

Ladies and Gentlemen,

One of the fathers of today's Europe, a historic person whose name is borne by the Foundation that hosted us today in Brussels, said in 1953 at the Foreign Press Association in London: "European Community has chances to survive and last only if it acts in accordance with the goals of the overall free world, and if it serves those goals".

In the very beginning of my presentation, allow me to apply the thoughts of the great Konrad Adenauer to our times and processes, and to say: the Western Balkan has chances to survive in peace and last in prosperity only if it acts in accordance with the European goals and, surely, if it serves those goals.

Aware of this task and fully committed to it, Montenegro has based its state architecture on the European values, such as promotion and protection of human rights and liberties, the rule of law, legal certainty, observance and promotion of diversity, dialogue and tolerance, cooperation with neighbors... A guarantor of these values is the state of law, with strong institutions and capable individuals, ready to meet all the challenges of the modern world.

One of such challenges is the very topic of this conference. That is corruption, as a social disease that corrodes institutions and weakens the state. Its roots in our region go back to the times of reconfiguration of former Yugoslavia in the 90s of the previous century, followed by the civil war, victims and destruction. The whole region has gone through a difficult period. Paramilitary organizations, full of weapons, engaged in various speculative activities, including war operations. Many people possessed huge quantities of weapons, and gained experience in illegal actions. For all those reasons, all countries of this region had to face a challenge of an aggressive crime. Montenegro, as an integral part of the former Federation, was under sanctions. It was hard to achieve minimum economic activity. Under such circumstances, a number of citizens developed a corruptive mentality, the traces of which can still be found in our society and institutions. And we are fighting it.

Corruption is, no doubt, one of the greatest challenges that our state is facing on its European road. As a responsible authority, which is not running away from problems, we are developing a systemic response to this disease.

We are working on two tracks: one is preventive, in which we are creating a social environment in which the state authorities will enforce the law freely and without pressure, an environment in which we should prevent the ones who are attacked by the law to compromise institutions, an environment in which politicians and parties do not manage court proceedings, an environment in which the media are more professional and do not endanger pre-criminal and criminal proceedings. In one word, an environment in which we should enable the police, the prosecution and the courts to enforce the law freely and without pressure, with full observance of the principles of legality and accountability.

The other side of our activities involves professional capacity building of our institutions, the police, the prosecution and the judiciary, in order to ensure efficient implementation of the new legal provisions in the fight against organized crime and corruption.

It is my pleasure to inform you about some of the activities implemented and results achieved in the period behind us. And we have behind us nine months of meeting the recommendations contained in the EC Opinion on the Application of Montenegro for EU membership. And I am, actually, very pleased that this conference is taking place right before the date on which we expect to hear from the European Commission how they assess our results, in the Progress Report for Montenegro.

If it all starts from the strategic level, where the political will is given its primary shape, we have made an important step forward in Montenegro. We have improved the work of the **National Commission**, as an umbrella body for implementation of the Strategy for the fight against corruption and organized crime, in a way that we have opened its sessions to the public, we have introduced the possibility for citizens to lodge their complaints, we have also introduced the possibility to invite the representatives of state authorities based on suspicion of corruptive actions. In its work in 2011, we have achieved full cooperation between the representatives of the Government, the judicial authorities, representatives of the Parliament and the civil sector, which resulted in unanimous adoption of amendments to the Action Plan for implementation of the Strategy for the fight against corruption and organized crime. Besides, the Government adopted the Study on assessment of corruption risks for the most vulnerable areas, which defines the methodology of risk assessment, which will be applied prior to the adoption of strategic policies in the fight against corruption in all relevant areas.

With regard to normative activities, we have created quality legal prerequisites. The **new Criminal Procedure Code**, which is in force since 26 August 2010, we have introduced the concept of prosecutorial investigation and efficient investigative mechanisms for the fight against corruption. CPC introduces procedural novelties for more efficient seizure of property obtained through criminal offenses, and amendments to the Criminal Code define substantive provisions as the basis for temporary and permanent confiscation of property. Secret surveillance measures (special investigative tools) can be used in the future not only in the pre-criminal procedure, but in the investigation stage, as well. There is also a change in the list of criminal offenses for which secret surveillance measures can be ordered.

We have implemented the anti-corruption measures in a whole set of new laws, adopted in the first half of this year. With the amended **Law on prevention of conflict of interest**, the list of persons who cannot be members of boards of directors and supervisory boards is expanded to include persons elected directly, and total value of gifts obtained by the public official from numerous gift-providers cannot exceed a total amount of EUR 100. The amendments have strengthened the supervisory role of the Commission for the prevention of conflict of interest with regard to controlling data, and defined stricter punitive policy. According to this Law, mayors and directors of public

enterprises and directorates will no longer be able to perform in parallel duty of Members of the Montenegrin Parliament. Besides, the MPs are obliged to abandon their duties in the boards of directors of public enterprises by 1 November, and mayors and directors of public enterprises and directorates can remain in parallel in the duty of MPs by 1 March of next year.

The Law on Political Party Financing defines rules for provision of financial assets for regular work and election campaign of the political parties, based on the GRECO recommendations. Its adoption will ensure transparency of financing and better control of revenues, expenditures and property of the political parties.

The Law on Public Procurement created prerequisites for high level of competition, transparency, equality and cost-effectiveness in the use of public funds in the public procurement procedures. With its adoption we have full information of the public and control of legality of the tax payers' funds consumed, as well as more efficient protection of rights of consumers. This Law has a preventive role against corruptive actions, but also a repressive one – through the pronouncement of misdemeanor sanctions.

We have defined the **Proposal of the Lobbying Law**, which introduces for the first time and regulates the lobbying instate in Montenegro, thus creating a comprehensive anticorruption framework at the national level. Provisions of this law define the lobbying activity, with clear rules of control. Normatively regulated lobbying activity, as a legitimate and desirable form of impact on the decision-making process when decisions of interest to the community are adopted, will ensure full transparency of this process, thus preventing illegal lobbying activities.

A special subject matter of our attention was the institutional reform in the area of anticorruption. Besides the Department for the fight against organized crime, corruption, terrorism and war crimes, managed by the Special Prosecutor, we have established a Special Investigative Team, as a specialized, multi-disciplinary and multi-institutional unit, created to proactively target organized crime and corruption. This body is comprised of representatives of the Police Directorate, Directorate for Prevention of Money Laundering and Financing of Terrorism, as well as Tax Administration and Customs Administration, and they will be responsible to the Special Prosecutor for their work. They will be assigned cases requiring investigators that are ready to resolve the most complex cases of organized crime and corruption and who are capable to engage in financial investigation.

With regard to professional capacity building, we are implementing continuous training and education programs for our judges and prosecutors in the Judicial Training Center, established by the law.

An important activity to mention is the Law Enforcement Agreement between the Government of Montenegro and the Government of the United States of America, through which we have initiated the project of support to the Supreme State Prosecution, Office of the Special Prosecutor, Judicial Training Center and criminal courts, worth

USD 1,178,032. Activities planned in this Agreement involve capacity building in the key institutions with regard to implementation of criminal law, through the organization of training programs, donation of equipment, and provision of technical and expert assistance.

Before mentioning some concrete cases that represent the first results and our progress in this area, allow me to mention one of the most important aspects in the fight against corruption, and that is regional and international cooperation. Montenegro is a contracting party to all the relevant international agreements and a whole set of bilateral agreements regulating international judicial cooperation in criminal matters and all its forms. We use all occasions we have to invite countries of the region to strengthen bilateral cooperation and develop multilateral mechanisms for that cooperation, especially in the fight against crime. During the Montenegrin chairmanship over the South East Europe Cooperation Process two strategic documents were adopted in this field: Strategy in the area of justice and internal affairs and Strategy for the fight against organized crime, thus creating a quality starting point to realize the vision of regional unity in the fight against challenges that represent our common threat.

With regard to bilateral cooperation, we have signed Extradition Agreements with Serbia and Croatia, which proved to be a very effective instrument in the fight against crime, by narrowing down the room for maneuver and escape to the perpetrators of serious criminal offenses, because citizenship is no longer an obstacle for extradition and bringing them to justice. In a few days we will sign such an agreement with Macedonia.

Ladies and gentlemen,

Thanking you for taking the time to hear this overview of anti-corruption measures in Montenegro, I wish to present to you a couple of cases, in order to illustrate concrete results of all the previously mentioned activities. These are measurable results that demonstrate best the political will and institutional readiness to fight corruption and organized crime in Montenegro. One of them involves high-level corruption and two are big cases involving organized crime.

The first case is known as the Zavala Case and involves high level corruption, where indictment was raised against 12 persons, out of which three are high officials of the ruling party. They are charged with criminal offense of abuse of office, abuse of authority in the economic sector and tax evasion.

The second one is the Saric case, which was implemented in cooperation with Serbia and Italy, and in which charges were pressed against two persons, charged of money laundering in the total value of EUR 21,353,879.22, coming from cocaine trading. This case is directly related to the well-known case the "Balkan Warrior". The court issued a decision on temporary seizure of property, which is assessed to over EUR 13 million.

The third one is the Kalic case, in which charges were pressed against three persons on suspicion that they have committed a criminal offense of money laundering, through banking and financial operations, amounting to over EUR 7 million. In this case, the court adopted the decision on temporary seizure of property.

I also wish to add that in the past nine months, criminal offenses with elements of corruption participated with 12.2% in the total number of registered cases of commercial crime.

Responsible prosecutors received 61 criminal reports, out of which 5 were addressed to the Special and 46 to the Basic State Prosecutor, against 74 physical and 7 legal persons, regarding 78 criminal offenses with elements of corruption, and material damage caused by these offenses amounts to EUR 15,736,359.

Currently, the prosecutors are dealing with 11 of the most important cases related to criminal offenses with elements of corruption.

With regard to the performance of the Specialized department for organized crime and corruption in the two Higher Courts, in the past six months, 8 cases with elements of organized crime, against 86 persons were finalized, as well as 11 cases with elements of corruption, against 50 persons. All other cases with elements of organized crime and corruption have had their court hearings scheduled and are underway.

Dear friends,

In the end of this presentation, I wish to emphasize that Montenegro has a problem with both - corruption and organized crime. From my presentation you could conclude yourselves whether we are fighting them in a quality way. In all that, bear in mind that this is not the only front in which we are striving to achieve European values. We are doing so in the area of strengthening independence of the judiciary and strengthening cooperation with the civil sector, within the strategy to create a general front that will work on making corruption undesirable and risky in Montenegro.

I wish to thank our Hungarian partners from Political Capital, our hosts from the Konrad Adenauer Foundation and all of the participants and guests in the today's conference.