens on the Euro-Atlantic integrations.

The CDT believes that the best approach to citizens, when it comes to this topic, is to actually enable direct contact with decision-makers in the area, while connecting all social segments which in any way deal with the Euro-Atlantic integrations. Offering timely, correct and objective information, along with enhancement of dialogue between people with opposing views and representatives of different interest groups will enable citizens to get a clearer picture about the process, its benefits and risks. That way cooperation and coordination in the area will be improved, and the citizens will be offered better quality content. In addition, visiting foreign experts in Info Center will contribute to having the international community more actively involved in direct dialogue, and citizens will have an opportunity to get to know their views regarding various current affairs from this area.

Opening of the Info Center and the initial projects were supported by the embassies of UK, Canada, the USA, Turkey and Slovenia, as well as the NATO Public Diplomacy Department. The Government of Montenegro also supported the work of the Info Center by providing a working space and by having its representatives taking part in the activities organized in the Center.
Info Center has the library with relevant literature, as well as computer and internet connection, which are available to citizens every week day.

4.2.1. Implemented activities

During the first two months of its work, the Info Center organized numerous and various activities.

In the Info Center offices we organized “Citizens’ Hour” in order to enable the public to hear the opinion of people engaged in the area of Euro-Atlantic integrations on current topics involving NATO and the integration process itself. After their presentations, there is a discussion during which citizens can ask questions if they want to find out more about the topic or request further explanations. The “Citizens’ Hour” is actually a forum for discussion on current topics which are in the media focus, but also on all relevant topics which are undoubtedly important for Montenegrin citizens. Three citizens’ hours were organized in the period from November until the end of December.

The “Movie Nights” organized in the Info Center include screenings of movies related to some security aspect, and they are followed by discussions between moderators and the citizens who attended the screening. These activities are an informal and direct way of approaching the security issues in order to initiate an active dialogue. The three screenings so far – two in Podgorica and one in Bijelo Polje, were very well received by citizens.

In December, as a part of the Info Center project, we started with a series of workshops for students aimed at enabling young people, through a creative approach, to get information and learn new things about the Euro-Atlantic integrations.

In November, in cooperation with the TV station Vijesti, the CDT has started with a series of short TV shows titled “TV Ping Pong”. In each of these shows, two experts from the area of security and the Euro-Atlantic integrations with opposing views over certain topics from this area answer a set of questions. In order for the show to be interesting and fulfill its purpose – which is educating citizens, we decided to present important topics through the prism of Euro-Atlantic integrations, such as: emergency situations, economy, international relations, human rights, environment protection, military missions, etc. First two shows were already a big success,
and according to the official statistics of the TV station Vijesti, 50 000 viewers watched one broadcast.

In addition to these activities, the CDT organized meetings with representatives of non-governmental organizations, political parties, universities, in order to discuss cooperation, and the Info Center was visited by a number of representatives of national and international institutions.

At the end of every month, a summary of the Info Center’s work is prepared and presented in the monthly newsletter which is then sent to over 900 contact addresses in Montenegro and abroad.

Having in mind the importance of Internet and social networks, the CDT started an active campaign of promoting the activities of Info Center. The Info Center has its own website with very rich content. All activities and products of our work are available to citizens on the website.

Social networks are actively used for promotion of events and the plan is to soon start with live stream of events.

In the past two months, the events in Info Center were attended by 350 citizens which is a confirmation that we chose the right approach to this topic.
5. Istinomjer.me

After the 2009 parliamentary elections, we decided that we would no longer do the election monitoring in the way that is known to our public. After monitoring election processes for years, three key problems burdening the election processes in Montenegro were detected: misuse of state resources – property and functions, non-transparent financing of campaigns and lack of political accountability. That is what led to Istinomjer (Truthmeter), the main goal of which was to contribute to changing political culture and to development of well-informed citizens who know why they opt for choices they make during elections. On the other hand, precise guidelines were necessary for the monitoring that will follow in the new mandate period, which will include monitoring and registering the activities of governing political parties regarding fulfillment of promises made in election programs and statements, and determining the percentage of fulfillment of the given promises at the end of the mandate.

In early 2012, the CDT became a member of a regional network dealing with the issue of the lack of political accountability. The cooperation started with our colleagues from Bosnia-Herzegovina whose methodology we used to establish our Istinomjer. Afterwards we also met our colleagues from the organizations CRTA and Metamorphosis from Serbia and Macedonia respectively.

The Montenegrin Istinomjer stared on 1 April when the team was formed consisting of: Dragan Koprivica, the CDT executive director, Dragoljub Duško Vuković, editor-in-chief, Ana Bogavac and Milovan Papić, researcher and project coordinator with years of experience in media monitoring. The project was financially supported by National Endowment for Democracy – NED as a part of their regional project.

5.1. Sharing practical knowledge and developing methodology

In the period 9 - 10 July the representatives of the NGO Zašto ne (Why not) from Sarajevo came for the first working visit to our organization. The purpose of the visit was to introduce to the CDT team the concept of Istinomjer and how it functions in Bosnia and Herzegovina, Serbia and Macedonia. In the meantime, concrete situation in Montenegro was analyzed and the methodology was adapted to the specific conditions in our country. Plan of
work and schedule of activities were prepared. In July and August, the pro-
grams of political parties taking part in the 2009 parliamentary elections
were analyzed. On 15 July, the Istinomjer team started collecting and ana-
lyzing statements and promises of public and political parties’ officials.

After that, on 25 September, the website Istinomjer.me officially started working.

5.2. Collecting statements and promises of politicians and state officials

In the period 25 September – 31 December 130 statements and promises were
selected in order to analyze their truthfulness, fulfillment and consistency.

Promises and statement were selected based on the following criteria:
- statements issued by individuals, not institutions
- quotation (under quotation marks),
- published in one of four daily newspapers or
  posted on three Internet portals,
- relevance from the viewpoint of public interest.

Although we wanted to make some kind of balance in analyses of statement
of governing and opposition officials during the sensitive elections period,
the majority of analyzed statements/promises came from the state officials
or politicians from governing political parties, because we believe that they
are the ones that should be held accountable for managing public resources
and policies. The majority of statements were assessed negatively – as false,
inconsistent or unfulfilled – but we also tried to present positive behavior
of politicians analyzing some of fulfilled promises and true statements al-
though they were maybe not that important from the public interest per-
spective. Out of 43 analyzed statements, 28 came from the government,
while 15 statements/promises came from the opposition.

Analyzed statements and promises were divided into three categories. In
the context of truthfulness, 20 statements were analyzed. Out of these 20
statements, 14 were assessed as false, six were only partially true, and
there was not even one statement that was assessed as true. Five state-
ments were analyzed in the context of consistency and all five were incon-
sistent. Out of 18 analyzed promises, 12 were assessed as unfulfilled, while
six were fulfilled.
Good governance is a concept based on several important principles. They are all related to activities of government which result in increased accountability in society, constant participation of public in decision-making and decision-executing processes, good quality measurement of government effects, creation of society characterized by transparency in public work, creation of impartial and professional officials and establishment of the rule of law. In Montenegro, experts, institutions and media are not too much interested in the subject, because they are not aware that implementation of good governance principles is the easiest way to prevent corruption in a society.
1. DURBIN

1.1. Monitoring compliance with good governance principles

In 2012 we implemented the project DURBIN (Good Governance – Better Institutions) which deals with one of the key challenges to democratization in Montenegro – establishment of system of good on a national level. The project was financially supported by the USAID – Program of Efficient Governance in Montenegro (implemented by the East-West Management Institute – EWMI), and the partner on the project was the Croatian organization GONG.

DURBIN started in March 2012 with the analysis of legal framework, i.e. all relevant regulations from Montenegrin legislation and international documents and recommendations dealing with good governance. In the phase of developing methodology\(^3\), in cooperation with GONG, out of a wide spectrum of topics three were selected, since they were assessed to be the most significant at the moment: transparency of government institutions, their accountability for creating policies, issuing decisions and measuring effect and government reform capacities. These three topics were turned into three dimensions of monitoring containing over 100 indicators\(^4\) for measuring the effect. The indicators were set so that they realistically reflect their current situation, i.e. present realistic possibilities of state administration. The data were collected until December 2012 and then their detailed analysis followed.

In order to present the results better, a special website was created (www.durbin.cdtmn.org) with detailed overview of the monitoring results. There is an option to compare the results achieved by institutions. Furthermore, the website contains detailed information about the project, monitoring reports, methodology and regulations analyzed for the needs of monitoring.

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3 Detailed information on the monitoring methodology can be found at http://durbin.cdtmn.org/durbin/#Biblioteka
4 The CDT measured implementation of good governance principles in the Government of Montenegro using 48 indicators, in ministries 34 indicators, and in other state administration institutions 13 indicators. The monitoring included 55 institutions. The complete list of indicators can be found at http://durbin.cdtmn.org/durbin/#Biblioteka
In December 2012 results of all institutions were presented to public through press conferences and media announcements. The Government of Montenegro satisfies 56% of indicators, ministries 58%, the Parliament 60%, while all other state administration institutions have only 44%. It seems that it is not necessary to further explain the conclusion that the aforementioned level of institutions’ development is not at a satisfying level. The monitoring results offer very important information: situation with good governance in our institutions does not depend on systematic approach of the country, but on the attitude of the person in charge regarding the importance of these issues. This is confirmed by information that there are 20% differences in development of ministries and even 80% in other state administration institutions.

1.2. Recommendations for institutions

1.2.1. Recommendations for the Government and the ministries

In these institutions, DURBIN has detected problems related to: reporting procedure, budget transparency, defining of strategic goals and using of ICT technologies5. Therefore, some of our recommendations are:

Overall results achieved by the Government of Montenegro

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5 Press release regarding the results of the Government and ministries titled “Improving implementation of good governance principles” you can find on http://durbin.cdtmn.org/durbin/#Biblioteka
To form a body for defining strategic goals and policies – The problem of defining strategic goals, policies and activities, i.e. instruments for their implementation, can be resolved in several ways. The CDT believed that the most efficient way to make progress in this area is to form a new body in the Government of Montenegro which would work on defining strategic goals, planning and following their realization. It is necessary to prescribe procedures and rules for creating documents, but also the ways for controlling their quality and implementation.

To improve the quality of websites of the Government and ministries – It is necessary to continue dynamic development of websites of the Government and ministries towards creation of internet presentations which would be significantly more accessible for citizens.

To present the budgets of the Government and ministries in a good quality way – Discouraging information that not even one ministry has its budget presented on the website means that the needs of citizens to find out how their money is being used have been neglected. It is necessary to precisely explain to citizens how the adopted budget will affect the quality of citizens’ lives, i.e. the quality of public services that the Government offers to citizens.

To enhance the quality of reports that ministries submit to the Government and to the Ministry of Finance – Program reporting is imprecisely defined in the Law on State Administration. It is necessary to prescribe a precise form of reports which would, in addition to the prescribed content in the Law, also contain the obligation for the ministries to report on problems in their work, assess quality of the work done, and provide recommendations for improvement of work. Furthermore, precise deadlines should be prescribed for reporting, as well as sanctions in case of delays or not submitting reports at all.
1.2.2. Recommendations to other state administration institutions

Other state administration institutions proved to be insufficiently transparent and therefore our recommendations are mainly related to improvement of transparency through official websites:

To significantly enhance the quality of internet presentations of state administration institutions – We recommend that those institutions that still do not have their websites, create their internet presentations as soon as possible. State administration institutions should improve the existing websites as well, because many of them are not up-to-date and do not contain some basic documents.

To publish the most important program (plan of work, report on work, strategic documents) and administrative documents, as well as documents related to public procurement.

1.2.3. Recommendations for the Parliament of Montenegro

DURBIN showed that there are certain problems in the Parliament regarding budget transparency, publishing of documents on the website and the Parliament’s supervisory role. Some recommendations that the CDT sent to the Parliament are:

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6 Press release regarding the results of other state administration institutions "Unacceptable transparency level in administrations, agencies, and other state administration institutions" you can find on http://durbin.cdtmn.org/durbin/#Biblioteka

7 Press release regarding the results of the Parliament of Montenegro "Eight recommendations for improving the situation" can be found on http://durbin.cdtmn.org/durbin/#Biblioteka
Overall results achieved by the Parliament of Montenegro

To publish program and administrative documents which are missing: plan of work for the following year, development strategy if there is one, as well as the document on internal systematization and work organization. Then, it is necessary to publish public procurement contracts. Regarding plenum sessions and work bodies, it is necessary to update the voting lists of the adopted laws/amendments/reports, as well as minutes from plenum sessions and work bodies.

To significantly enhance budget transparency on the website – the Parliament of Montenegro adopts state annual budget and therefore it has to be a lot more responsible when it comes to providing information on the budget to citizens. The website does not offer information on budget that is understandable to citizens, but only the Law on Budget which is an official document and is not adapted for citizens.

To show individual activities of parliament representatives, especially those related to the Parliament’s supervisory role – If a citizens wants to find out more about activities of a parliamentary representative, questions he asked, or draft laws he took part in, the information can only be obtained through searching sessions or laws and other acts.

After announcing the results and sending recommendations to institutions, the CDT continued working on implementation of our solutions.
2. Open institutions


In order to present its annual activities and achieved results better to citizens, but also in order to increase transparency of work of the Government of Montenegro, the CDT worked with the Government on creating its first annual report for 2011. The report is the summary of activities that marked its work in 2011, and, in addition to the Government’s results, there are also the results achieved by ministries.

The report includes the most important activities of the Government in economy, finance, tourism, human rights, justice, etc. A special place in the report was reserved for the obligations that Montenegro has fulfilled regarding accession to the European Union and NATO.

2.2. Training for NGOs

In order to strengthen the role of non-governmental organization in decision-making process, the CDT organized the training “Advocating techniques and legislative process in Montenegro” which introduced the interested organization to the decision-making process in Montenegro, as well as to the ways through which an NGO can get involved in such process. A part of the training was dedicated to the very techniques of advocating certain solutions which an NGO could offer as alternative. The training was organized in the CDT offices in the end of June 2012.
On the training, the techniques were presented which non-governmental organizations can use if they want their suggestions regarding improvement of a policy or a regulation to be implemented. In the part of the training that dealt with the legislative process in Montenegro, it was explained who can propose a law, how a law is prepared within the government and in what way is the public enabled to get involved in that part of the process.

During the training, the publication “How to influence public policies?” was presented and it explains in a simple way the procedure of adopting laws and the ways for involving the public in the process. The purpose of the publication is to increase the level of awareness of citizens and civil society organizations regarding the process itself, and also to increase the level of their involvement in resolving social issues.

The training was attended by representatives of the following non-governmental organizations: the NGO Anima, the NGO Green Home, the NGO Citizens’ Initiative, the NGO MOGUL, the NGO Beauty and Sport, the NGO Association of Philosophy Professors and the NGO NVO NADA (Hope).

### 2.3. Citizens visiting the Government

Through the CDT’s mediation, the Government of Montenegro opened its door to citizens for the first time, and citizens had the chance, during their visit, to be directly introduced to its work. In 2012 we organized three visit for 65 citizens who expressed desire to be introduced to the Government’s work. During the visit, citizens were welcomed by the PR personnel and the General Secretary’s Deputy and the General Secretary of the Government.
2.4. Internship program

Internship program is a program of additional education for students, enabling students, in addition to theoretical knowledge gained at universities, to also gain practical experience by working as interns in state institutions.

Through the Internship program, the best 19 students from Montenegrin universities, which were selected through a democratic procedure, had the chance to work as interns for five months (February – June 2012) in the Parliament of Montenegro, the Government of Montenegro, and ministries. The X generation of interns in the Parliament of Montenegro included: Milica Radulović, Elida Korać, Azra Karastanović, Jovana Božović and Luka Đuričković.

In the Government of Montenegro and ministries there were 14 interns in the VI generation program: Marko Savić, Almedina Vukić, Mladen Čelebić, Milena Darmanović, Filip Matović, Milena Asanović, Igor Mijanović, Vanja Stanišić, Anđela Rašović, Ana Marija Kaluderović, Asaf Adrović, Ivana Radinović, Boris Zvicer and Nina Brajović.

During internship, the CDT organizes visits to relevant institutions for the interns. In 2012, we took the aforementioned groups for visit to the Embassy of the USA in Podgorica, the TV station Vijesti, the Administration for the Execution of the Penitentiary Sanctions and the Government of Montenegro.

The President of the Government of Montenegro Igor Lukšić awarded the certificates to the V and VI generation of interns in the Government and ministries. Lukšić said that the Internship program is a way in which the Government opens its door to young, creative, dedicated and responsible people enabling them to gain important work experience.
The award ceremony for the IX and X generation of Internship program in the Parliament of Montenegro was held on 29 June. The President of the Parliament of Montenegro, Ranko Krivokapić, awarded the certificates to the interns and emphasized that the Parliament of Montenegro will support the next generation of interns as well.

3. Open Government Partnership

Open Government Partnership (Open Government Partnership - OGP) is a global initiative which originated in the administration of the US President Barrack Obama. The OGP has formally started working in September 2011, and Montenegro became its member in April 2012 after the Government of Montenegro adopted the Action Plan prepared in accordance with the initiative’s principles.

The initiative is aimed at helping governments, through concrete obligations, to become more transparent, more efficient and more reliable. In order to achieve the goal, it is necessary to have political leadership, technological leadership, to constantly work and invest, and to enable cooperation between governments and civil society.
The CDT gives its contribution through active participation in the PGP Operational Team whose members are representatives of state institutions and non-governmental organizations.

4. Other activities

4.1. Declaration on parliament transparency

The Declaration on Parliament transparency is an invitation for parliaments by civil society organizations working on monitoring the work of parliaments to do more for parliament transparency. The Declaration is intended not only as a call for action, but also as a basis for dialogue between parliaments and civil society organizations regarding enhancement of transparency of government and parliament, in order to ensure that transparency leads to include citizens more, to have more accountable representative institutions, and finally, to have a society with higher degree of democracy.

The CDT, as one of the Declaration’s creators, joined promotion of the principles globally and, on behalf of the global network of civil society organizations which cooperate with parliaments, promotes the Declaration on Parliament Transparency in Montenegro.

The goals of our initiative are:

- Promoting the culture of transparency: Information about the Parliament belongs to public. In order to have the culture of parliamentary transparency, the Parliament has to issue measures which would ensure active participation of citizens and civil society organizations. The Parliament has to cooperate with NGOs and citizens in order to ensure that parliamentary information is complete, true and timely.
- Publishing parliamentary information: the Parliament is obliged to adopt policies which ensure pro-active publishing of parliamentary information and to periodically enhance these policies in order to use developing good practice examples.
- Alleviating access to parliamentary information: the Parliament is obliged to ensure that information is widely available to citizens without discrimination through several channels, including direct insight, print media, radio and live broadcasting and broadcasting per request. Physical access to the Parliament has to be enabled to all citizens.
• Enabling electronic communication of parliamentary information: Parliamentary information is published online in open format which enable citizens to analyze and re-use the information using an entire set of technological tools.

4.3. Draft Law on Budget

As a part of activities regarding advocating good governance in state institutions, the Center for Democratic Transition delivered to the Ministry of Finance its comments and suggestions over the Draft Law on Budget and fiscal accountability.

The comments were based on results of a part of monitoring of compliance with good governance principles in state institutions, i.e. the part that dealt with budget.

We suggested that the new law:

• should make precise the legal deadlines for the Government’s submission of draft law on budget to the Parliament for reviewing. Following international recommendations, our suggestion is prescribe the obligation for the Government to submit to the Parliament draft law on budget for the following year no later than 15 October.

• should define the issue of transparency of planning and spending budget funds. In order for the process of planning and spending budget funds to be more transparent, the following should be prescribed:
  1. Obligation for all budget users (the Government, the Parliament, ministries, local governments…) to publish on their websites their budgets for the current year, the reports on budget use, as well as final state of accounts for the previous year.
  2. Obligation to have the annual budgets and final state of accounts published in a format that enables easy use and manipulations with data, as well as to have the budgets explained in a narrative way.
  3. Obligation for all budget units to issue brochures or short guide through budget in order to explain it to citizens in an understandable and acceptable way.
1. Development of the Research Center in 2012

In 2012, the first strategic plan was made related only to the work on the Research Center. The strategic plan was prepared as a part of project proposal for Think Tank Fund, approved for the CDT at the end of the year. The strategic plan prescribes development of the Research Center in the next three years. The plan included building and development of research capabilities of the organization in three areas: good governance, accountable politics and misuse of electoral and political system. The strategic plan places special emphasis on creating capabilities for making policy documents, as well as for enhancement of public advocacy tactics.
The plan in the next three years envisions for the CDT to establish procedures defining creation of research methodology, forming of research teams, the method of using research results and the method of writing policy papers. A first step in that direction is a new system of work on identifying topics for project proposals. Namely, before starting to write project proposals, the Research Center will organize workshops to identify the issues that we are interested in. After that, the studying question will be identified and from that question, the key objectives will be deducted (as answers to the question, hypotheses). Then the best quality method for reaching the answers (methodology) will be identified. After defining the methodology, indicators will be determined for each individual activity based on which it will be possible to measure success of the project internally, during the course of implementation of the project, which will enable us to correctly evaluate results of our work. The indicators will be formulated in relation to the result for each activity which will be defined during the workshop. All project results will be formulated in a way that they, at any moment, present material for policy document. That way we will enable the research results to be used for enhancing national public policies.

2. The most important studies in 2012

2.1. DURBIN (Good Governance – Better Institutions):
   Good governance in Montenegro

DURBIN was focused on studying three issues that are identified as the most problematic ones in Montenegro: transparency of government institutions, their accountability for creating policies, decision-making and measuring effects and government reform capabilities.

2.2. Informing citizens on the process of European integrations

As a part of the project, the comparative analysis of the Montenegrin Communication Strategy for informing citizens on the EU, as well as the analysis of similar document of the countries in the region (Croatia, Slovenia, Serbia and Bulgaria). Comparative analysis was aimed at presenting the best practices which could be used in Montenegro in the coming period in order to explain to citizens in a proper way what the negotiations are and what can be expected from entering the European Union.
2.3. Monitoring compliance with the Law on Financing of Political Parties

As a part of the project Money and Politics – Montenegro and the Region, the CDT conducted monitoring of compliance with the Law on Financing of Political Parties, which was aimed not only to identify the irregularities, but also to recommend possible ways to overcome the problems in practice.

2.4. Istinomjer (Truthmeter)

The research project was aimed at analyzing the truthfulness, fulfillment and consistency of promises and statements given by politicians and state officials.

2.5. CSO Sustainability Index 2012

As in previous years, the CDT prepared the report on Montenegro for the publication CSO Sustainability Index for 2012. The research was focused on seven dimension of civil sector: legal framework for functioning of civil society organization, organizational capabilities, financial stability, advocacy, services providing, infrastructure and public image of civil society organizations in Montenegrin public.
VI PROGRAM AREA: CIVIL SOCIETY

The CDT advocates developed and pro-active civil society without which it is impossible to talk about democratization of society at all. Internal capabilities of non-governmental organizations, problems facing NGOs, their relations with government institutions on national and local level, are only some of the questions to which the CDT, through its project activities, is dedicated. In addition through establishing and building partnerships nationally and regionally with other NGOs, the CDT is trying to enhance implementation of examples of good practices and experience which could contribute to progress in strengthening civil society in Montenegro.
1. **CSO Sustainability Index for 2012**

In the second half of 2012, the CDT started preparing the sustainability index of civil society organizations in Montenegro for that year, as a part of sustainability index prepared for Central Europe and Eurasia by USAID. Finalization of the Index for Montenegro is expected in the spring 2013 and it will include a review of situation on several areas: legal framework for functioning of civil society organizations, organizational capabilities, financial stability, advocacy, services providing, infrastructure and public image, i.e. the way civil society organizations are seen by the public.

For three years in a row, the CDT has been involved in preparation of this comprehensive analysis of the situation in non-governmental sector, which enables overview of progress in certain areas throughout the years. Although the civil society in Montenegro was graded with 4.1 (out of possible 7 points) for 2010 and 2011, in the domain of legal framework organizational capabilities and public image in 2011, the results were worse than in 2010. The overall evaluation, however, shows that the civil sector is still making progress.

### Comparison of index for 2010 and 2011

<table>
<thead>
<tr>
<th>NAME OF AREA</th>
<th>2010 INDEX EVALUATION</th>
<th>2011 INDEX EVALUATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Legal framework for functioning of CSO</td>
<td>3.6</td>
<td>3.5</td>
</tr>
<tr>
<td>2. Organizational capabilities</td>
<td>4.4</td>
<td>4.3</td>
</tr>
<tr>
<td>3. Financial stability</td>
<td>4.9</td>
<td>4.9</td>
</tr>
<tr>
<td>4. Advocacy</td>
<td>3.5</td>
<td>3.5</td>
</tr>
<tr>
<td>5. Providing services</td>
<td>4.0</td>
<td>4.0</td>
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<tr>
<td>6. Infrastructure</td>
<td>3.9</td>
<td>3.9</td>
</tr>
<tr>
<td>7. Public image</td>
<td>4.4</td>
<td>4.3</td>
</tr>
</tbody>
</table>
2. NGO status

2.1. Implementation of the Law on Non-Governmental Organization

In the area of implementation of the Law on Non-Governmental Organizations, there was no progress made in 2012. The CDT was following the dynamic of adoption of bylaws, especially in the area of forming a special commission for allocation of funds to non-governmental organizations. However, the failure to adopt other bylaws affecting the amounts that could be allocating to the non-governmental sector (primarily the Law on Games of Chance), had a negative effect on full implementation of the Law on Non-Governmental Organizations. The CDT has continued to advocate introduction of a special national foundation which would allocate funds to NGOs on the central level, with full transparency of the entire allocation process.

3. Implementation of the regulations on public discussions and cooperation with the non-governmental sector

In 2012, the CDT followed the implementation of the Decree on Methods and Procedures for Establishing Cooperation between State Administration Institutions and Non-Governmental Organizations and the Decree on Procedure and Methods of Implementation of Public Discussion in Preparation of Law. The monitoring results indicated that the decrees have remained only a formal expression of willingness to include the non-governmental sector more in the work of state institutions, while actually an earlier practice of non-inclusion of non-governmental sector has remained in place.

The obligations prescribed by the Decree on Procedure and Methods of Implementation of Public Discussion in Preparation of Law - for the ministries to post on their websites the list of laws on which public discussion will be organized, to have invitations for public discussions visibly posted on the websites, to publish report after public discussions explaining in details the reasons for accepting or rejecting certain proposals during public discussion - were significantly breached by a number of ministries. The ministries did not appoint a moderator for public discussions, although a lot more serious breached of the Decree were reflected in failure to publish plan for public discussion (when the Decree was first started being implemented, only the Min-
istry of Internal Affairs and the Ministry of Human Rights and Minority Rights did that). In addition, the reports following public discussion were not prepared properly - they do not contain the reasons for accepting, and especially not for rejecting of certain proposals raised during public discussions. By failure to include such an important element in the reports, the ministries significantly contributed to decreasing the quality of public discussions, which has negative effect on citizens’ interest to get involved in a process like that.

In addition, the monitoring of implementation of the Decree was also done through the project DURBIN, where insignificant progress was detected in a part of the implementation (75% of ministries fulfilled their obligation to appoint a moderator for public discussions). However, only 50% of ministries announced at least one invitation for public discussion. 43.75% published at least one report after a public discussion, and only 18.75% published plan of public discussion on their internet website.

The implementation of the Decree on the Method and Procedure of Establishment of Cooperation between State administration Institutions and Non-Governmental Organizations cannot be assessed as positive either. The Decree itself did not define the election of representatives of NGOs for members of working bodies in a way to make the election be based on the candidates’ skills and the NGOs’ references, which was what the CDT, along with the Youth Initiative for Human Rights, had requested during the process of making the Decree. Furthermore, the monitoring that the CDT conducted as a part of the project DURBIN, showed that the Decree is actually not being implemented, because only 20.83% of ministries have included non-governmental organizations in working groups which prepared 5 draft laws or strategic documents; proposals for their respective ministries (where this number 5 was taken as an adequate indicator of involvement of the NGO sector in the process of making regulations).

4. Strategy of development of non-governmental sector

In October 2012 the Ministry of Internal Affairs announced public invitation for joining the process of preparation of the Strategy of development of non-governmental sector in Montenegro, with the Action Plan for its implementation in the period 2013-2015. Although formally the CDT was not involved in the working group, through the partnership with the Citizens’ Alliance, which has its representative in the working group, the CDT helped prepare
certain parts of the Draft Strategy. The CDT’s suggestions were especially emphasized in the part dealing with financing of non-governmental sector, emphasizing and explaining the system of creating of a centralized national foundation. The CDT also gave its contribution in describing the situation regarding involvement of NGOs in the state institutions’ work, i.e. public discussions on issuing regulations, by providing their research results.

5. NGO capacity building

5.1. NGO and public policies

In the segment of strengthening the role and position of the NGO sector in the procedure of issuing regulations, strategic documents, etc., i.e. creating of public policies, the CDT prepared the manual “How to influence public policies”. A representative of the Croatian Citizens’ Association GONG took part in preparing the manual. The manual was a part of the project “Open Institutions” financed by the EU.

The aim of the manual was inform non-governmental organizations, in a simple and comprehensive way, about all possible ways of involvement in the decision-making process, within both the Government and the Parliament. The emphasis was on explaining the procedure of issuing regulations, as well as other acts and documents, and, in the context of the procedure, an area has been emphasized which the NGOs, through its work and engagement, can use to contribute to issuing better quality regulations. A special part of the manual is dedicated to principles and techniques of advocating, as a tool for successful promotion of the NGO sector’s proposals. The manual also offers a special poster which, in a visually interesting and simple way, shows the procedures for taking part in decision-making. After publishing the manual, the CDT organized one-day training for non-governmental organizations on the topic “Advocating techniques and legislation process in Montenegro”. Representatives of seven non-governmental organizations in Montenegro took part in the training.
5.2. **NGOs organizational capacities**

In 2012, the CDT worked a lot on building and strengthening of capacities of NGOs both in the country and in the region.

Through the USAID/ORT Initiative for Disabled Persons, we organized a series of trainings in Montenegro dealing with a number of topics related to organizational development - leadership, managing structure, internal control mechanisms, monitoring and evaluation of programs and projects, evaluation of employees’ performance, organizational and financial policies and procedures, internal communication and team work, etc. The participants in the training were the representatives of non-governmental organizations: Paths - Staze (Podgorica), Organization of Visually Impaired Persons - Organizacija slijepih (Nikšić), New Chance - Nova šansa (Herceg Novi), Association of Paraplegics - Udruženje paraplegičara (Pljevlja) and Ray of Hope - Zračak Nade (Pljevlja).

The National Democratic Institute (NDI) engaged us in a project of helping in capacity building of their partner organization in Albania - Female networks for Equality in Decision-Making. Through a series of consultations and trainings, we helped them develop project and budget proposals, plan their annual budget, improve strategic communications, internal communication and procedures, reporting, etc.
1. The role of IT in internal functioning of the CDT

In 2012 the CDT continued using Google services such as calendar and document organizing, which significantly enhanced the organization’s management and collaboration of the employees. With the help of these services, the employees can in a simple and fast way obtain information and documents related to all the CDT activities, and get an insight into the tasks of individual employees, in order to synchronize better with their time. In 2012 we created several Google calendars related to a project or functioning of a team. All information and changes on the calendar are syn-
chronized with the employees’ cell phones through Google’s SMS service. We also created mailing group within the organization to enable easier and more efficient functioning. In the CDT office we placed a server with folder with data, useful databases and programs, as well as the joint archive of the organization. This solution is very important, because data and files can be reached when outside of the office and using any computer.

2. The CDT website - www.cdtmn.org

The CDT website it bilingual - in addition to M/S/B/C language, the entire content is available in English as well, and it is also compatible with mobile phone.

The website follows the work of and informs the public on all activities of the CDT. Through the website, citizens can get an insight into the CDT's work and obtain all necessary information on our activities, projects, partners and donors, but also information regarding financial transparency of the organization's work. It is in line with the CDT’s strategic guidelines and covers all our program areas.
The home page contains news that are updated on regular basis, as well as a number of useful and up-to-date links: archive of election results in Montenegro, current projects and donors, tenders, links of our friends, current invitation for public procurement, newsletters, website map, contacts, etc. In 2012 we created a video gallery.

In 2012 the CDT website had 15 598 visitors, 42.73 visits on average per day. The visitors of our website are primarily from Montenegro 72.24%, followed by Serbia 11.00%, Bosnia and Herzegovina 2.57%, USA 1.87%, etc.

3. Project websites

3.1. Money and politics – www.moneyandpolitics.me

The website Money and Politics stared working in end of January 2012 and was created within the project “Money and Politics - Montenegro and the Region”. The website is bilingual - in addition to M/S/B/C language, the entire content is also available in English.

The website contains relevant information on financing of political parties in the country and the region, as well as some basic information on donors and partners. In addition, there is also a database of regional regulations regarding this area. Furthermore, here you can also find contacts of political parties and institutions in charge of supervising and monitoring political parties financing in countries of the region, the GRECO reports on countries in the region published so far, as well as newsletters and publications made as a part of the projects.

3.2. Istinomjer (Truthmeter) – www.istinomjer.me

Istinomjer.me started working in September 2012. The website measures statements of public officials in the sense of how consistent and truthful they are, whether their promises were fulfilled, as well as the pre-election and post-election promises of political parties in power were fulfilled. It contains the biographies of public officials, the 2009 and 2012 programs of political parties, detailed methodology of the project and a blog with
analysis of the statements made so far. The website offers the possibility for citizens to suggest new contents or report an irresponsible politician. Also, comments can be posted to statements assessed so far.

3.3. Info Center on Euro-Atlantic integrations - www.infocentarmne.net

The Info Center website has started working in November 2012 and it offers news on Euro-Atlantic integrations as well as information on the functioning of the Center itself. The website contains the calendar of activities, where visitors can read about upcoming events as well as the events that already took place. On the website you can find newsletters, see photo and video gallery of events organized by the Center, and you can also find “Q&A“ section intended for the citizens. It is important to emphasize that we have used live stream for the first time on the Info Center website.
3.4. DURBIN – www.durbin.cdtmn.org

The website of the project DURBIN was created in December 2012. It contains the database on transparency of state institutions. If a visitor click on an institution, information on transparency of the institutions show up obtained through the study that the CDT conducted in 2012. In addition, information can be found on the project, partners and donors, reports and announcements, contacts, and there is also an option to compare transparency results between state institutions.

4. Socijalne mreže

4.1. Facebook

The CDT Facebook Group (link: www.facebook.com/groups/10823726301) was active throughout 2012, its content has been expanded, and the number of members has exceed 1200 before the end of 2012. In addition to the group, there is also the CDT page (link: www.facebook.com/pages/Centar-za-demokratsku-tranziciju-CDT/139420946128519), which also follows the organization’s activities.

4.2. Twitter

CDT has two Twitter profiles: one in M/S/B/H language (@CDT_CrnaGora), and the other in English (@CDT_Montenegro). The most important news regarding the organization’s activities are being posted there, and they also follow the most important social event with the CDT program areas.
5. Publishing

In 2012 the CDT published the following publications:

- The CDT Annual Report - 2011 (May 2012)
- How to influence public policies? (June 2012)
- Civil Society – an Important Factor in EU Accession Negotiations of Serbia and Montenegro (publication available only in English, November 2012)
- Financing of Political Parties in 2011 (November 2012)
- Guide through the EU and NATO (second edition, November 2012)

All publication in an electronic form can be found on the CDT website [www.cdtmn.org](http://www.cdtmn.org) under the section PUBLISHING.
1. International conferences, seminars and study visits

- The CDT president Milica Kovačević took part at the Balkan Peer Exchange conference organized between 21 - 23 February in Belgrade by the Balkan Trust for Democracy (BTD), the National Fund for Democracy (NED), Open Society Foundation – Think Tank Fund and the program Human Rights and Governance Grants of the European Balkan Fund and the Open Society Fund - Serbia. The conference gathered representatives of 50 think tanks and advocacy organizations (that continually achieve results in the areas of their research activities) and a number of donors active in the region, offering them room for direct exchange of practices, positive and negative experiences and creation of new innovative ideas.
• The CDT executive director, Dragan Koprivica, participated at the 16 - 18 February POINT conference (Political Accountability and New Technologies) in Sarajevo. POINT is a regional conference of civil society organizations from 7 countries from Southeastern Europe which intensely use new technologies in their work. The POINT conference is organized by the Citizens’ Association “Zašto ne” (“Why not”) from Bosnia and Herzegovina in cooperation with the organization CRTA from Serbia and Metamorphosis from Macedonia, while the Albanian organization Mjaft is a member of the organizing board of the conference. The event was focused on five major topics in the context of using new technologies: monitoring government’s work and advocating transparency of government and public information, elections and the election process, education, raising awareness and training, mobilization and organizing.

• The CDT executive director, Dragan Koprivica, took part at the 19 - 20 March 2012 Conference on civil elections monitoring organized in Libya by the National Democratic Institute (NDI). The conference gathered 50 representatives of civil society organizations in Libya whose goal is to form a network which would, for the first time, organize a civil elections monitoring project. Namely, first elections in Libya since 1965 were planned in late June. The CDT was invited to share their experiences with their Libyan counterparts regarding forming and functioning of the election observers network, creation of a team for elections legal framework analysis, creation of PR strategy, as well as the ICT development strategy in elections monitoring.
• The assistant to project coordinator, Biljana Jovanović, participated at the roundtable on the topic “Western Balkan and the European Integrations”, organized as a part of the symposium “Dealing with the Challenges in the Western Balkan: Multiculturalism and the European Integrations” in the period 16 - 18 April in Dijon, France. The symposium was attended by 20 young representatives of NGOs from Western Balkan, prominent professors from French universities, as well as from the School of Political Studies in Dijon.

• The member of the CDT Executive Board, Blažo Crvenica, was in Istanbul in the period 3 - 9 June taking part in the training for long-term election observers (LTO) organized by the OSCE/ODIHR. There were 33 participants in the training from 18 Central European, Eastern European and Asian countries. Some of the topics covered were: basic standards of democratic elections, the ODIHR elections monitoring methodology, team work in an international environment, and reporting mechanisms, and a number of exercises and case studies, related to long-term elections monitoring, were conducted.

• In the period 8 - 9 June, the CDT director Dragan Koprivica took part in the Sofia Balkan Forum. The Forum was organized by the Ministry of Foreign Affairs of the Republic of Bulgaria and the Center for Liberal Strategies, in cooperation with the Balkan Trust for Democracy. Important topic regarding present and future Balkan region were discussed: the position of the Balkan globally, future of integrations in the Balkan, relations between the EU and the USA in the context of the Balkan politics. In addition, there were discussions about economic integration but also the problems that the area has been struggling with lately. The participants of the gathering were officials from the Balkan countries, international community, media and NGO representatives.
The CDT Executive Board member Blažo Crvenica attended the 12 - 13 July meeting on democratic elections and the election monitoring process at the OSCE headquarters in Vienna. The meeting, jointly organized by the presiding member of the OSCE the Republic of Ireland and the ODIHR, gathered representatives of governments, election commissions and civil society from 56 OSCE member countries, as well as the partner countries. The meeting was opened by the chairman of the OSCE Permanent Council, the Irish Ambassador Eoin O’Leary and the ODIHR director, the Ambassador Janez Lenarčič. The focus of the meeting was the role of elections monitoring in promoting democracy and security of member countries.

The CDT project coordinator Ivana Drakić was in Brussels in the period 14 - 18 October as a part of the program Fostering Policy Dialogue: TRAIN Program, organized by the German Foreign Policy Council. The goal of the program is to encourage active dialogue between think tanks and political actors in Western Balkan countries. This was the last study visit within the TRAIN program.

2. **International monitoring missions**

The CDT representatives took part in international mission of monitoring parliamentary election in Ukraine implemented by the European network of election monitoring organizations (ENEMO). Five representatives of the CDT took part in the mission - 3 long-term observers and 2 short-term observers.
1. About Praxis

In 2012, our company Praxis Montenegro worked on further defining and enhancement of its activities in new areas of work. In early 2012 the focus was on making decisions regarding sustainability of current and future activities of the company. Financial reconstruction of the company was finished, which was necessary for further unhindered activities.

Furthermore, it was assessed that the company has significant potential for continuation of its logistical and technical activities, which will be discussed in the text below.
In 2012 the person in charge of the company has been changed. As of April 2012, Milivoje Krivokapic has been replaced by Milovan Papić as the executive director.

In late December there was also change in the ownership structure and now the Center for Democratic Transition participates with 58%.

2. Opinion polls

In 2012 Praxis was more involved in researching and logistical and organizational activities. For the needs of the East-West Management Institute (EWMI) – Podgorica Office, second opinion poll on corruption was conducted in the period 10 June - 15 July. The research was successfully conducted with 2 regional and 19 municipal coordinators.

In July, August and September, after providing the best offer, Praxis took part in the project Ranking of Montenegrin Municipalities with regard to citizens and legal entities satisfaction with life and condition in 2012. The project involved gathering qualitative and quantitative indicators on regular basis, designed to register improvements achieved over time in Montenegrin municipalities. Using defined samples and methodology, around 30 people was engaged in successful implementation of the research. The project was ordered by the East-West Management Institute (EWMI) and the CHF International (CHF), an organization financed by the USAID.
3. Design and print preparation services

In 2012 the years of experience of the CDT team in the field of publication and website design were used. Those skills helped us sign two-year contract with UNICEF after providing the best tender offer. The contract means that we will be designing and preparing their publications for print in the next two years. It should be mentioned that we have good cooperation with our partners who provide us with good quality printing services for all types of materials.

4. Publishing

In December 2012 we published our first book Globalization – Very Short Introduction by Manfred B. Steger. This is one of the five titles from the Oxford Edition offering an accessible insight into causes and effects of globalization. The editors in our language are Olivera Komar and Bojan Spaić. Along with them, the people who worked on this edition were the translator Danilo Leković, proof-reader Milka Goranović, and Bojan Tešić and Blažo Crvenica, who prepared the text for printing. The book was published in 500 copies. Other titles from the aforementoin edition are also planned for publishing.
1. CDT income in 2012

The total income of CDT for projects implemented in 2012 is €238,583.80, of which €210,229.66, was paid in 2012 and €28,354.14 in 2011.
### Income and Expenditures

#### Annual Report - 2012

<table>
<thead>
<tr>
<th>DONOR</th>
<th>AMOUNT (€)</th>
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<tbody>
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<td>Foreign and international foundations</td>
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<td>(PTF, WFD, NED, RBF)</td>
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<td>(Embassies, USAID, NDI, NATO PDD, DGAP)</td>
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<td>Related legal entities and local community support</td>
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</tr>
<tr>
<td>(Praxis Montenegro LLC, donations and membership fees)</td>
<td></td>
</tr>
<tr>
<td>State and municipal funds</td>
<td>1,000.00</td>
</tr>
<tr>
<td>(Coordination Team of the Government of Montenegro for Implementation of Communication Strategy on Euro-Atlantic Integration)</td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>210,229.66</strong></td>
</tr>
</tbody>
</table>

#### Income in 2012 - Donor structure

- **European Union**: 30.21%
- **Bilateral donors**: 54.42%
- **Foreign and international foundations**: 13.77%
- **Related legal entities and local community support**: 1.41%
- **State and municipal funds**: 0.19%
<table>
<thead>
<tr>
<th>PROJECT TITLE</th>
<th>DONOR</th>
<th>AMOUNT (€)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Good Governance – Better Institutions</td>
<td>USAID EWMI</td>
<td>28,792.00</td>
</tr>
<tr>
<td>Info Center on Euro-Atlantic Integrations – Creative approach to integrations</td>
<td>Embassy of Canada</td>
<td>23,947.42</td>
</tr>
<tr>
<td>Institutional support&lt;sup&gt;a&lt;/sup&gt;</td>
<td>Praxis Montenegro LLC, donations and membership fee</td>
<td>23,115.86</td>
</tr>
<tr>
<td>Community Empowerment – Key to Better Environment</td>
<td>European Union</td>
<td>23,000.00</td>
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<tr>
<td>Election breakfast 2012</td>
<td>The Rockefeller Brothers Fund</td>
<td>22,990.86</td>
</tr>
<tr>
<td>Istinomjer (Truthmeter)</td>
<td>NED</td>
<td>17,516.57</td>
</tr>
<tr>
<td>Election breakfast 2012</td>
<td>US Embassy</td>
<td>15,222.52</td>
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<tr>
<td>EUPhoria</td>
<td>Embassy of the Kingdom of the Netherlands</td>
<td>14,116.00</td>
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<tr>
<td>Capacity Building for Increasing Transparency of the Municipality Kotor</td>
<td>Partnership for Transparency Fund</td>
<td>6,489.94</td>
</tr>
<tr>
<td>Info Center on Euro-Atlantic Integrations – Development of “fact sheets” and raising awareness of citizens about Euro-Atlantic integrations</td>
<td>US Embassy</td>
<td>6,394.37</td>
</tr>
<tr>
<td>Info Center on Euro-Atlantic Integrations - Institutional support</td>
<td>Embassy of Turkey</td>
<td>5,000.00</td>
</tr>
<tr>
<td>NGO sustainability index</td>
<td>USAID MSI</td>
<td>4,346.07</td>
</tr>
<tr>
<td>Info Center on Euro-Atlantic Integrations – Opening of the Info Center</td>
<td>NATO PDD</td>
<td>3,988.00</td>
</tr>
<tr>
<td>Info Center on Euro-Atlantic Integrations - TV shows “Ping pong”</td>
<td>UK Embassy</td>
<td>3,600.00</td>
</tr>
<tr>
<td>Youth Network Nikšić-Sarajevo</td>
<td>European Union</td>
<td>2,574.15</td>
</tr>
<tr>
<td>NATO Photo Exhibition</td>
<td>NATO PDD</td>
<td>2,540.93</td>
</tr>
<tr>
<td>Open Institutions</td>
<td>European Union</td>
<td>2,130.65</td>
</tr>
<tr>
<td>Train Program</td>
<td>German Foreign Policy Council - DGAP</td>
<td>1,349.32</td>
</tr>
<tr>
<td>EU/NATO workshops</td>
<td>Coordination Team of the Government of Montenegro for Implementation of Communication Strategy on Euro-Atlantic integration</td>
<td>1,000.00</td>
</tr>
<tr>
<td>Capacity Building of the Female Network for Equality, Albania</td>
<td>NDI</td>
<td>870.00</td>
</tr>
<tr>
<td>Capacity Building of the Parliament of Montenegro</td>
<td>Westminster Foundation for Democracy</td>
<td>450.00</td>
</tr>
<tr>
<td>Info Center on Euro-Atlantic Integrations - Institutional support</td>
<td>Embassy of Republic of Slovenia</td>
<td>400.00</td>
</tr>
<tr>
<td>Study “Constitutional challenges on the road to the EU”</td>
<td>Association Zenit Skopje</td>
<td>395.00</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td><strong>210,229.66</strong></td>
</tr>
</tbody>
</table>

<sup>a</sup> Regulations prescribe proportional participation of employees in financing the CDT, so in case an employee is hired for a project, he/she is obliged to donate at least 50% of his/her fee to the organization, while people who are hired as representatives of the CDT donate at least 30% of their fee net.
2. CDT expenditures in 2012

The total CDT expenditures in 2012 were 223,396.62€.

<table>
<thead>
<tr>
<th>EXPENSES</th>
<th>AMOUNT (€)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expenses for net salaries of employees</td>
<td>57,624.16</td>
</tr>
<tr>
<td>Freelance contractors</td>
<td>34,767.00</td>
</tr>
<tr>
<td>Income taxes and contributions for employees</td>
<td>38,145.03</td>
</tr>
<tr>
<td>Income taxes and contributions for freelance contractors</td>
<td>2,555.99</td>
</tr>
<tr>
<td>Services expenses (services, printing, accounting, marketing)</td>
<td>26,945.02</td>
</tr>
<tr>
<td>Material expenses (rent, office material and consumables, electricity, telephone)</td>
<td>17,169.37</td>
</tr>
<tr>
<td>Amortization costs</td>
<td>5,651.73</td>
</tr>
<tr>
<td>Expenses of negative exchange rate differences, taxes, interest rates and bank fees</td>
<td>4,399.32</td>
</tr>
<tr>
<td>Expenses for organizing seminars and conferences</td>
<td>12,515.63</td>
</tr>
<tr>
<td>Expenses for projects with partner organizations</td>
<td>13,509.50</td>
</tr>
<tr>
<td>Expenses for representation, hotel accommodation, plane tickets / guest freelance contractors</td>
<td>10,113.87</td>
</tr>
<tr>
<td>TOTAL</td>
<td>223,396.62</td>
</tr>
</tbody>
</table>

Expenses in 2012


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