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November 2017

1. Introduction and summary

The following assessment is based on Montenegro's reports on the implementation of the Action Plans during the first semester of 2017, on additional information provided in the context of these reports, as well as on a range of other sources - including peer review missions, monitoring reports from international organisations and civil society.

The state of play in the area of rule of law presents the following picture: the implementation of the Action Plans for chapters 23 and 24 in the past four years has resulted in significant progress in the areas of legislative reform and institution building. Only initial results have been produced on suppression of high level corruption, as well as some forms of organised crime. Reforms are well under way in the area of migration and asylum, and border management capacities are increasing.

In several areas the practical impact of legislative and institutional reforms is not sufficient, and track records remain limited. This continues to apply in particular to key areas such as the seizure and confiscation of criminal assets, money laundering and trafficking in human beings, track records on solving old cases of violence against journalists, and media freedom in general. Better results are also required in solving cases of ill-treatment by law enforcement officers, tackling the problems of domestic and gender based-violence, and various forms of discrimination. Some delays are further noted in implementing the reform of the judiciary.

More efforts are required to strengthen the operational capacity (including through merit-based recruitment, allocation of adequate resources, and systematic and practice oriented training). All stakeholders and institutions need to implement the reforms more proactively, vigorously and in the spirit in which they were designed.

Convincing results of the undertaken reforms will only be possible in an environment where independent institutions are shielded from any interference and incentivised to fully use their powers.

The inclusion of civil society organisations (CSOs) in the reform process is generally noted as positive, in particular their involvement in chapter 23 working group. However, dialogue and consultations with CSOs beyond formal involvement in government's working groups should be further developed and improved.

For the coming period, it will be crucial for Montenegro to demonstrate stronger political commitment to rule of law reforms and to deliver convincing results, in particular in the areas of concern. This requires engagement of all the relevant institutions and actors involved in this process.

2. Detailed assessment

2.1 Chapter 23 – Judiciary and Fundamental Rights

Judiciary

In September 2017, the Government adopted the 2017–2018 Action Plan for the implementation of the 2014–2018 Judicial Reform Strategy.

Independence and impartiality

The legislative reforms in this area are completed. However, laws aimed to strengthen the independence and impartiality of the judiciary remain to be fully implemented.

The new nationwide system for the recruitment of judges and prosecutors applies as of 2016. Montenegro is now organising single nationwide competitions for judges and prosecutors. Initial training for three judges and four prosecutors recruited under the new system has been ongoing since March. In spring the Prosecutorial Council published eight vacancies for state prosecutors at Basic State Prosecutor's offices for the first time at national level, without referring to specific prosecution offices. The selection of candidates is underway.

As regards the evaluation of judges, following the completion of the pilot phase of the implementation of the new system of regular professional assessment in the Basic Court of Nikšić and the Basic Prosecution Office of Cetinje in autumn 2016, both Councils reviewed the assessment criteria. In July 2017, the Prosecutorial Council started to implement regular professional assessment of prosecutors appointed in 2015. The Judicial Council has only been assessing judges for the purpose of promotion. The Judicial Council appointed a working group to review and prepare proposals for amendments to the Law on Judicial Council. Scepticism among the judiciary towards the regular professional assessment continues to raise concerns and risks delaying the implementation of regular professional assessment.

There are still vacancies to be filled in the secretariats of both Councils. The secretariat of the Judicial Council received seven extra staff in the first half of 2017 bringing the total number of employees to 41 out of the 53 planned positions. The secretariat of the Prosecutorial Council remains understaffed, with 16 positions filled out of the 29 foreseen.

Further strengthening of the administrative capacity of the Judicial and the Prosecutorial Councils and improvement of professional capacities of its members, including in the areas of strategic, budget and human resources planning, and communication are still needed. Members of the Councils should devote more time and show their full commitment to performing their functions. Both Councils still need to improve transparency of their work, including by fully motivating and publishing decisions on promotions and appointments, and the minutes of their meetings.

Accountability

Track records in the enforcement of disciplinary accountability and of the Codes of Ethics for judges and prosecutors are still very limited. Relevant decisions by the Judicial and Prosecutorial Councils need to be better motivated and case law remains to be developed.

In the first half of 2017, disciplinary proceedings were initiated against one judge, which resulted in the statutory minimum sanction (a warning and a fine in the amount of 20 % of the salary for a period of three months). No new disciplinary proceedings have been launched

against prosecutors this year, though one prosecutor also received the statutory minimum sanction in a disciplinary procedure that started in 2016. There are strong indications that not all cases that give grounds for disciplinary liability are being followed up.

So far in 2017, the Commission for monitoring the implementation of the Code of Ethics for judges has dealt with four cases (compared to 19 cases in 2016, of which two violations were established). In two cases proceedings are ongoing, while no violation was established in the other two cases. No cases of violation of Code of Ethics from prosecutors have been reported this year (compared to three cases in 2016, of which a violation was established in one case).

Both Commissions for monitoring the implementation of the Codes of Ethics should have a more consistent approach in handling cases and a legal remedy against their decisions should be provided for by the law. Montenegro needs to continue raising public awareness of existing complaints' mechanisms.

Despite achieving better results, the judicial inspection system needs further improvement and effective enforcement. In 2017, to the start of September, 28 inspections have been carried out in 20 courts and eight misdemeanour departments, nine notary offices and eight bailiffs' offices. Irregularities were detected in five basic courts, one misdemeanour court and two misdemeanour departments, related to registers and proper filing. More substantial irregularities were established in five bailiffs' offices (in 2016, there were 106 inspections, with irregularities detected in ten courts, two prosecution offices and nine bailiffs' offices). The foreseen reinforcement of the small team of three staff members in the inspection department under the Ministry of Justice has not yet taken place. More in-depth inspections need to be performed, including un-announced checks.

By September 2017, six disciplinary proceedings were initiated against bailiffs. One case is still pending at first level, in another case a temporary prohibition of performing the activity of a bailiff has been imposed by the first level disciplinary commission, while the remaining four cases terminated without a violation being established (in both 2015 and 2016 disciplinary measure were imposed in 10 cases). In March 2017 amendments to the Law on Bailiffs were adopted, aimed at ensuring effective control over the work of bailiffs and higher level of professionalism, and compliance with ethical standards. Further steps, which go beyond legislative amendments, need to be taken in order to tackle this problem.

Efficiency and professionalism

Concerns in respect of consistency, reliability of statistical data and compliance with the European Commission for the Efficiency of Justice (CEPEJ) guidelines remain. Statistical data therefore cannot be systematically analysed, nor can they be used for management and policy-making purposes which makes it difficult to guide the reform process. The situation is in particular due to deficiencies and problems with the functioning of the current judicial information system (PRIS), which is why the courts still use manual registers in parallel.

Following the adoption of the ICT Strategy for the judiciary in 2016, the implementation of the accompanying action plan continued with some delays due to lack of capacity, demonstrating the need for additional expert support. In September 2017, the project documentation for the new IT system was adopted and the publication of the tender for procuring new software is planned for late autumn. In order to improve coordination and address delays in implementation, a separate directorate-general for ICT and data security will be established within the Ministry of Justice. Alternative solutions need to be put in place until the strategy is fully implemented and the new judicial ICT system with all its

functionalities is operational. Such transitional arrangements should enable the allocation of human resources more efficiently and the definition of more realistic standards of workload for judges, based on the results and recommendations of the case-weighting study completed in 2015.

According to the mid-term strategy for the rationalisation of the courts network for the period 2016-2019, concrete rationalisation measures are postponed until after 2019. Montenegro is invited to considerably step up the work on rationalisation of the judicial network.

While Montenegro is in general not affected by substantial court backlogs, the figures for 2017 so far indicate a decrease in productivity. Measures to increase the efficiency of the judiciary need to continue, so as to enable courts to cope with the influx of cases and to further reduce the number of pending cases.

The impact of alternative dispute resolution remains low and even seems to be decreasing. Only 256 cases have been referred for mediation (compared to 872 cases in 2016) by the end of September 2017; and 236 cases (compared to 429 in 2016) were resolved through mediation. In the same period, 1 388 labour disputes cases were referred to mediation (9 175 in 2016) of which 424 were resolved through mediation by the Agency for peaceful settlement of labour disputes (7 975 in 2016). The use of alternative dispute resolution needs to be further promoted among judges, lawyers and parties to the disputes.

As a consequence of the introduction of the bailiff system, the total number of enforcement cases before the courts continues to decrease. The Podgorica Basic Court, the court most affected by the backlog, is successfully implementing specific measures to reduce it. At the same time, the number of appeals lodged before the courts in cases processed by bailiffs increased in the reporting period from 597 cases pending as of January 2017, to 1 284 cases pending end of June. A centralised case management system for bailiffs has been established. This system allows monitoring of the recovery rate, costs and duration of enforcement proceedings carried out by bailiffs at the central level. Direct access to the system is provided to the Ministry of Justice, while the Bailiffs' Chamber is in the process of connecting it with public databases.

Following the move of the Judicial Training Centre into new modern premises in January this year, the Centre is now fully equipped. Its secretariat however faces difficulties in attracting qualified candidates and it remains understaffed, with only 10 filled out of the 19 positions foreseen by the rulebook. Autonomous and self-sustainable functioning of the Centre still needs to be guaranteed; and the overall expert, managerial, strategic planning and administrative capacities enhanced without delay, as well as cooperation with the Judicial and Prosecutorial Councils. The Centre needs to play a more active role in identifying training needs on the basis of a training needs assessment, promoting trainings among the targeted audience, producing training materials covered by copyright and in training evaluation.

Domestic handling of war crimes

Of the eight new cases that the Special Prosecutor's Office for the fight against corruption, organised crime, war crimes, terrorism and money laundering (SPO) started investigating in 2016, six are still in the phase of preliminary investigation. In one of these cases, the SPO concluded on the basis of evidence obtained not to proceed with prosecution. In September 2017, court proceedings have started against the individual who was charged in February 2017 for crimes against civilian population. In all the cases under preliminary investigation, the SPO had to rely on letters rogatory to the International Criminal Tribunal for the former

Yugoslavia (ICTY) and on requests for international legal assistance by the prosecution services of the neighbouring countries. The SPO is currently processing the information delivered. Montenegro needs to further step up its efforts to fight impunity for war crimes and to apply a more proactive approach in order to effectively investigate, prosecute, try and punish war crimes in line with international standards and to prioritise such cases.

By end of June 2017, 145 decisions on claims for compensation became final (December 2016: 125), and a total amount of € 1 347 080 (by end of 2016: € 1 097 713) was awarded. In one case (three in December 2016) court proceedings are still ongoing, while eight decisions awarding compensation for a total amount of € 128 530 are not yet final. Montenegro needs to ensure that victims of war crimes have equal access to justice, that reparations are in line with the national legislation, and that the proceedings concerning the remaining claims are finalised within a reasonable time.

Anti-corruption

Prevention of corruption

By end of June, the Anti-Corruption Agency (ACA) issued seven opinions on request by a public official and 35 decisions on *incompatibility of functions* (2016: 185 opinions and 58 decisions). Based on the Agency's opinions, 20 public officials resigned from their office or function. Challenges remain as regards cases of *conflict of interest*, which are scarce. Recent opinions issued by the Agency have shown significant weaknesses with regard to establishment of facts and adequate reasoning.

In the first half of 2017, the Agency checked 210 *asset declarations* submitted by public officials, which represents 13 % of the annual plan based on a priority order. It instituted misdemeanour proceedings for failure to submit income or asset declarations against 269 public officials. Decisions have been issued in 167 cases, with fines of a total value of € 22 790 imposed (2016: € 38 270). Another four (2016: 40) misdemeanour proceedings were instituted due to irregularities identified in the asset declarations, with fines amounting to a total of € 1 280 (2016: € 3 680). Over 70 % of public officials gave consent for access to their bank account. However, among those are only 10 members of the government. In the same period, the Agency only initiated seven enquiries into inexplicable wealth (compared to 49 in 2016) but closed proceedings in all these cases, finding no irregularities. The Agency is encouraged to do more in-depth controls of officials on random samples, including searching for illicit enrichments, changes and movements of assets, and identifying origins of assets.

As regards control and oversight over compliance with the Law on *financing of political entities and electoral campaigns*, in line with its mandate, the Agency carried out a number of control and oversight activities and has contributed to ensuring better compliance of public bodies and political entities with the relevant legislation. By end of June 2017, it launched 13 misdemeanour proceedings (compared to 405 in 2016 – the year of parliamentary elections). In over 100 cases instituted in 2016, during the reporting period the misdemeanour bodies and courts issued fines totalling over € 60 000. The department for the control of the financing of political entities and electoral campaigns is now fully staffed. However, its capacities need to be further improved in order to enable it to produce a track record of possible abuse of state resources for political parties' purposes. The Agency still needs to develop a quality risk assessment methodology and make more effective use of investigative powers, including through more in-depth controls. The shortcomings identified in the existing legal framework need to be addressed and more transparency in the financial resources of political parties as well as their origins is still urgently required.

As regards *whistle-blowers*, by September 2017 the Agency received 29 reports on threats to public interest (56 in 2016), and two requests for whistle-blower protection (eight in 2016). The Agency forwarded four reports to the prosecution while the examination of the remaining reports is still ongoing. In the same period, the Agency dismissed two requests for whistle-blower protection from last year. The Agency further initiated 12 *ex officio* proceedings for determining the existence of a threat to public interest and established such a threat in eight of these cases (no such cases were reported for 2016).

As regards the implementation of the Law on *lobbying*, the Agency has so far announced ten calls for applications from lobbyists. Only two lobbying certificates have been issued so far, but none of the persons that have received certificated has so far registered with the Agency. These low numbers suggest that lobbying activities are being carried out outside the legal framework. The Agency has been addressing this issue through awareness-raising on the new obligations of lobbyists and public officials under the Law on lobbying, but it still needs to demonstrate a more pro-active approach in detecting, following-up and sanctioning breaches of the law. It is in general recommended that the ACA shifts the focus of its activities from registering lobbyists to potentially lobbied individuals in public institutions and bodies.

Integrity plans have so far been adopted by 681 (out of 700) public bodies and 676 bodies have appointed integrity managers. The Agency has been overseeing the process of preparation of integrity plans by offering support to the public bodies, issuing recommendations on drafting integrity plans and by providing feedback on the adopted plans and their implementation. It further continued with the sectorial analysis of integrity plans. The electronic submission of integrity plans and the reports on implementation is foreseen to start in 2018; which will also facilitate their easier processing and analysis. The impact of these plans for prevention of corruption remains to be assessed.

ACA is in the process of recruiting additional staff following the adoption of an amended rulebook according to which the number of systematised posts increased by five to a total of 60, with 53 positions already filled.

The Agency's IT system which includes an electronic case management system and a system for electronic submission of reports is in place and is being upgraded continuously. It provides for direct links to databases of other institutions (tax authorities, Land Register, Central Depository Agency) allowing for instance cross-checking of data in real-time and automatic detection of potential incompatibilities of functions. Visibility and transparency of the Agency's web-page has also improved, including the visibility of the electronic form to report corruption.

The Agency is still not perceived as sufficiently independent and proactive by the general public, and allegations of it being instrumentalised for political purposes persist. In order to strengthen public confidence, the Agency and its staff must ensure maximum transparency, integrity, impartiality and independence. The Agency must further improve its communication and outreach activities.

Apart from the police (16 cases processed so far in 2017, 20 cases in 2016) and customs administration (one case, three cases in 2016), there are still hardly any cases demonstrating the effective implementation of *codes of ethics* for members of the legislative and executive authorities.

The impact of anti-corruption measures in *particularly vulnerable areas* (local self-government, spatial planning, public procurement, privatisation, healthcare and education)

remains limited. Despite staff reinforcement in some inspection services, there is still a strong and urgent need to improve and strengthen internal control and inspection mechanisms within the public administration and to improve their cooperation with law enforcement authorities.

Inspection capacities in *public procurement* need to be further enhanced. Introduction of full e-procurement, which is ongoing, is expected to help achieve more transparency and to reduce opportunities for abuses. Checks on contract implementation remain a cause for concern, including in the light of the weak audit and inspection capacities.

Progress has been noted in establishing a track record in the prevention of corruption and the amount of fines imposed by misdemeanour bodies is increasing, although sanctions provided by the law are still not always applied effectively. The practice of issuing sanctions below the statutory minimum is not having a deterrent effect and counteracts the effective enforcement of rules on prevention of corruption.

Amendments to the Law on Free *Access to Information* were adopted in April, aligning it with the Directive on the re-use of public sector information, as revised by the Directive 2013/37/EU. While the amendments are expected to expedite proceedings of obtaining information, there are concerns regarding the increasing trend of declaring information as classified by the authorities whereby excluding it from the scope of application of the Law.

Repression of corruption

An initial track record of investigations, prosecutions and final convictions in cases of high-level corruption has been established, but this now needs to be further consolidated. Since the beginning of 2017, four final and enforceable judgements were issued based on plea bargain agreements imposing prison sentences between six months and two years. In addition, fines of € 50 000 each were imposed in two cases and in one case a return of property in the estimated value of approximately € 1 million. The former President of the State Union of Serbia and Montenegro was among the individuals convicted in one of these cases; he has not yet started serving his prison sentence.

In April, a final judgement was issued for abuse of office against a former judge and a former president of a court, providing for three and two years of imprisonment, respectively.

Trials are currently ongoing in other high profile cases processed in the previous period, including in a case concerning 12 public officials.

The temporary measure of prohibiting the use and disposal of immovable property (a larger plot of land and company premises) was imposed in a case in which investigation is ongoing against 12 individuals, including two deputy ministers, and one legal person. However the overall track record with regard to seizure and confiscation of assets still needs considerable and urgent improvement.

New financial investigations were launched in spring against 23 individuals and three legal persons in relation to high-level corruption cases. Despite some progress, financial investigations are still not launched systematically in corruption cases. The lack of financial investigation skills in the police and prosecution service needs to be addressed as a matter of priority through targeted specialised long-term training.

The SPO continued to demonstrate a proactive approach in investigating high-level corruption cases in close and improved cooperation with the Special Police Unit (SPU) which was formed in 2016 to support the work of the SPO. However, further improvements are still

necessary in order to allow the SPO and the SPU to efficiently deal with an increasing number of cases. Both the SPO and the SPU need to be provided with all the human and material resources they require (for more information, see below Police cooperation, fight against organised crime).

Fundamental rights

As regards the international human rights instruments and anti-discrimination, Montenegro has continued the dialogue with international human rights organizations and monitoring bodies. In first half of 2017, Montenegro presented the reports on implementation of the UN Convention on Elimination of all Forms of Discrimination against Women (CEDAW) and of the UN Convention on the Right of Persons with Disabilities (CRPD).

The cooperation with the *European Court of Human Rights* (ECtHR) remains good and none of the judgements on Montenegro is subject to the enhanced supervision procedure. The Government continues to demonstrate its willingness to conclude friendly settlements in cases concerning the length of proceedings, as well as cases of non-enforcement of domestic decisions. So far this year, eight judgements in cases against Montenegro were issued by the ECtHR. In one case a violation of Montenegro's procedural obligations under Article 2 (right to life) of the European Convention of Human Rights (ECHR) was found, due to State's failure to promptly and effectively investigate deaths of a group of Roma who drowned close to Montenegrin shore in 1999. In the remaining cases, ECtHR found violations of the right to a trial within reasonable time (Article 6) and lack of effective remedy (Article 13) in this respect.

The overall awareness of the institutions and judiciary of the rights protected by the ECHR, their willingness to apply the standards in daily practices, and the quality of the reasoning of the decisions, including those of the Constitutional Court, still need to be improved. Montenegro is aware of the situation and several activities are ongoing in this area, including capacity-building in the judiciary and publication of selected ECtHR cases on the Supreme Court's homepage.

The internal organisation and working methods of the *Constitutional Court* with regard to the procedure of constitutional complaints also call for improvement. Another issue of concern is an increasingly high number of laws that are being challenged by the Constitutional Court which will negatively affect swift processing of constitutional complaints.

As regards the *promotion and enforcement of human rights*, the two main institutions in this area, the Ministry of Human Rights and Minorities (MHRM) and the Ombudsman's Office, continued to receive EU and international assistance, with a view to reinforcing their capacities and thus enable them to fulfil their mandate. However, the capacities of the MHRM in particular remain limited. The MHRM has started to address these shortcomings and plans to increase its staff of 25 by three additional posts. The MHRM needs to improve its strategic planning and to better address the training needs of the staff on human rights standards. It also still needs to put in place stronger and more transparent procedures to distribute and manage the funds for minorities and for religious communities, including by establishing internal control mechanisms.

Concerning the Ombudsman Office, continued improvement in several aspects of its work can be observed: on visibility, outreach activities, as well as in efficiency and productivity as regards processing the received complaints and issuing of recommendations. The growing number of cases reported to the Ombudsman confirm rising public trust in the institution. The

ombudsman's role also became more visible in tackling discrimination and its cooperation with CSOs remains positive. However, a more systematic and planned approach to CSOs consultations is still required. Despite these improvements, and the increase of staff in the past, the capacities of the departments dealing with human rights and anti-discrimination need to be enhanced in order to enable them to efficiently deal with the lodged complaints.

Furthermore, the inter-institutional cooperation between the Office, the MHRM and the Parliamentary Committee on Human Rights still needs to be improved. Financial resources provided to both institutions are not sufficient to enable them to efficiently carry out their tasks.

Montenegro has continued to work towards fully implementing all the recommendations of the European Committee for the *Prevention of Torture and Inhuman or Degrading Treatment* (CPT). The National Preventive Mechanism works as a separate department under the Ombudsman. Its capacities have been strengthened, and the results of its work demonstrate its increasing independence. Ongoing delays in investigating and prosecuting cases of alleged violence by law-enforcement officers, including those which took place during the autumn 2015 opposition protests, show the difficulties of eradicating ill-treatment and establishing a record of deterrent sanctions. The same applies to cases of violence in prisons.

In relation to the cases of police violence during October 2015 protests, 13 cases have been opened, out of which eight perpetrators have not yet been identified. Indictments have been lodged in two cases for which trials are on-going. In a separate case a police commander has been convicted by a final decision to 5 months imprisonment for not complying with the obligation to open an investigation into these events. In July 2017, the Constitutional Court issued decisions in three cases establishing lack of effective investigation in relation to ill-treatment by law enforcement officers during the aforementioned protests. Investigations into these cases are being hampered by the inability to identify the officers who were wearing masks during the operations. Amendments to the Law on Interior which are still under preparation foresee to address this problem. Also, the judicial follow-up to the cases of violence in prison during 2015 is still pending, with the exception of one case in which an officer of the Institute for Enforcement of Prison Sanctions was sentenced to five months imprisonment this March for causing severe bodily injury to a prisoner.

Concerning the *prison system*, material conditions continue to improve through small refurbishments of facilities, but they remain poor overall. The same applies for medical support and for the working conditions of the staff. In June 2017, new Instructions on the health care of detainees and prisoners in the Institute for Enforcement of Prison Sanctions were adopted which *inter alia* lay down the procedure of initial medical checks upon admission and improved keeping of medical records. Shortcomings also remain in the area of rehabilitation and resocialisation. Restoration of the Bijelo Polje prison and of detention facilities in several municipalities are foreseen, as well as plans for special institution for medical health within the Institute for Execution of Criminal Sanctions.

On *personal data protection*, amendments to the Law on Data Protection related to video-surveillance were adopted in March. Capacity-building activities to reinforce the Agency for Personal Data Protection and Free Access to Information have continued, and nine new employees were hired by end of June. Work has not yet started on aligning the legislative framework, including the Law on Data Protection, with the new EU *acquis* in this field.

In the field of *freedom of expression*, there is still limited progress in addressing violence against journalists and media, especially in dealing with unsolved cases. The *ad hoc*

Commission monitoring cases of violence against media, which was re-established in September 2016, has so far produced two reports focusing on more recent cases. The Commission still faces difficulties in obtaining unlimited access to case files and in prolonging security clearances of its members. In the first half of 2017 three verbal attacks and one attack on media equipment were reported. Three of these cases resulted in misdemeanour proceedings, while in one case reported case the authorities found no elements of criminal or minor offences. In October 2017, first instance courts awarded compensation in the amount of € 7 000 to a journalist for lack of effective investigation into his attempted murder in 2007. Activities need to continue to solve the old cases, including the 2004 murder case. Not only do the material perpetrators but also those behind the attacks need to be identified, as the shortcomings and delays in the investigations which failed to bring results do as well. The government and the authorities are expected to demonstrate zero tolerance for threats or attacks against media, as well as to follow up on the recommendations of the *ad-hoc* commission.

The lack of professional and ethical standards for media, as well as of effective self-regulation mechanisms and the fact that sanctions for breaches of Code of Ethics are not systematically applied by the Agency for Electronic Media, still create a climate where freedom of expression can easily be abused.

Despite some positive developments within the public broadcaster RTCG (Radio and Television of Montenegro), editorial independence and professionalism standards need to be further enhanced. The RTCG management and its governing bodies need to be shielded from undue influence and political pressure.

Regarding *non-discrimination*, amendments to the Law on prohibition of discrimination aiming to align with the EU *acquis* were adopted in June, though Court cases remain rare. It appears that the highest degree of discrimination is present in the area of employment by the criterion of political affiliation. The work of the Ombudsman office in this area has improved, but its capacities need to be further strengthened. Progress towards criminalisation of racist and hate speech has been made with new amendments to the Criminal Code in July 2017, while the prosecution numbers remain low.

On *equality between women and men*, concerns still remain regarding the impact of implementation of legislation on gender equality, and the new 2017 – 2021 Action Plan, which require significant increase in human, technical and financial resources.

Domestic and gender-based violence also continue to be a serious concern. With adoption of the amendments to the Criminal Code in July 2017 Montenegro aligned its penal legislation with the Istanbul Convention. However, the implementation of the Istanbul Convention is still proceeding slowly and a track record of effective multi-disciplinary cooperation remains limited. There is little improvement in the capacities of social welfare centres and a unified database of cases of violence is not yet functional due to technical problems. The capacities of existing institutions in this area, including the judiciary and police, will need to be strengthened. Montenegro also needs to adopt measures to counter stereotypes and discriminatory practices, trafficking and exploitation of prostitution and to create and enable a suitable environment for women's political participation and education, economic empowerment and to address the needs of women facing multiple discrimination. Another area of concern is the phenomenon of sex-selective abortions.

Regarding *rights of the child*, amendments to the family law tackling shortcomings related to the legal definition of the child remain to be adopted. The Ombudsman office continued with

its awareness-raising activities in this area. Challenges remain in coordinating policies concerning children, as no single ministry has the overall responsibility. Child-begging as well as forced marriages continue to be reported by CSOs. Violence against children also remains a concern, as well as high societal tolerance to the physical punishment of children, and treatment of juveniles in prisons. Montenegro needs to demonstrate a more pro-active approach in this area.

The alignment of national legislation implementing the rights of *persons with disabilities* with international standards, in particular the UN Convention on the Right of Persons with Disabilities, is progressing slowly. Despite the adoption of an analysis of legislation with the Law on Prohibition of Discrimination of Persons with Disabilities in 2016, only four laws have been harmonised so far. There is no clear budget allocated for the implementation of the strategic and legal framework in this area. Montenegro still needs to provide for regular and sustainable financial support for organizations of persons with disabilities, to improve the consultation mechanisms for persons with disabilities and their representative organizations and to adopt a comprehensive strategy of deinstitutionalisation, as well as a comprehensive accessibility strategy. The adaptation of public buildings to the needs of persons with reduced mobility needs to continue. Montenegro also needs to follow up on the recommendations made in the 2016 OSCE/ODIHR election observation report concerning the accessibility of polling stations to persons with disabilities. Work on the amendments to the Law on Professional Rehabilitation has been delayed and the adoption, initially foreseen in 2016, is now envisaged in 2018. The issue of the fund for professional rehabilitation and adequate spending of funds should also be addressed in cooperation with relevant stakeholders.

The authorities continued to show overall openness towards promoting the *rights of lesbian, gay, bisexual, transgender and intersex (LGBTI) persons*. The preparation of the Law on civic partnership is still ongoing through constructive cooperation between the MHMR and representatives of civil society. The same applies to outreach and awareness-raising activities at the local level. The 2017 national pride parade was organized in Podgorica in September without any incidents. However, there was an increase in reports of hate speech targeting LGBTI persons around that time. Cooperation between the LGBTI community and the police has improved, but records of prosecution of hate speech still need to improve. One attack against an LGBTI person has been reported so far in 2017. The situation in general remains difficult at the local level, and within society itself, where acceptance of sexual diversity is advancing at a slower pace.

In the field of *procedural rights*, substantial efforts remain to be made to ensure full alignment with the EU *acquis* and European standards, notably on rights for suspects and accused persons in criminal proceedings (including notably the right to information and the right of access to a lawyer), as well as on victims' rights. Montenegro will also need to ensure sufficient budgetary allocations to enforce such rights. Dissemination of information on free legal aid also needs to be improved. Concerns still persist with regard to the proper application of ECtHR case-law in cases of prolonged pre-trial detention.

In April 2017, the Parliament adopted new Law on *Minorities* which should eliminate the risk of a conflict of interest in the process of attribution of funds to minorities and bring the overall framework in line with Council of Europe's Venice Commission's recommendations. The implementing by-laws are yet to be adopted and the capacities of the MHRM will need to be strengthened in order to secure effective implementation of the new procedure of allocation of funds for minorities.

Despite some progress as regards *Roma* living in Montenegro, including in the area of access to health and the housing situation of Roma internally displaced persons, Roma remain the most vulnerable and discriminated community in various areas of life, with Roma women being subject to double discrimination. The overall unemployment of Roma community is high and the participation in employment programs is very low; the school drop-out rates remain high and insufficient attention is given to adult education. Among the main challenges to be addressed in the near future are also the housing conditions of domicile Roma, risk of evictions in certain municipalities and Roma involvement in the local self-government. There is no rulebook on the eviction procedures. Additional efforts also need to be made with regard to fight against child begging, protection and promotion of Romani language and the institutionalisation of mediators in the areas of health, education and employment.

As regards *internally displaced persons*, the authorities are still dealing with the backlog of applications for a status of a “foreigner with a permanent status”, following the expiry of the 2014 deadline. The number of pending applications has been slightly reduced to 920 (compared to 945 at the end of 2016), while over 11 000 refugees from the former Yugoslavia have already acquired this status. The lack of identification documents, especially for children, remains a matter of concern. Under the Regional Housing Program projects which are underway in Nikšić, Konik (Podgorica), Pljevlja, and Berane, construction works have so far being completed in Nikšić and Konik. In May the construction of additional unit started in Konik, but there is still a demand for more, in particular in the coastal region.

Montenegro has not yet introduced a separate procedure for determining statelessness, and despite being party to all major international conventions relating to statelessness and having an estimated 486 people who consider themselves stateless living in the country, there are no officially recognised stateless persons. It is important that Montenegro takes the necessary steps to address this issue, either by including the procedure for determining statelessness in the new Law on Foreigners, or in a separate law.

In the field of *citizenship rights*, Montenegro's preparations to develop and implement an investors' citizenship scheme have continued. As a candidate country Montenegro should use its prerogatives to award nationality in a spirit of sincere cooperation and refrain from any measure which could jeopardise the attainment of the Union's objectives. If Montenegro decides to go ahead with such a scheme, special attention should be given to making sure there is a genuine connection between the country and the investor, prior to awarding citizenship.

2.2 Chapter 24 – Justice, Freedom and Security

Migration

The overall strategic framework is in place since the adoption of the Strategy for the Integrated Migration Management in Montenegro for the period 2017-2020 in February 2017. This aims to foster inter-agency cooperation and a more coherent policy approach towards migration. It is monitored by an inter-departmental Working Group, established in August 2017, which also monitors the ongoing implementation of the reintegration strategy for persons returned under the readmission agreement for the period 2016-2020.

In the field of legal migration, following the in-depth assessment of its legal, institutional, technical and training needs, the process of alignment with the EU *acquis* is now at an

advanced stage. The preparation of the draft Law on Foreigners is well advanced following public discussions in spring.

Intensive capacity-building activities continued, and 118 training courses (involving 1218 border police agents) were given in the first half of 2017.

In the field of irregular migration, amendments to the Criminal Code were adopted allowing for the implementation of the Protocol to the UNTOC Convention concerning the Smuggling of Migrants (including criminal liability and aggravating circumstances).

In the same period, the Montenegrin border police prevented 348 attempts to cross the border illegally, which is twice as many as in the second half of 2016. In April, the Montenegrin police filed criminal charges against six persons on suspicion of being part of an international criminal group responsible for smuggling people from Turkey into Western Europe. This was the result of a joint police operation between Bosnia and Herzegovina, Croatia and Montenegro, leading to the arrest of 21 persons in total in those three countries.

Readmission agreements with third countries continued to be implemented satisfactorily and the amount of readmission requests remained stable compared to last year. Between January and September, 438 readmission requests were accepted by Montenegro (including 414 Montenegrin citizens and 24 third countries' nationals), while 40 people were returned from Montenegro to third countries. A readmission agreement with the Republic of Azerbaijan was signed. Readmission agreements with Serbia and Turkey entered into force; this brought the total of readmission agreements Montenegro has with non-EU countries in force to ten.

The readmission agreement with the EU continues to be implemented smoothly. Montenegro concluded implementing protocols with 13 EU Member States. Most readmissions are taking place from Germany, France, Sweden and Luxembourg. However, the acceptance rate of readmission requests issued by EU Member States concerning third countries' nationals remains low: out of 60 requests from EU Member States concerning third countries' nationals presented in the first half of 2017 (mostly from Germany), all were refused, motivated by the lack of evidence of their residence in Montenegro or transit via Montenegro, prior to their entry into the territory of the EU Member State in question.

During the first 8 months of 2017, 133 people have been accommodated in the Centre for irregular migrants. There were no non-accompanied minor migrants among them.

The November 2015 contingency plan for responding to a large influx of migrants has not been triggered so far. The country is not on the main migration route to Western Europe.

Asylum

Further to the adoption of the Law on International and Temporary Protection of Foreigners in 2016, preparation of its implementation is under way. A set of by-laws, regulating the submission and handling of requests, have been prepared, but have not yet been adopted.

Currently Montenegro manages the inflow of asylum seekers without difficulty. The numbers remain low: from January to June 2017, 186 asylum applications were submitted. The three most frequent nationalities were citizens from Algeria (33 requests), Cuba (30 requests) and Iraq (29 requests). However, the number of procedures eventually closed by the administration because the applicants absconded remains high (121 cases). Seven applications were rejected and seven approved, while the others are being processed. The recently

established State Asylum Appeal Commission is fully operational, and it received 69 applications from January to the end of September 2017.

The total number of people under international protection in Montenegro reached 28 in September 2017. Administrative capacities are being strengthened through training and the recruitment of staff to the Directorate for Asylum. The number of beneficiaries hosted by the Centre for Asylum Seekers remained stable (167 during the reporting period), including 26 (accompanied) minors – which remains within the capacity of the Centre. Vulnerable groups benefited from health care, social and psychological assistance. Refugees can benefit from Montenegrin language and culture courses, financial support or assistance to find jobs. A few newly-recognised refugees were employed thanks to a programme of public works. Montenegro cooperates very well with the European Asylum Support Office (EASO).

Visa

Further to the adoption of the new Schengen Action Plan in February 2017, Montenegro pursued its alignment with the EU *acquis* on visa, by amending the Decree on Visa regime in March 2017, allowing the citizens of 7 States¹, which do not require a visa, to enter and stay in the EU, to transit through the territory of Montenegro or stay in Montenegro for up to 90 days with a valid passport only.

The software automatizing the visa issuance process was finalised, and related training was provided for the staff of the Ministry of Interior, while the first three embassies of Montenegro (in Abu Dhabi, Ankara and Moscow) were connected to the national Visa Information System (VIS).

In the framework of the post-visa-liberalisation process, Montenegro continued to implement the relevant measures to prevent the abuse of the visa-free regime with the EU, and reported on a monthly basis on border surveillance, including entry/exit denials, issuance of biometric passports, readmission, DPs, IDPs, and measures taken to improve the situation of the Roma and Egyptian communities. Montenegro limits the issuance of visas at the border to exceptional cases: four visas were issued at the border during the reporting period, after appropriate checks were carried out.

External Borders and Schengen

Some progress in the area of border management was observed during the reporting period, in particular following the reorganisation of the border police into three regional and one national command centres, which resulted in a more efficient distribution of resources. The recently adopted Schengen Action Plan foresees needs' assessments and provides a long term planning for meeting the Schengen standards. An inter-service Working Group, established in April 2017, monitors its implementation. The 2014-2018 Integrated Border Management (IBM) Strategy, which is in line with the 2006 EU IBM concept, continues to be implemented and assessed on a yearly basis. Following the introduction of a new definition for EU IBM concept, as included in Regulation (EU) 2016/1624 on the European Border and Coast Guard, Montenegro is encouraged to revise its IBM strategy as of next year.

Cross-border cooperation with neighbouring countries was illustrated by regular joint patrols

¹ Republic of the Marshall Islands, Micronesia, Republic of Palau, Solomon Islands, Kingdom of Tonga, Tuvalu, Republic of Kiribati.

with Bosnia and Herzegovina, Serbia, Albania, and Kosovo*, and this resulted in prevention of 211 illegal border crossings. In the first half of 2017, around 468 joint patrols were carried out with the border police of Bosnia and Herzegovina (accounting for the biggest number of joint patrols), as well as Serbia, Kosovo, Albania and Croatia. However, cooperation and especially exchange of border control and risk analysis information with neighbouring states should be enhanced.

Provision of video surveillance equipment at all 28 border crossing points is under preparation, but Montenegro continues to face significant technical shortcomings as regards electronic surveillance of green and blue borders. Capacity still needs to be enhanced at border crossing points, in particular surveillance and patrol capability at the border with Albania, which is deemed a high risk border. The border crossing points with Albania seem to face significant challenges due to the steadily increase in border crossing traffic across this border (which increases 5-10% annually).

During the reporting period, Montenegro and Bosnia and Herzegovina discussed amendments to their border traffic arrangements, with a view to establishing by the end of 2017 an agreement on local border traffic regime, in accordance with the Regulation EC 1931/2006. Discussions on blocking unauthorised crossing places at the border with Serbia and with Kosovo are still on-going, but have not resulted in actions. Alternative roads at the borders with Bosnia and Herzegovina and Albania have already been blocked.

In the framework of the Plan to fight corruption at the borders, 119 border police officers and customs officers received specialised training aimed at raising awareness on corruption risks and to ensure a better handling of corruption-prone situations. "Unannounced" checks and controls continued to be carried out at border crossing points (39 took place between January and June 2017); 14 disciplinary proceedings were launched against border police staff as well as two criminal proceedings.

Montenegro cooperates continuously with both Europol and Interpol on countering cross border criminal activities. The working arrangement with the European Border and Coast Guard Agency (Frontex), is being implemented smoothly.

Judicial cooperation in civil and criminal matters

Montenegro started implementing the 2007 Hague Convention on child support on 1 January 2017. The recommendations from the analysis on human resources needs in the field of judicial cooperation in civil matters were not followed up as regards staff reinforcements. There has also not been any staff increase in the area of judicial cooperation in criminal matters. Training of staff from the Ministry of Justice as well as of judges and prosecutors continue; however, no formal training plan in the field of judicial cooperation in civil and criminal matters has been adopted yet.

The draft Law on Judicial Cooperation in Criminal Matters with EU Members States is at an advanced stage. This is designed to transpose 16 EU *acquis* instruments into domestic legislation and improve the efficiency in handling mutual legal assistance requests in criminal matters.

In June 2017, the agreement on cooperation between Montenegro and Eurojust entered into

* This designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence

force. In September, the Eurojust liaison prosecutor for Montenegro was appointed.

In October 2017, Montenegro signed the Hague Convention on Choice of Court Agreements.

The statistics on handling judicial co-operation requests shows that the backlog is quite important. The number of cases continued to increase (especially as regards enforcement of foreign criminal judgements). There are a significant number of cases with the countries in the region. The backlog has also increased in the field of judicial cooperation in civil matters, particularly as regards the service of documents and other forms of assistance (information on regulations).

Montenegro needs to ensure it has sufficient human capacity to implement the EU *acquis* in the field of judicial cooperation in criminal, civil and commercial matters, including at the level of Ministry of Justice, courts and prosecution offices. Regular training of Ministry of Justice officials and magistrates needs to continue.

The fight against organised crime

Montenegro continues to actively participate in regional and international police co-operation through Europol, Interpol (using the FIND database) and the Southeast European Law Enforcement Centre (SELEC). In the first half of 2017, there were 2 726 exchanges of information with Europol and three joint police operations were conducted. A total of 1 510 pieces of information were exchanged through SIENA (compared to 2 500 for all of 2016). 22 police officers underwent specialised training on international police cooperation in the same period.

Alignment with the EU *acquis* has continued. In the context of preparing to implement the "Prüm" Decision (Decision 2008/615/JHA on the stepping up of cross-border cooperation, particularly in combating terrorism and cross-border crime), the Automated Fingerprint Identification System (AFIS) became operational in March 2017. This allowed Montenegro to process 332 requests for profile checks with DNA samples in the first half of 2017. In terms of preparing to implement the "Swedish Initiative" (Council Framework Decision 2006/960/JHA on simplifying the exchange of information and intelligence between law enforcement authorities of the Member States of the European Union), Montenegro now has five contact points that operate on a 24/7 basis. Montenegro now also operates a national contact point (NCP) on football matches and for the protection of public figures as required by the *acquis*.

A new draft Law on Internal Affairs was prepared. It is expected to introduce structural changes to the internal organisation of the police, and to bring this in line with the professional standards of EU Member States, in particular by merit-based recruitment, evaluation and promotion. Transparency and accountability are also expected to be strengthened, as the draft law foresees several types of controls over the work of the police, both internal and external.

Montenegro continues to implement the Strategy of Development of the Police Directorate 2016-2020 and the Action Plan for its implementation 2016-2017. A new national Serious and Organised Crime Threat Assessment (SOCTA) is currently under preparation, in which the strategic priorities identified are expected to remain the same (terrorism and religious extremism, smuggling narcotic drugs, illegal migration, serious criminal offences arising from conflicts among organised criminal groups, loan sharking and high-level corruption).

There remain a substantial number of practical, institutional and legal obstacles, especially in the pre-trial phase, which prevent Montenegro from increasing its success rate in effectively addressing organised crime on its territory.

The institutional set-up in the fight against organised crime was further strengthened. The SPU has now 20 positions filled as foreseen; however further staff increases remain necessary in order to meet the needs. The number of staff of the SPO has increased to 29 civil servants, though eight vacant positions are still to be filled. In March 2017, a new systematisation act for the SPO was adopted in view of meeting the need for more in-house expertise.

Following the adoption in 2016 of the Law on Salaries in the Public Sector, some discretionary payments for experts, which the SPO uses for conducting financial investigations, were phased out. The SPO would need now to review job classification to ensure adequate remunerations of employees/experts, and thus keep them in the organisation. It is of utmost importance that both the SPU and the SPO are able to recruit the most suitable expert profiles. The conditions in which the SPO is housed remain precarious and need to be addressed.

The leading role of the Special Prosecutor in pre-trial investigations, including on organised crime cases is otherwise well accepted and the relationship between SPO and SPU remains good, notably thanks to the establishment of special joint investigation teams.

Impediments also remain in the legal framework regulating pre-trial investigations into high level corruption and organised crime cases. Some excessive formalities and rigidities will need to be filtered out of the legal framework in order to allow Montenegro to equip itself with an efficient and effective legal framework that allows law enforcement bodies and the judiciary to establish a more convincing track record in successfully addressing the issue of organised crime in Montenegro.

Pro-active investigations remain rare – most investigations in organised crime cases still start on the basis of signals received, which is notably due to the fact that intelligence gathered at local level is not automatically shared with specialised services at central level. While the concept of intelligence-led policing (ILP) has been extensively introduced through EU-funded assistance, its impact on the results is not yet visible.

[REDACTED]. This clearly hampers effective investigations into a larger number of organised crime activities. The staffing level remains a concern in certain specialised police departments, especially compared to the challenges faced (e.g. as regards the fight against cybercrime). Montenegro needs to step up the fight against cyber criminality, including as regards on-line sexual abuse.

A safe channel for communication between the Prosecution and the Ministry of Interior was established (however only special prosecutors have access to a secure exchange of mails with the Ministry of Interior). The SPO has still no access to databases from Montenegrin public authorities, even though these might be crucial to advance in criminal investigations. This is being addressed in a new draft Agreement for improving cooperation in the area of fight against crime, currently under discussion between the relevant bodies. It aims at establishing a comprehensive data-sharing system. Currently only partial access is granted even upon request. This remains of key importance for stepping up inter-agency cooperation, to safeguard the confidentiality of investigations by avoiding frequent leaks and for increasing the overall efficiency in fighting organised crime.

Due to the above legal and practical impediments, there has not been progress in changing the narrow approach towards the concept of *financial investigations* which results first and foremost in the confiscation of instruments of crimes and does not systematically aim at confiscating the proceeds of crime. Concepts such as third-party or extended confiscation therefore remain underused.

Montenegro's understanding of the concept of financial investigations remains confined to asset confiscation and its definition within the Law on Confiscation of Criminal Assets. The legal conditions to be fulfilled to allow for the launch of a financial investigation are very stringent and information gathering for the purpose of financial investigations is hampered by the lack of access to key information. A series of training courses have been organised in the course of the year to address the difficulties in detecting and prosecuting financial crimes and improving the track record on asset confiscations. The Department for the management of provisionally and permanently confiscated assets (AMA) has received seven court decisions for final confiscation (compared to seven in the whole of 2016). The total value of assets has not yet been assessed. The majority of confiscations in organised crime cases result from plea bargain agreements.

In the first half of the year an indictment was brought against 31 individuals for organised crime-related offences. In the same period 38 persons were convicted in first instance decisions, 11 of them on the basis of a plea bargain agreement. The high number of cases ending with plea bargains raises concerns with regard to transparency and consistent sanctioning policy.

In October 2017, Montenegro ratified the Protocol to the WHO Framework Convention on Tobacco Control to Eliminate Illicit Trade in Tobacco Products.

Montenegro still needs to increase its focus on strengthening the system to prevent² and combat money laundering and on establishing a more convincing track record. In December 2016, Step 2 of the Compliance Enhancing Procedures was applied to Montenegro due to the lack of significant progress in addressing outstanding issues related to the 2015 MONEYVAL report. Amendments to the Law on Prevention of Money Laundering and Terrorism Financing were prepared, to comply with the urgent recommendations made by MONEYVAL. They aim also at ensuring further harmonisation with the newly adopted FAFT standards, and with the Directive (EU) 2015/849 on the prevention of the use of the financial system for the purpose of money laundering or terrorist financing.

So far, money laundering is de facto not prosecuted as a standalone crime, which hampers the establishment of a track record. There are currently a number of criminal investigations into suspicions of money laundering but no case has been brought before the court in recent years. In September 2017, the appeal court acquitted defendants in an older case concerning money laundering.

In the first half of the year the Administration for Prevention of Money Laundering and Terrorist Financing (FIU) received 109 suspicious transactions (STRs) from reporting entities (231 in 2016) and passed on 20 STRs for further investigation to the prosecutor's office (31 in 2016), three to the police (seven in 2016), seven to the National Security Agency (27 in 2016) and four Tax Administration (nine in 2016). The FIU nevertheless continues to struggle to obtain reports from all entities under reporting obligation, e.g. real estate agents, lawyers or casinos; they still failed to provide any reports to the FIU and many other entities reported

² Prevention *acquis* is dealt with under Chapter 4.

very few cases. The FIUs capacities should be further strengthened and sanctions provided for failure to report.

Montenegro further implemented the 2012-2018 Strategy for the Fight against *Trafficking in Human Beings* and has by now both a legal framework and an institutional capacity in place that should allow it to establish an initial track record of final court rulings on trafficking in human beings cases. The Office for the Fight against Trafficking in Human Beings is now under the competence of the Ministry of Interior.

Nevertheless, there has not been a single prosecution for trafficking in human beings since 2015, and no criminal conviction has been made in the last three years, although many potential trafficking cases are being investigated and prosecuted under other offenses, such as brokering in prostitution (article 210 of the Criminal Code) or people smuggling (article 405).

The main reason for this remains the absence of identified victims of trafficking in Montenegro due to a poor capacity at the level of the specialised police unit, lack of proactive investigations, difficulties with gathering the necessary evidence, a lack of awareness on the variety of existing forms of trafficking, failing to work more systematically in multi-disciplinary teams (notably with the labour inspection and social workers) and the need for a better cooperation between NGOs and police units so as to improve their mutual cooperation and the referral of cases from NGOs to the police. Finally, in the absence of a more robust criminal law approach towards trafficking offences, there is still a reluctance of potential victims to act as a witness.

On the prevention side, a number of important activities continued such as operating the SOS line for (potential) victims of human trafficking and the shelter for victims of trafficking, awareness campaigns targeting the Roma community, as well as training sessions for a number of civil servants from various administrations (e.g. Ministry of Foreign Affairs, municipal assemblies, healthcare workers, police, Asylum Directorate's staff members).

Fight against terrorism, anti-radicalisation

Montenegro ratified the Additional Protocol to the Council of Europe Convention on the Prevention of Terrorism which will enter into force in February 2018.

The legal environment to prevent the financing of terrorism continues to be amended in order to address MONEYVAL recommendations. Amendments to the Law on International Restrictive Measures which were adopted in June 2017 aim to eliminate shortcomings regarding *inter alia* the mechanisms for automatically freezing funds and assets, and for determining the list of entities targeted by restrictive measures.

The implementation of the Strategy to Combat Violent Extremism (2016-2018) is being delayed due to the lack of capacity and expertise in the competent institutions.

The impact of radicalisation and the influence of Islamic militant groups remain limited in Montenegro. According to the Montenegrin intelligence services, no new departures have reportedly taken place since the beginning of 2016. The Special Prosecution Office is conducting preliminary investigations in three cases involving several Montenegrin nationals who have allegedly fought in the war zone in Syria/Iraq or financed the departure of foreign fighters to the battlefield.

Despite the limited scale of the phenomenon so far, preventive activities in this area would need to be considerably strengthened and anti-radicalisation, rehabilitation and reintegration measures need to be implemented.

Montenegro is participating in the implementation of the Western Balkan Counter terrorism initiative (WBCTi) and of the action plan on the illicit trafficking of firearms between the EU and the South East Europe Region for the years 2015-2019.

Co-operation in the field of drugs

Montenegro continued to implement the national drug strategy (2013-2020) and its new action plan (2017–2018), adopted in February 2017. Cooperation with the European Monitoring Centre for Drugs and Drug Addiction (EMCDDA) continued, including through participation in expert meetings on indicators (e.g. of mortality and for infectious diseases), trainings on reporting on drug seizures, and capacity-building activities for the national focal point. This year, Montenegro implemented its first general population survey on drug use.

The current system of collection of data on drug seizures does not meet the EMCDDA standards. The absence of a single electronic database to collect data from police, customs and forensic centre, hinders efficient data collection and analysis.

On the enforcement side, the amount of drug seizures has significantly increased compared to last year: in the first half of 2017, 2.4 tons of drugs were confiscated in Montenegro – mainly marihuana (2.37 tons), but also heroine (8.42 kg) and cocaine (0.09 kg), compared to 2,8 tons of drugs confiscated for all of 2016. This includes a number of seizures at the border crossing points, thanks to the cooperation between the Border Police and the Customs Administration.

92 criminal charges were filed, under which 132 persons were prosecuted. Police and customs are now routinely conducting joint controls, including in the Port of Bar, based on previously prepared joint risk analysis. During the first half of 2017, 32 joint inspections were carried out in the port of Bar. Montenegro participated in four international joint investigations focusing on drugs trafficking in the first six months of 2017.

However, Montenegro's track record remains limited regarding the systematic seizure and confiscation of the proceeds of drug-related crimes and further efforts are needed in this regard. Montenegro should also address the lack of secure storage for seized drugs and precursors prior to destruction, including through an appropriate process for destroying. Finally, more progress needs to be made on the consolidation of the national Early Warning System on information exchange, on detection and public health threats caused by new psychoactive substances.