



CRNA GORA

MINISTARSTVO ODRŽIVOG RAZVOJA
I TURIZMA

**THE FIRST ANNUAL REPORT ON IMPLEMENTATION
OF THE
MILLENNIUM DEVELOPMENT GOALS
IN MONTENEGRO**

Podgorica, December 2011.

TABLE OF CONTENTS

Contents

TABLE OF CONTENTS	1
A. MILLENNIUM DEVELOPMENT GOALS (MDGs).....	2
a. 1. Introduction	2
a. 2. The process of drafting the report	3
a. 3. Structure of the report.....	3
B. TRENDS, STATUS, OBJECTIVES AND CHALLENGES	4
b.1. GOAL 1 REDUCE RELATIVE POVERTY AND OTHER POVERTY DIMENSIONS	4
b.2. GOAL 2: ACHIEVE UNIVERSAL PRIMARY EDUCATION	7
b.3. GOAL 3: PROMOTE GENDER EQUALITY AND EMPOWER WOMEN.....	9
b.4. GOAL 4: REDUCE CHILD MORTALITY RATE	10
b.5. GOAL 5: IMPROVE MATERNAL HEALTH.....	12
b.6. GOAL 6 COMBAT HIV/AIDS, TUBERCULOSIS AND OTHER DISEASES	12
b.7. GOAL 7 ENSURE ENVIRONMENTAL SUSTAINABILITY	13
b.8. GOAL 8 DEVELOP A GLOBAL PARTNERSHIP FOR DEVELOPMENT	17
C. GENERAL DEGREE OF IMPLEMENTATION AND RECOMENDATIONS	19
c. 1. Recommendations	21

A. MILLENNIUM DEVELOPMENT GOALS (MDGs)

a. 1. Introduction

At the UN General Assembly Summit (the Millennium Summit), held in 2000, UN member states have accepted “*collective responsibility to uphold the principles of human dignity, equality and equity at the global level*”. The Summit resulted in the definition of **eight time bound goals and objectives**, known as the **Millennium Development Goals (MDG)** and the member states made the commitment to reach them by 2015.

The globally agreed eight goals are as follows:

1. **Eradicate extreme poverty and hunger,**
2. **Achieve universal primary education,**
3. **Promote gender equality and empower women,**
4. **Reduce child mortality rates,**
5. **Improve maternal health,**
6. **Combat HIV/AIDS, malaria and other diseases,**
7. **Ensure environmental sustainability, and**
8. **Develop a global partnership for development.**

Millennium Development Goals represent key triggers of the UN development agenda, and their attainment within the prescribed deadlines represents one of the **most important obligations** of Montenegro.

As a UN member state, Montenegro is committed to the implementation of the development goals, and is obliged to draft reports that use MDGs as a framework for definition of the current status of development. In order to fulfill those goals, in July 2010, the Government of Montenegro adopted the **Mid-term report on the attainment of the Millennium Development Goals in Montenegro**, which describes the current situation, gives an overview of the situation in eight fields of interest, and represents a roadmap for the overall further actions.

Mid-term report introduces three strategic development priorities in accordance with which the goals have been set:

- a) Implementation of the principle of sustainable development, with the increase in economic freedoms and strengthening of the role of the private sector;
- b) Strengthening the rule of law as a prerequisite for development of modern institutions of parliamentary democracy and protection of fundamental human rights and liberties; and
- c) Improvement of the living standard by offering quality public services through efficient and sustainable systems of education, health and social protection.

In this way, Montenegro clearly demonstrates and confirms its commitment to incorporate into its national policies the obligations accepted through international agreements, initiatives and declarations.

The report defines 44 indicators for the first seven Millennium Development Goals that are specific for Montenegro that is still a transition country to some extent, which is fully committed to reforms in the context of Euro-Atlantic integration. Besides their relevance for the targets defined within the individual Goals, the main criterion in the selection of indicators was the **existence of reliable and comparable statistics** that will be monitored regularly until 2015. Target values are defined ambitiously, they are realistically feasible, through the implementation of efficient policies, ensuring of technical and financial support and continuous cooperation within regional and multilateral institutions and forums.

a. 2. The process of drafting the report

In accordance with the conclusions from the Government Session held on 29 July 2010, the Work Program of the Government of Montenegro for 2011 included the process of drafting the **First Annual Report on Millennium Development Goals in Montenegro**. In order to achieve progress in the implementation of the Millennium Development Goals, the Office for Sustainable Development, which has become part of the Ministry of Sustainable Development and Tourism since June as a **Department** for support to the National Sustainable Development Council, has been **coordinating the process and worked on drafting the report**.

In November 2011, a **coordination team** for the drafting of the First Annual Report has been established, and it included **representatives of the following relevant state authorities**:

- Ministry of Labor and Social Welfare, 1 representative,
- Ministry of Education and Sports, 1 representative,
- Ministry for Human and Minority Rights, 1 representative,
- Ministry of Health, 2 representatives,
- Ministry of Sustainable Development and Tourism, 3 representatives,
- Ministry of Economy, 2 representatives,
- Ministry of Agriculture and Rural Development, 2 representatives,
- Ministry of Foreign Affairs and European Integration, 1 representative,
- Statistics Bureau (MONSTAT), 1 representative.

Role of the coordinator was to prepare a balanced and comprehensive material, based on the existing formal data in the fields followed by the line ministry/ office and after the consultations with the relevant professional institutions.

The coordinators were obliged to fill out the forms (tables) and give concise comments as a justification of the **degree of implementation of each individual objective within the 8 goals**, and to specify the **challenges in their implementation** in order to facilitate a comparative analysis with the findings of the Mid-Term Report. The findings from the inputs of the coordinator represent a basis for **assessment of progress in implementation of the MDGs**.

a. 3. Structure of the report

The first annual report on MDGs in Montenegro is divided into three main parts. **Part A** gives basic information about the Report and the process of report drafting. **Part B** presents trends,

status, targets and challenges regarding each individual MDG, while **Part C** is dedicated to recommendations for future activities.

Note: Each Goal contains a table with indicators and targeted values that are marked with different colors, based on the trend in implementation, as follows:

- **Green** color is used to mark measures that have a **positive** trend,
- **Yellow** is used to mark measures that show **no change**,
- **Red** is used to mark measures that have a **negative** trend.

B. TRENDS, STATUS, OBJECTIVES AND CHALLENGES

b.1. GOAL 1 REDUCE RELATIVE POVERTY AND OTHER POVERTY DIMENSIONS

Indicators		Baseline year	Observed values							Goal in 2015
			2004.	2005.	2006.	2007.	2008.	2009.	2010.	
Target # 1 – By 2015, reduce share of population living under the poverty line by 50%										
1. Poverty rate		2005		11.2%	11.3%	8.0%	4.9%	6.8 %		5.6%
2. Poverty gap		2005		2.1%	1.9%	1.4%	0.9%	1.4%		0.9%
3. Depth of poverty		2005		0.7%	0.6%	0.4%	0.3%	0.5%		0.3%
Target # 2 – By 2015, reduce inequality in the distribution of consumption										
4. Gini Coefficient		2005		25.9%	24.4%	26.4%	25.3%	26.7%		24%
5. Quintile ratio		2005		3.7	3.7	4.0	3.8	4.1%		3.6
Target # 3 – Reduce regional discrepancies in development by 2015										
a) Halve poverty rate in the north of Montenegro										
6. Poverty rate in the north		2006			17.8%	14.0%	8.9%	13.2%		8.9%
b) Halve the poverty rate in rural areas										
7.Poverty rate in rural areas		2005		16.5%	17.6%	12.0%	8.9%	14.8%		8.2%
Target # 4 – Reduce unemployment to 9% by 2015										
8. Unemployment rate		2004	27.7%	30.3%	29.6%	19.4%	16.8%	19.1%	19.7%	9%
9.Unemployment rate by gender	men	2004	23.6%	26.2%	29.1%	15.9%	15.9%	18.0%	18.9%	
	women	2004	33.0%	35.5%	30.1%	17.9%	17.9%	20.4%	20.7%	
10. Long-term unemployment rate		2005		22.7%	20.8%	11.8%	10.9%	13.2%	12.8%	7%

Current situation and trends

Target 1: Total poverty rate in 2009 has **increased**, as well as the **depth and severity of poverty**. Share of persons living in poverty has increased from 4.9% in 2008 to 6.8% in 2009. Available indicators regarding changes in average wages and consumption in 2009 show that the

increase in poverty rate is an expected result of the unfavorable global economic and financial trends. Poverty gap, as an indicator of depth of poverty that shows the average distance of consumption of the poor from the poverty line, **has increased** from 0.9% in 2008 to 1.4% in 2009,¹ while the **severity of poverty has increased** from the targeted 0.3%, which was achieved in 2008, to 0.5%.²

Target 2: Gini coefficient has shown **increase** in inequality in Montenegro in 2009 from 25.3% to 26.7%. Gini coefficient shows that in **rural areas there has been an increase in inequality in 2009** as compared to 2008 (from 23.3% to 27.7%), while in the same period there has been a **reduction** (although not significant) **in inequality in urban areas** (from 24.4% to 24.2%).

Between 2008 and 2009 there has been reduction in the share of consumption of the 20% of the poorest population in the total consumption – from 9.5% to 9.2%. Contrary to that, 20% of the richest inhabitants have increased their share in distribution of the overall consumption from 36.2% to 37.3%. In 2009, 20% of the richest had the consumption that is 4.1 times higher than the consumption of 20% of the poorest inhabitants.

Target 3: there is a **significant difference in the scope of poverty** between the north and other parts of the country. Poverty rate in the northern region was 13.2% in 2009, which is a 4.3% increase. This region is home to 30.3% of the Montenegrin population, while 58.6% is the share of the poor in that number. Poverty rate in the central region is 4.0% and in the south it is 4.4%.

75.2% of the poorest individuals in Montenegro live in rural areas, while 24.8% of them live in urban areas. Rural population is faced with higher poverty risk than the population in towns. In 2009, poverty rate in rural areas was 14.8%, while in Podgorica it was 4.0%, and in other urban areas it was 1.6%. In urban areas excluding Podgorica, poverty risk is almost two times lower than the average for Montenegro. 34.7% of the total population lives in rural areas, and in that the share of the poor is 75.2%.

Poverty rate in urban areas was 2.6% in 2009, **and it was several times lower than in the rural areas**, where it amounted to 14.8%.

Target 4: On 31 December 2010 the records of the Employment Bureau showed that there are 32,026 unemployed persons (there were 14,353 or 44.81% of women). Compared to 31 December 2009 (30,169 persons, out of which 12,763 women or 45.95%) **the number of the unemployed has increased** by 1,857 persons or by 6.16%. The long term unemployment rate, observed as a ratio of the number of registered unemployed persons and the active population, on 31 December 2010, was 12.8% (on the same day of the preceding year it was 13.2%). Records of

¹ The indicator shows that in order for all the poor to come out of poverty, the society would have to ensure funds amounting to 1.4% above the poverty line per capita and then, distribute those funds to each individual poor person exactly in the amount necessary for their total consumption to reach the poverty line.

² Poverty severity measures relative distance of consumption of the poor from the poverty line, but it takes into consideration inequality among the poor, because higher weight in the calculation is assigned to the poorest persons, that is, to those whose consumption is more distant from the poverty line. Poverty assessments are based on the national absolute poverty line, obtained in accordance with the methodology recommended by the World Bank. The same methods and procedures were used in making the assessments throughout the period 2006-2009, thus ensuring good comparability of the results in time and enabling for detection of main poverty trends.

the Employment Bureau show that there are 7,647 persons or 23.87% with 1st and 2nd level of education (on 31 December 2009, there were 7,573 persons or 25.1%). There are 19,173 persons or 59.87% with 3rd, 4th or 5th level of education (on 31 December 2009, there were 18,016 persons or 59.72%), while there were 5,206 persons or 16.26% of those with 6th, 7th and 8th level of education (on 31 December 2009, there were 4,580 persons or 15.18%).

b.2. GOAL 2: ACHIEVE UNIVERSAL PRIMARY EDUCATION

Indicators	Base year	Observed values						2009/ 2010.	2010/ 2011.	Goal in 2015
		2003/ 2004.	2004/ 2005.	2005/ 2006.	2006/ 2007.	2007/ 2008.	2008/ 2009.			
Target # 1 – Achieve 40% coverage of boys and girls with preschool education and upbringing by 2015										
1. Enrolment rate	2003.	28,99	28,96	29,05	26,55	30,93	31,12	32,74	35,72	40%
Boys	2003.	29,01	28,61	28,77	26,65	31,14	31,14	33,10	35,53	
Girls	2003.	28,96	29,34	29,34	26,65	30,71	28,23	32,35	35,94	
Target # 2 – Achieve 100% coverage with primary education and upbringing for boys and girls by 2015										
2. Enrollment rate	2003.	92,27	93,93	96,51	98,58	99,72	99,25	98,25	97,97	100%
Boys	2003.	92,39	93,94	96,84	98,78	99,78	99,87	98,87	98,17	
Girls	2003.	92,15	93,91	96,15	98,37	99,65	98,58	97,59	97,76	
3. Graduation rate	2003.	92,25	93,23	96,51	97,49	99,05	98,78	97,89	Data processing ongoing	
Boys	2003.	92,47	93,20	96,72	97,79	99,28	99,11	98,57	-	
Girls	2003.	92,02	93,25	96,29	97,18	98,81	98,43	97,16	-	
Target # 3– reduce illiteracy rate among persons above 10 years of age to 1% by 2015										
4. Illiteracy rate ³		1991.			2003.			2011.		1%
		5.9			2.35			Data processing ongoing		

Current situation and trends

Target 1: In 2010, after the implementation of the legally prescribed procedure, the Ministry of Education and Sports issued the first licenses for work to the nine private pre-school institutions. In the school year 2010/2011 this license for work was issued to three more private pre-school institutions. The target of greater coverage of children with pre-school education and upbringing, as well as uniform provisions of services at this level of education is achieved through the licensing of private pre-school institutions. In the school year 2009/2010 there were 12,662 children in pre-school institutions, and in 2010/2011 – 13,176 children, while this year 2011/2012 there are 14,340 children, meaning that the **coverage of children is increasing year after year**. Coverage of **children with special educational needs is also increasing**, and these children are successfully integrated with other children in the pre-school institutions.

Inclusion of children from the most vulnerable groups, especially Roma children in the camps Konik I and II in Podgorica **is not of a satisfactory level**, due to the lack of premises in

³ Population of the age 10 and above

these communities where it would be possible to organize pre-school education and upbringing. In the school year 2011/2012, there were 93 children in the pre-school institutions from the RAE population and from domicile and displaced and internally displaced persons/ families.

Target 2: Number of students enrolled in the first grade of primary school in 2011/2012 was 7,441, which is 0.5% more than in the previous school year, when there were 7,401 students enrolled. This year, there were 99.1% of all children that reached school age enrolled in schools. Inclusive education and upbringing **for children with special educational needs is aimed at increasing coverage** of this children and their greater inclusion in the educational system. There is an ongoing process of transformation of special institutions into *resource centers*, out of which each one will develop support services for concrete developmental impairment, provide educational, professional, expert and counseling support to children, teachers and parents, as well as all other persons involved in the work and support to children.

In the previous decade **there has been an increase in the number of RAE children included in primary education** and upbringing. In the school year 2011/2012, there were 1,582 RAE students in the primary schools in Montenegro. The Strategy for the improvement of the position of RAE population in Montenegro defines a 10% annual increase in enrolment in pre-school institutions of children belonging to this population group, and specifies also that all those children should attend primary school.

Drop-out from schools is noted among **children belonging to RAE population group**, and this usually happens for economic reasons, and sometimes due to tradition and customs (early marriages).

Target 3: Data regarding literacy of the population collected through the previous Census in 2011 have still **not been processed and published**.

Challenges in the implementation of this goal

The adopted Strategy of early and pre-school education and upbringing (2010-2015) with its Action Plan, defines as **its main goal increase in coverage of children with pre-school education and upbringing**, especially children from the vulnerable groups. The plan is to achieve this through extended reconstruction and construction of new facilities, as well as through the provision of diverse and extended models of services of early and pre-school education and upbringing.

Economic crisis may significantly slow down the achievement of the defined goals, especially with regard to the planned increase in capacities of the pre-school institutions. However, if the planned activities are implemented with regard to the increased coverage and expansion of preschool education and upbringing services, **it is realistic to expect that the planned goal for 2015 – to have 40% of all children in Montenegro included in pre-school education and upbringing – to be achieved**.

The first **key challenge for the enrolment rate** and graduation rate in primary schools relates to **children belonging to RAE population**. Low living standard of the RAE population and numerous problems regarding their status in the society make these children grow up and

develop in the situation of increased risks. Language barriers that displaced and internally displaced Roma families are facing are one of the causes that make the cooperation between the schools and these families more difficult and often inefficient.

The second key challenge for the enrolment and graduation rate relates to **children with special educational needs**. The Commission for referral of children with special educational needs, as the basis for referral assesses the child's level of development, potential to learn, personal characteristics, obstacles and limiting factors in the environment. **There are currently 918 children with the decision on referral**. It is obvious that a number of children with special educational needs have still not undergone the referral procedure. Possible reasons for that are insufficient flow of information from the level of early detection and intervention to the system of education and upbringing.

The number of licensed institutions for the execution of **the program of functional literacy** and adapted primary school program/curriculum for adults is continuously increasing and now there are six such institutions in Montenegro. Data that shows that there is a tendency of significant reduction in the number of illiterate persons and activities undertaken in this respect create **realistic expectations that by 2015 the number of illiterate persons in Montenegro will be below 1%**. The first challenge is to **increase the number of licensed institutions** for execution of the program of basic, functional literacy and adaptation of primary school curriculum to the needs of the adults. The **second challenge** represents the planned **annual amount of funds to finance the literacy program** for all the interested persons.

b.3. GOAL 3: PROMOTE GENDER EQUALITY AND EMPOWER WOMEN

Target # 2 – Increase representation of women in elected decision-making bodies at the national and local level

Indicators		Baseline year		Observed values								Goal in 2015	
				2004.	2005.	2006.	2007.	2008.	2009.	2010.			
Target # 1 – Economic empowering of women													
1. Female employment rate		2004.		28.8	27.6	28.7	34.8	36.1		34.4		33.8	50.0
2. Female unemployment rate		2004.		33.0	35.5	30.1	20.9	17.9		20.4		20.7	9.0
Indicators	Baseline year	2001.	2002.	2003.	2004.	2005.	2006.	2007.	2008.	2009.	2010.	2011.	Goal in 2015
3. Percentage of seats occupied by women in the Parliament of Montenegro	2001.	10.39	10.39	10.67	10.67	13.33	9.88	11.11	11.11	11.11	11.11	11.11	30.0
4. Share of women among Ministers in the Government of Montenegro (%)	2001.	0.0	0.0	12.5	12.5	12.5	12.5	0.0	0.0	5.8	5.8	5.8	30.0
5. Share of women among Mayors (%)	2001.	0.0	9.5	14.2	9.5	9.5	9.5	4.7	4.7	4.7	4.7	4.7	30.0

6. Share of women among municipal councilors in the local assemblies (%)	2001.	6.3	8.9	8.9	8.9	8.9	8.9	11.3	11.3	12.7			30.0
--	-------	-----	-----	-----	-----	-----	-----	------	------	------	--	--	------

Current situation and trends

Target 1: Female employment rate in 2009 was 34.4%, while in 2010 it was 33.8%. This information shows that there has been a reduction in female employment rate. Female unemployment rate was 33% in 2004, while in 2010 it was 20.7%. It can be noted that the share of women in the total number of the unemployed is continuously reducing.

Target 2: During many years of work in the area of empowering women and promotion of gender equality, a whole set of activities and initiatives aimed at reaching this goal have been undertaken. The key thing is that in 2011 the Parliament of Montenegro adopted the Law on Election of MP's and Councilors that introduces for the first time the quota of 30% in the candidate lists that is granted to persons belonging to the less represented gender. With the increased participation of women in the decision-making bodies, there will be a change in the understanding of the role and position of women in the society and this will also contribute to the changes in all of the mentioned areas where there is a visible inequality of women in Montenegro.

Although it is clear at this point that the defined goal will not be reached, we expect that in the upcoming period this number will increase significantly, exactly as a result of adoption of the new Law.

Challenges and general assessment of Goal 3:

In order to improve gender equality, it is necessary to continue the activities to eliminate prejudice and stereotypes regarding gender equality in all segments of the society, and to consistently implement legal regulations, incorporate gender equality in all policies and programs at the national and local level.

With regard to employment, having in mind the current trend, it is not realistic to expect that the female employment rate will reach the planned level of 50.0% by 2015, especially due to the global economic crisis that has negative effect on the economic trends in Montenegro; however, it is realistic to expect it to improve significantly as compared to 2011.

One of the challenges we need to face is the issue of restrictive employment policy at all levels, due to the global economic crisis, and the second one relates to limited credit lines for business start-ups, which is a key problem, especially for women, having in mind that they are rarely owners of real estate.

b.4. GOAL 4: REDUCE CHILD MORTALITY RATE

Indicators	Baseline year	Observed values							Goal in 2015
		2004	2005.	2006.	2007.	2008.	2009.	2010.	

Target # 1 – Reduce the value of indicators to 8 deceased infants per 1000 live newborns									
1. Infant mortality rate (per 1000 live newborns)	2004.	7,8	9,5	11,0	7,4	7,5	5,7	6,7	7‰
2. Under five mortality rate (per 1000 live children)	2004.	9,5	11,1	12,1	8,7	8,2	6,0	7,5	8‰
Target # 2 – Vaccinate all children up to the age of one									
3. Proportion of 1-year old children immunized against measles	2004.	91,7	90,3	91,8	91,6	89,5	93,5		95%
4. Proportion of children immunized against BCG, DTP, OPV and Hepatitis B	2004.								
BCG		97,6	98	98,4	98,2	98,1	95,0		100%
DTP		95,1	94,6	92,8	93,1	96,1	83,6		97%
OPV		95,0	94,6	92,9	93,2	96,1	91,5		97%
Hepatitis B		91,3	91,4	92,5	91,6	94,8	87,3		97%
Target # 3 – Reduce 0-4 infant mortality rate caused by accidents									
5. Number of accidents among children of age 0-4 that resulted in deaths	2004.	2	2	2	3	1	0		< 2

Current situation and trends

Target 1: There are realistic fundamentals for the achievement of Goal 4. As the table shows, values of the indicators within Target 1 in 2009 are significantly lower than the values in the previous years; however, infant mortality rate and under five mortality rate in 2010 have increased a little bit as compared to 2009. Deterioration of values for the indicators within Target 1 is related to the overall economic situation in the country, primarily to the increase in the unemployment rate.

Target 2: Reduction in the percentage of vaccinations resulted from the change in the reporting process regarding implemented vaccinations. Namely, until 2009 (until then there was no electronic recording of immunized children), there were cases of children not being registered in the health centers, and due to that changes have happened in the denominator of the form for calculation of vaccination coverage. Electronic record keeping provided for precise registration of all newborns and all the immunized children, which resulted in the change of values of indicators regarding coverage with all types of vaccines.

Target 3: Having in mind that in 2009 there were no cases of accidents among children of the age 0-4 that resulted in deaths, this target has already been reached. In the upcoming period, the main target and challenge will be to keep the incidence of child deaths caused by accidents at the level reached in 2009, i.e. not to have any deaths caused by injuries due to accidents.

Challenges and general assessment of Goal 4:

The sensitiveness of this Target underlines not only the mortality of children under five years of age, but also the living standard in the country, organization of the health service and care

provided to women regarding pregnancy, child delivery and post-partum period. Changes in the living standard, measured through GDP can, possibly, represent an obstacle for future implementation of Target 1.

Challenge in fulfilling Target 2 is the fact that records regarding coverage with immunization relate to public health institutions only, and it is necessary to include the private sector, as well, in order to have a realistic picture of results of vaccination. Thus, it is necessary in the upcoming period to improve the monitoring in the area of vaccination.

b.5. GOAL 5: IMPROVE MATERNAL HEALTH

Indicators	Base year	Observed values						Goal in 2015
		2004.	2005.	2006.	2007.	2008.	2009.	
Target # 1 – Maintain and improve maternal reproductive health								
1.Maternal mortality rate per 100,000 newborn children	2004.	0	0	0	12,76	0	0	10‰
2. Percentage of deliveries attended by qualified medical staff	2004.	99,6	99,9	100	100	100	100	100%

Current situation and trends

Target 1: Values of the indicators show that this Target has been realized, thus, Goal 5 is fully implemented. The specified values show that the health service has invested all its efforts and potentials in order to reduce the risks for the health of mothers and newborns at childbirth.

Challenges and general evaluation of Goal 5

In case of this Goal it is necessary to maintain the current situation in the future.

b.6. GOAL 6 COMBAT HIV/AIDS, TUBERCULOSIS AND OTHER DISEASES

Indicators	Baseline year	Observed values						Objective in 2015
		2004	2005	2006	2007	2008	2009	
Target # 1 – Maintain low HIV prevalence rate ⁴ (between 0.01 – 0.02)								
1.Rate of newly registered HIV cases (in the year concerned) per 100,000 population	2004	0.15	1.07	0.61	0.92	0.92	0.95	< 1
2. Rate of voluntary HIV testing	2004	0.03	0.03	0.03	0.03	0.04	1.16	1
Target # 2 – Reduce prevalence of tuberculosis by 2015								
3. Rate of newly registered tuberculosis cases per 100,000 citizens	2004	26.7	27.4	27.3	24.5	20.7	19.6	< 20
4.Percentage of those infected by multidrug-resistant tuberculosis in	2004		2.0	3.1	2.3	1.5	0.83	< 1

⁴ Prevalence – total number of cases in one period in one territory.

total number of those infected with tuberculosis								
5. Mortality rate associated with TBC per 100,000 population	2004	0.97	0.48	0.97	1.11	0.31	0.15	< 0.5
Target # 3 – Reduce mortality rate of chronic non-communicable diseases among population aged 0 – 64 years								
6. Mortality rate associated with cardiovascular diseases (per 100,000 population)	2004	479.61	499.35	548.38	532.78	490.61	509.23	< 400
7. Mortality rate associated with malignant tumors (per 100,000 population)	2004	157.11	166.01	157.60	150.6	146.30	141.08	< 100

Current situation and trends

Target 1: By monitoring indicator *the rate of newly registered HIV cases* (in the year concerned) per 100,000 population, we arrive at the conclusion that the goal has already been achieved. Rate of voluntary HIV testing in Montenegro is low, but the newly established network of counseling centers for voluntary testing and advice resulted in raising the number of young people coming to the counseling center for advice and testing. Montenegro is a country with low HIV prevalence and incidence and efforts should only be made in keeping such existing condition.

Target 2: It may be observed from the attached values of indicators under Target 2 that the values in 2009 were significantly lower compared to the year before, which contributed to achieving targeted values for 2015.

Target 3: Mortality rate associated with cardiovascular conditions is a leading cause of death and diseases of the population in Montenegro and there was a mild tendency of increase in the number of deaths caused by these diseases in 2009. Cause of the diseases mentioned above is connected with the way/style of living which is directly linked to both, habits and culture of living and existing economic situation.

Challenges and General Assessment of the Goal 6

Dominant reasons causing death of the population in Montenegro are diseases of cardiovascular system and malignant neoplasms. Causes of these diseases are most frequently connected with the living style, unhealthy diet, reduced physical activity. One of the ways to achieve the target mentioned above is to invest additional efforts and funds in prevention and control of chronic non-communicable diseases and to conduct more intensive campaigning to promote healthier living styles.

Change in living styles is fundamental component in reducing the share of deaths caused by cardiovascular diseases and malignant tumors in total mortality. To that end, efforts should be focused on improving health educational curricula and enabling population to accept behavior which conforms to the healthy living styles.

b.7. GOAL 7 ENSURE ENVIRONMENTAL SUSTAINABILITY

Indicators	Baseline	Observed values						Goal in 2015
------------	----------	-----------------	--	--	--	--	--	--------------

		1990	1998	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011		
Target # 1 – Integrate the principles of sustainable development in country policies and programs and reverse the loss of environmental resources																	
1. Ratio of areas protected in order to maintain biological diversity (%))	2003.					7.14	7.14	7.14	7.14	7.14	7.14	7.14	9.04	9.04	9.04	10%	
2. Proportion of marine ecosystems in total protected area for the purpose of maintaining biological diversity	2009												0	0	0	3%	
3. Proportion of land area covered by forests	2003								54%		54%			54%	54%	54%	
4. Number of exceedences of the measured PM10 concentrations relative to the limit values and tolerated limits for health protection of the population in Podgorica	2007										75	86	45	49	52	0	
5. Anthropogenic emissions of GHG calculated per equivalent of carbon dioxide per capita [t CO2 eq/per capita]	1990	7.7					7.2						5.9			2015	2020
																5.6	5.7
6. a. Energy intensity (GIC/GDP)	2003			904.0	700.7		674.8	621.4	558.2	487.9	377.5	315.3	282.9			262.22	
Energy intensity (GIC/GDP) ⁵				903.35	700.71	735.91	674.71	621.10	494.95	472.96	363.67	356.78	279.88	316.39		262.22	
6. b. Proportion of energy generated from renewable energy sources (RES) in total consumption (RES) (% energy from RES/ total energy consumption)	2005	23.89	26.96	23.29	25.5		23.11	30.33	25.72	24.44	19.58	22.18	26.21			27.72	
Proportion of energy generated from renewable energy sources (RES) in total consumption (RES) (% energy from RES/ total energy consumption ⁶				17.48	20.41	13.08	17.80	23.61	23.23	19.80	16.33	17.02	26.35	29.08		27.72	
7.Degree of anthropogenic influence on the quality of surface water bodies	2000			24.8%								47.5%				2015	2020
																15%	10%
Target # 2 - Reduce, by 2015, the proportion of population without access to drinking water and sanitation																	

⁵ Data from the Ministry of Economy

⁶ Data from the Ministry of Economy

8. Reduce the loss in water supply system in urban settlements	1998		36-80 %						35-85 %	33-84 %	30-83 %	30-77 %	30-77 %	30-77 %	30-77 %	32-72 %	30%
9. Percentage of connections to the sewage system in urban settlements	2005								60 %	60.5 %	61 %	63 %	65 %	65 %	65 %	65.5 %	85%
10. Proportion of treated waste water in total water quantity in accordance with national regulations	2005								10 %	11 %	15 %	17 %	18 %	18 %	18 %	18 %	60%

Current situation and trends

Target 1: At the moment, protected areas cover 124,929 ha or 9.04 % which shows that there **was no change** compared to the data defined for 2009. Activities are currently undertaken on designation of the two regional parks, modification to boundaries of the NP Durmitor and intensive harmonization of national legislation with European legislation which will contribute to achievement of the goal by 2015.⁷

As for the proportion of **marine ecosystems** included in the total protected area for the purpose of maintaining biological diversity, **data** stated for 2009 remained **unchanged**. However, the Study on Protection of the Marine Protected Area of Katič is currently being prepared with the aim of developing the Management Plan for the first pilot protected marine area in Montenegro. The Management Plan for the protected marine area Katič is expected to become an instrument for development of basic methodology for protected marine areas management in Montenegro and to enable for the nature protection goals to be harmonized with the goals of sustainable socio-economic development.

As for the **proportion of the land area covered by forests**, the stated **values are in accordance with those which were planned**. According to the official statistical indicators, forests and forest land in Montenegro cover 1381200 ha or 54% (forests 54%, forest land 9%). Final data will become known after completion of the National Forests Inventory in mid-2012.

In order to achieve targeted values of PM10 concentrations⁸ relative to the limit values and tolerated limits for health protection of the population in Podgorica, **it is necessary to reduce emissions from transportation**. Having in mind the number of vehicles and age of vehicle fleet, it is unrealistic to expect rapid improvement of situation in the next four years even though it is planned to introduce EURO V and EURO IV by legal regulations. In accordance with the comments above, **it is not realistic to expect that the number of exceedances will be reduced down to zero**.

⁷ Amendments to the Law on Nature Protection are currently in the adoption process.

⁸ Note: PM10 concentrations relative to the limit values and tolerated limits for health protection of the population in Podgorica are defined on the basis of national and EU legislation. Under national legislation, the daily average limit value was exceeded once in 2010, while there were 16 exceedances by 01 November 2011. On the other hand, under EU legislation, there were 42 exceedances in 2010, while in 2011 there were 59 exceedances (over 50 micrograms/m³) by 01 November.

Proportion of renewable energy sources (RES) in total consumption is planned in the Program for the Development of Renewable Energy Sources under the Energy Law and national RES goal which will be set at **30%** for Montenegro. Considering the dynamics of implementation of the national goal harmonized with the Directive 2009/28/EC and taking into account the planned and ongoing projects, **this goal is achievable.**⁹

Monitoring of energy intensity in relation to total energy consumption is difficult given that energy balances are not precisely defined to a sufficient extent which would enable monitoring of the consumption of all energy sources used in Montenegro, while due to the economic crisis the GDP projections cannot be sufficiently precise to allow for adequate forecast of values for 2015.¹⁰ Having in mind that the indicator *Energy Intensity* also measures high energy consumption in the Aluminum Plant in Podgorica (KAP), maybe one should consider its relevance as an indicator of energy efficiency increase.

Target 2: Positive trend of the reduction of losses in the supply system has been recorded in the past period, particularly in municipalities of the coastal region which mainly results from implementation of the project on rehabilitation of losses in the supply system and improvement of monitoring. However, despite the progress, **targeted value** for the reduction of losses in the water supply system in urban settlements **may be achieved only at the level of some municipalities, but not at the national level.**

Similarly to the previous trend, targeted values of the **percentage of connections to the sewage system in urban settlements** for 2015 **may be achieved at the level of the majority** of municipalities in Montenegro, particularly those in which waste water treatment plants will be built, **but not in all the municipalities.**

Given the planned dynamics of the construction of **waste water treatment** plants in the municipalities of Nikšić, Herceg Novi, Bar, Cetinje, Pljevlja etc. **it is possible to achieve targeted values** for a share of treated waste water in total water quantities, in accordance with national regulations.

Challenges and general assessment of the Goal 7

It may be observed from the data above that the possibilities to achieve targeted values for certain indicators are different and that adequate conditions for achieving the goal need to be put in place in the forthcoming period for the purpose of ensuring environmental sustainability by 2015.

⁹ Data from the Energy Department of the Ministry of Economy are presented in green box, while percentages were calculated on the basis of data from the existing Energy Development Strategy of Montenegro by 2025 and official data from MONSTAT.

¹⁰ Projects are currently implemented with the Republic of Slovenia, Energy Institute *Hrvoje Požar* from Croatia and Energy Community for the purpose of preparation of energy statistics and energy balances which would be used for more objective and precise monitoring of energy generation and consumption in Montenegro and therefore more precise calculation of energy intensity. This project is based on top-down approach. Also, calculation is currently under preparation on the basis of the principle of bottom-up methodology for monitoring final energy consumption which will provide for objective foundation for more precise measurement of the energy intensity indicator.

While there are no obstacles for achieving targeted values for 2015 in terms of the proportion of land area covered by forests, **the key challenge to achieving Goal 1 in the area of environment is implementation of relevant multilateral agreements**, particularly the United Nations Convention on Biological Diversity and establishment of ecological network Natura 2000. Environmental protection of the coast and sea in Montenegro is critical for sustainable development and is in conformity with the Declaration on the Ecological State of Montenegro. However, over the past several years **coastal and marine areas** have been subject to **anthropogenic pressure** which poses **threat to valuable ecosystems**.

There is an evident growth in exceedances of PM10 concentrations relative to the limit values and tolerated limits for health protection of the population in Podgorica. Depending on further dynamics of reporting on Millennium Development Goals, **redefining target values for 2015 should be seriously considered** (0 exceedances).¹¹

In the energy field, it is realistic to expect achievement of targeted values in using renewable energy sources,¹² however in the field of energy intensity of the national economy the following significant challenges remain:

- lack of reliable statistical data and assessments of macroeconomic developments,
- lack of financial mechanisms and stable framework for implementation of energy efficiency measures, level of awareness and knowledge of energy efficiency.

Critical challenges in achievement of targeted values under **Target 2** in the forthcoming period are:

- preparation of the Study on Optimization of Water Supply Systems in all Municipalities and its implementation,
- putting in place technical prerequisites for absorbing higher quantities of water from regional water supply system by the municipalities in the Montenegrin coast,
- quality resolution of the water supply issue in Cetinje,
- putting in place prerequisites for spatial planning and property related legal matters for implementation of projects for the construction of sewage system and waste water treatment plants,
- compliance with the planned dynamics of implementation of certain project phases¹³ for the municipalities of Kotor and Tivat, as well as the plants in Pljevlja, Cetinje, Bijelo Polje, Berane and Rožaje,
- completion of the construction of waste water treatment plants in Nikšić, Herceg-Novi and Bar by 2015 and possibly construction of a joint plant.

b.8. GOAL 8 DEVELOP A GLOBAL PARTNERSHIP FOR DEVELOPMENT

Over the period 2007-2010 Montenegro operationally disbursed funds from IPA component I and IPA component II – Transition Assistance and Institution Building and Cross-border

¹¹ Directive 2008/50/EC lays down that exceedance shall be the number of times of exceeding the allowed value of 35. In that case the value of presented indicator would be 7, and not 42.

¹² **Note:** data are given for 2009, for which there are data from the GHG emissions inventory on the basis of official estimate of the population size in 2009 (MONSTAT).

¹³ Starting from preparation of documentation, obtaining permits, advertisement of tenders, to project closure.

Cooperation. By acquiring the EU candidate country status, Montenegro became eligible for using all the five IPA components: component I - **Transition Assistance and Institution Building**; component II - **Cross-Border Cooperation**; component III – **Regional Development**; component IV – **Human Resources Development** and component V – **Rural Development**.

However, **operational disbursement of EU funds** for these components is **conditioned by establishment of required structures and accreditation of decentralized management**, which is planned to be done for the first four components in 2012, and by the end of 2013 for component V. Projects from the first two IPA components will be implemented in Montenegro up until introduction of decentralized management. Given that Montenegro is in the system for centralized management of EU pre-accession funds, all the activities concerning tender procedures, contracting and payments for projects under IPA 2007-2010 were conducted by the European Union Delegation in Podgorica.

IPA COMPONENT I – TRANSITION ASSISTANCE AND INSTITUTION BUILDING

Under component I of IPA program 2007-2010, Montenegro received assistance in the amount of **EUR 112,066,506** which also includes contribution for financing horizontal project in the area of nuclear safety and protection against radiation and TEMPUS and Erasmus Mundus programs, while **national co-funding** amounted to **EUR 73,293,648.00** (EU 60%, Montenegro 40%). The amount of national co-funding of projects by programming years is considerably higher than the minimum prescribed by IPA regulations because in addition to contributions from the state budget it also includes loan indebtedness.¹⁴

In the allocated funds structure, the majority of projects is related to the following areas: transportation and environment (infrastructural projects with significant percentage of national co-funding); justice, freedom and **security**; **social policy and employment, agriculture and rural development, free** movement of goods, information society and media, civil society, assistance to refugees and internally displaced persons.

IPA II COMPONENT – REGIONAL AND CROSS-BORDER COOPERATION

In Montenegro, the total of **69 projects** are currently implemented, of which **36 are bilateral** (Albania - Montenegro; Bosnia and Herzegovina - Montenegro; Croatia – Montenegro and Serbia - Montenegro), **16 are trans-national** (South-East Europe and Mediterranean Programme) and **17 are projects** under **IPA Adriatic Cooperation Programme**. Total value of these programmes is EUR 10,222,333.52, of which EU grant amounts to 8,685,486.90.

¹⁴ Under these IPA programmes, in the reporting period, **56 projects out of the total of 65 are currently being implemented**. By the end of September 2011, the major share of funds has already been contracted - around **71%**, which is an indication of effective disbursement of funds and timely contracting of projects, as follows: IPA 2007 - 14 projects (contracts signed for 99.06% of allocated funds, while 83.16% of funds were disbursed, meaning that payments were made for implemented activities); IPA 2008 - 16 projects (contracts signed for 99.57% of allocated funds, while 65.69% were disbursed); IPA 2009 - 17 projects (contracts signed for 70.73% of allocated funds, while 38.62% were disbursed); IPA 2010 - 18 projects (contracts signed for 19.99% of allocated funds, while 9.18% were disbursed). Under IPA 2011, the total of 13 projects were proposed.

IPA COMPONENT III – REGIONAL DEVELOPMENT / IPA COMPONENT IV – HUMAN RESOURCES DEVELOPMENT

Institutional framework has been put in place in preparations for the use of IPA components III and IV, meaning that strategic coordinator and members of operating structures have been appointed. Strategic papers which define priority assistance areas for the period 2012-2013 are currently prepared. The third, final draft Strategic Coherence Framework (SCF) and third draft Operating Agreement for IPA components III and IV have been prepared. Several public consultations with relevant stakeholders involved in drafting these documents were organised in this process (ministries, non-governmental organisations, public institutions, municipalities, trade unions etc.).

Under IPA implementing regulations, *ex ante* assessment of Operating Programmes for components III and IV was conducted in the process of finalising strategic papers, along with the strategic environmental assessment since component III envisages infrastructural projects in environmental and transportation fields. After preparation of the strategic environmental assessment and *ex ante* assessment, it was necessary to eliminate shortcomings in Operating Programmes with the aim of finalising these strategic papers. Finalising strategic papers and their adoption by the Government of Montenegro are expected at the beginning of the first quarter of 2012. The dynamics of preparation of strategic papers follows dynamics for establishment of the decentralised management (DM).

C. GENERAL DEGREE OF IMPLEMENTATION AND RECOMENDATIONS

Eighteen months after adoption of the Medium-Term Report on Millennium Development Goals in Montenegro, the results of reforms and improvement of general condition in the field are visible. According to the findings of this, *First Annual Report*, despite uneven progress in different areas, **by 2015 Montenegro will manage to achieve the largest part of targets set at the national level in the frame work of Millennium Development Goals.**

However, despite generally encouraging results the data presented in this report indicate that Montenegro still faces important obligation to improve its achievements and intensify efforts in fulfilment of other undertaken obligations through continuous monitoring. The main finding from this report is that **the most significant challenges in the long-term development of Montenegro** are related to the **regional economic, social and cultural disparities, social exclusion, rule of law and democratisation and integration of environment in sectoral development policies and strategies.**

Negative effects of global economic and financial crisis pointed to some of the major **structural problems** that Montenegro is facing and led to **the lack of means for strengthening support to the set goals** which represents **key challenge** that Montenegro and entire world are facing **in achieving** targeted values.

In that context, **stimulating the economy**, after the significant crisis impact, establishment of a dynamic private sector which is encouraging foreign and domestic investments **in the context of**

long-term determinants and principles of sustainable development, equitable and inclusive growth and dynamic structural reforms will be critical for achievement of all Millennium Goals. This will require **investment of additional funds** in **education, science and research** programmes.

The degree of achievement of targeted values by goals is summarised in the table below:

GOAL	Already fully achieved	Mostly achieved/ will be achieved by 2015	Significant challenges in achievement by 2015
Goal 1		X (The greatest challenge will be reduction of regional disparities, poverty rate in rural areas and reduction of unemployment rate from the current 19.7% down to 9% in 2015.)	
Goal 2		X	
Goal 3			X (If the existing dynamics continues, it will not be possible to achieve targeted values, particularly those related to the increase in the share of women in elected offices at the national and local level.)
Goal 4		X (Improvement of monitoring in the area of vaccination will be necessary.)	
Goal 5	X		
Goal 6		X (Reduction of mortality rate associated with cardiovascular conditions as a leading cause of death and diseases is going to be essential)	
Goal 7			X (If the existing dynamics continues, special problem in achieving the goal is going to be the area of pollution from transportation, energy intensity and reduction of the proportion of the population without access to drinking water and sanitation.)
Goal 8		X	

c. 1. Recommendations

As a result of the current economic condition, **all the indicators under Goal 1 have negative trend while in 2009 they were above targeted values** which points to the increased level of relative poverty and other dimensions of poverty, such as social inequalities. Particularly **worrying are the data on uneven crisis impact which depends on regional disparities** (gap deepening between the Northern region and the rest of Montenegro has been recorded) and standard of living in urban and rural areas (population from the countryside is under significantly higher poverty risk). Reducing the unemployment rate will present a particular challenge.

In order to achieve GOAL 1, it is going to be necessary to empower programmes for stimulating employment, particularly those intended for the population in the Northern region of Montenegro. Natural resources of this region are untapped and represent significant

potential for stimulating green economy. In that context, efforts should be invested in linking activities for achievement of the Goals 1 and 7 in order to ensure opening of new markets and jobs which would contribute to the reduction of regional disparities and poverty. In parallel, the work on **improving access to the social welfare of the most vulnerable groups in society** should continue.

Building on the assumption that all the envisaged activities will be implemented, it is expected that **Goal 2** will be achieved by 2015. In implementing the targets, special attention should be attached to:

- a) the need to continue with investments from the budget which are necessary for full implementation of defined measures, particularly having in mind uneven economic development between the regions,
- b) the need to continuously invest in improving the quality of curricula in education,
- c) the need to involve all the stakeholders of educational process in creating conditions for full coverage of all the children in Montenegro and their quality elementary education, including children from the most vulnerable groups,
- d) the need for higher level of integration of children with disabilities and RAE children in educational system and specifying clear procedures and defining responsibilities of all stakeholders in the system, in order for the information on possible school dropping out by RAE children to be received in a timely manner and in order to react in accordance with the law.

Achievement of the **Goal 3**, that is achievement of gender equality, like in most other countries, is one of the areas with the least dynamic degree of progress which is why **it is not realistic to expect achievement of this goal**. In order to get closer to the targeted values for 2015 to the highest possible extent, it is of critical importance for Montenegro to ensure:

- a) continuation of programmes for improving position of women in social and political life,
- b) incentive for women who were placed on ballot papers to remain in positions in local and national parliaments under the Law on Election of MPs and Councillors, i.e. another woman should again take over the position of potentially replaced female MPs or female councillors,
- c) continuation of capacity building of institutional mechanisms, and
- d) introduction of gender sensitive budgets.

As it may be seen from the table, Montenegro has already now **achieved Goal 5** which relates to the mortality rate of mothers, but the challenge remains in terms of maintaining and improving the existing condition which is directly linked to the living conditions. The other **two goals connected with improving health sector (Goals 4 and 6) are realistically achievable by 2015**, which will also considerably depend on general socio-economic condition.

The essential recommendation for achievement of the **Goal 4 is improvement of vaccination monitoring** (include private sector as well in order for the overview to be realistic).

It will be **possible to achieve the Goal 6** if:

- a) implementation, in addition to the health sector, **includes other Government departments as well** since health should be a priority of all policies,

- b) more active and more intensive efforts are invested in **improving health educational curricula** and if the population is enabled to accept **behaviour** which **conforms to healthy living styles**.
- c) **additional efforts and funds are invested** in prevention and control of chronic non-communicable diseases.

As a country with exceptional landscape and biological diversity which is its most important comparative advantage Montenegro, **as one of the fastest growing tourist destinations**, is facing **huge environmental pressures**. Even though **a large share of measures will be implemented**, the **greatest challenge** in achieving this Goal is going to be **resolving the measures under Target 2** which refer to the reduction of the proportion of population without access to drinking water and sanitation, which also includes waste water treatment. Since Montenegro is ecological state, the following steps will have to be taken in the forthcoming period in order to achieve **Goal 7** to a higher extent:

- a) **promote sustainable use of natural resources**,
- b) work on promoting the use of **cleaner technologies**,
- c) create methodology and measures for **monitoring and conservation** of marine and coastal biodiversity and **protection** of rare and endangered habitats and species,
- d) **work on the conservation of marine and coastal ecosystems** at different levels (local, regional and global) and ensure that projects such as “**Katič**“ are **repeated in other protected marine areas** alongside Montenegrin coast,
- e) invest additional efforts in **reducing emissions from transportation**, in order to achieve targeted values of PM10 concentrations in the next four year period,
- f) create **prerequisites for spatial planning and property related legal matters** for implementation of projects on **constructing sewage system** and **waste water treatment plants**,
- g) **achieve envisaged dynamics** of implementation of projects in the field of **waste water management** and its harmonisation with the defined dynamics of disbursing funds provided by European Union (IPA),
- h) **implement projects and enforce** adopted **regulations** in the fields of **energy and environment**, undertake more activities and implement projects faster than it is the case now.

In the period covered by this report, Montenegro acquired the candidate country status for European Union membership and conditional date for opening of negotiations which means that it is now increasingly oriented towards European funds in its achievement of strategic development goals. **European orientation** is also visible in achievement of the **Goal 8** while the **key challenge** for its successful achievement in the forthcoming period is going to be **establishment of structures necessary for disbursement of the remaining IPA components and accreditation of decentralised management**.

Essential direction in achievement of all the eight goals is **continuation of further harmonisation of national regulations with EU legislation** which is certainly a confirmation of an **inter-dependant nature of all the eight Millennium Goals** and the need for their integrated consideration and holistic approach to their resolution to which Montenegro is committed. Also,

in future achievement of all the Millennium Goals, Montenegro will remain committed to ensuring their integrated consideration and integrated approach to their achievement.