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ASSESSMENT OF STRATEGIC OBJECTIVE 2.1 LOCAL DEVELOPMENT AND GOVERNANCE

- **Community Revitalization Through Democratic Action
Good Local Governance**

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Review of USAID Montenegro Strategic Objective 2.1

INTRODUCTION

The objective of this report is to review existing programs and provide input to the USAID Montenegro Mission to assist them in the development of a new strategy for S.O. 2.1. This report will cover the following considerations to assist the mission in development of both strategy and current projects

- The interrelationship of current programs within the SO and with other objectives of USAID
- The results gained, as related to the stated intermediate objectives of SO 2.1.to end users/beneficiaries
- Efficiency and effectiveness of delivery mechanisms and management in promoting results
- The impacts and trends of the current program strategy in terms of USAID's program and Montenegro needs
- Obstacles, options, and recommendations that will assist USAID to promote SO 2.1 programs over FY 2005-2010

SO 2.1. Increased, better informed citizen participation in political and economic decision making

The Intermediate results to which projects contribute have been defined as follows:

IR 2.1.1. Citizens improve their living conditions through participation in community development committees

IR 2.1.1.1. Citizens participate in civic and environmental activities that benefit their communities

IR 2.1.1.2. Citizens managed community development committees determine actions and set priorities

IR 2.1.2. Good local Governance achieved

IR 2.1.2.1. Improved capacity to manage and finance local government

IR 2.1.2.2. Increased citizen participation in Local Government decision making

IR 2.1.2.3. Improved local government service delivery

Team composition and Report

This report is product of a three person team with individual review and drafting responsibilities divided amongst team members as follows:

- CRDA Project and community development issues
- GLG Project and Local Government related issues
- Local Economic Development issues

While specific sections of the report were drafted individually, the general conclusions and recommendations are the product of group discussion and consensus.

I. CRDA

BACKGROUND

In its “Montenegro Interim Strategy 2002-2004”, USAID shifted the focus of its programming from providing technical advice to the Government of Montenegro in support of its efforts to establish a sound foundation of political and economic reform, to a strategy of “providing assistance that supports the capacity of Montenegro’s citizens to advance a continued agenda of reform that addresses citizens’ priorities for democratic, economic and community-based development.”

Under Strategic Objective 2.1, the Community Revitalization through Democratic Action (CRDA) program supports citizens’ capacity to engage local government and contribute to an effective partnership for community development. CRDA is designed to provide tangible and meaningful opportunities for citizens to achieve positive social, political and economic change in their lives, and their communities, through participatory civic action. The program is also expected to help citizens build consensus and cooperation in solving local problems across community, political, ethnic and gender dividing lines.

Since the establishment of the State of Yugoslavia, community organization in Montenegro has been based in the Mijesna Zajednica (MZ). These MZs however were vertical and hierarchical networks that functioned more as instruments of the State, than horizontal mechanisms of citizen-government communication and community empowerment.

Robert Putnam, in his book “Making Democracy Work: Civil Traditions in Modern Italy (1993), identified a direct correlation between civic community activity, the effectiveness of regional and local government, and the growing economic gap between northern and southern Italy over the forty years since World War II. Putnam found that even with reasonably equal Republic government-provided resources, regional governments were measurably more effective in communities with strong traditions of citizen involvement, and equally as important, that one of the major factors that explain the differences in economic growth and modernization across regions in Italy is that same pattern of civic involvement and social capital. As he stated in the conclusion to “Making Democracy Work”, "Economics does not predict civics, but civics does predict economics, better than economics itself."

From the local government perspective, where citizens are actively involved in the decision-making process, political leaders have both the political incentive and political cover necessary to spend their resources on programs that citizens desire and need, rather than on patronage. Further, organized citizens are able to contribute financial and non-financial resources that substantially leverage local government resources, enabling local government leaders to increase their political capital by undertaking more projects and investing more resources in improved services.

From the citizen’s perspective, civic activity increases their ability to articulate their needs to local government and increases their political leverage. If the government fails to respond

adequately to their needs, organized citizens have options that are not available those who are not organized. Further, organized citizens are more connected to their communities, more active in local politics and engaged in political issues, more likely to understand the benefits of compromise, and more convinced that problems can be solved through their personal activity. In addition, civically active citizens are demonstrably more entrepreneurial. The skills they learn and connections they make in civic activity benefit their entrepreneurial skills and business activities as well. In the absence of civic engagement, citizens become passive and cynical. They retreat out of community life and try to avoid the notice of government, particularly those responsible for enforcing those laws that they do not like.

FINDINGS

IMPACT

CRDA has had real and substantial impact in communities throughout Montenegro, beyond merely the physical realization of its projects. Examples of this impact are:

- **CRDA has made a legitimate contribution to jobs and income through the creation of new economic opportunities that have directly resulted from the completion of infrastructure projects with significant economic impact.**

In Martinici, a CHF supported village water system allowed the owner of a milk collection station to expand his business. The building had previously been a dairy under an old Yugoslav cooperative, but had ceased to produce cheese because of the collapse of the cooperative and the inability to get access to clean water. Now, instead of selling all of the milk he collects to the Niksic Dairy, he was able to create six jobs in the village and add additional value to a portion of his milk by producing yoghurt and cheese.

In Rasovo, voltage fluctuations in the electrical network made it extremely difficult for local farmers and local businesses to remain productive. Average voltage had been measured at only 150v. Ten farmers, with a total of over 200 head of cattle, could no longer use their electric milking equipment, because of the low voltage. The village also has a meat packing plant, an auto-body shop and a metal shop that could no longer use much of their equipment, and could not even appropriately light their workplaces. Up to 70 jobs in the village were in danger of disappearing if the village's businesses could not increase their productivity. With the completion of the CDC's electricity project, the village's businesses are working at full capacity and working on plans to expand their businesses.

In the Put Selite the village CACs first proposed project was the reconstruction of a 4 km circular road in the community which had been impassable by cars for a number of years. Approximately 100 families that live along the road, most earn a substantial amount of their earned-income from selling vegetables in the market in Ulcinj. In the years since the road became impassable, the 10 families who owned cars could not reach their homes or fields and park at the community's Mosque, in some instances up to 2 km from their home. Those who were fortunate enough to own cars had to make multiple trips every

morning between the Mosque and their fields, to prepare for their daily trip to the Ulcinj market. The remaining families were limited to the volume of vegetables that they were able to carry on the bus that stopped at the Mosque. The road was completed with \$42,225 in CRDA/IRD funds, \$5,000 in Republic government funds, \$10,000 in municipal government funds and \$40,000 in Diaspora contributions and community in-kind labor. Since the completion of the road, a number families have been able to purchase cars, with Diaspora support, increasing the volume of vegetables they are able to bring to market every day by four to five times, resulting in substantial increases in their earned income.

- **CRDA has successfully created a substantial degree of change in the political landscape at the municipality level.**

In roundtables and community council discussions throughout Montenegro, citizens with whom the evaluator met expressed clear perceptions that mayors and local government departments are demonstrably more communicative, inclusive and transparent than they were prior to the CRDA program. There is substantial evidence to support this perception.

In a meeting with the Mayor of Budva, Rade Jovanovic, the mayor confirmed, “In the past, our annual investment program had only minor citizen participation. Projects were adopted by a small circle of political leaders. Small projects were neglected and large projects were often underbid.”

Today in the Municipality of Budva, the municipality has participated in nearly 40 CRDA projects and the municipal electric power company, that has many more projects than it has the funding to undertake, has instituted the CRDA/IRD project selection process and criteria to determine which projects it will fund. Again, according to the Mayor, “What is interesting from the procedure is that the selection of projects for our program of investment works. Sometimes we don’t have a project in our program, but it gets prioritized by our CACs and we can be aware of the issue. We can program our budget to be able to respond to these issues and projects.”

CDC/CAC members were nearly universal in expressing their initial belief that, at the beginning of the program, they were highly skeptical that anything would be accomplished. They had endured years of promises from local government, Republic-level politicians, and international donors that had resulted in little tangible change in their communities. Since the program’s inception, the number of citizens participating in CDC/CAC projects has continued to grow dramatically. For example, statistics collected by CHF in Northern Montenegro document that in the first year of the program 11,323 individuals participated in CDC projects, either as members of the CDC, monitors of projects, or through in-kind labor. In 2004, as of the beginning of August 21,838 individuals had participated in some meaningful way in CDC projects.

This skepticism that nothing would change was particularly acute in rural areas and in those areas of the south that are inland from the coastline. Community infrastructure in these areas had been allowed to deteriorate, through years of inattention and virtually no maintenance, to the point where it is quite common to find rural water and electrical

systems that no longer function, or have very limited utility. In some areas, rural roads had deteriorated to the point that they were no longer passable by automobiles. What little investment had occurred in both development and maintenance of public systems by municipalities was generally limited to the urban core and, in the south, along the coastal strip. Rural CDC/CAC members throughout the country expressed their belief that their ability to attract the attention and participation of municipal authorities is in large part the result of the organizational capacity, mobilization of local resources and the grant participation that they have received from CRDA. In the words of one CAC member in the Village of Mala Gorana, “We could not even imagine contacting local government or the public utility company before. Now we have a working relationship with them and they even share their plans with us.”

- **CRDA has created an environment where citizens understand and believe in their capacity to make positive change in their communities, through their organized activity.**

In Grabalj, a member of the CAC stated, “Socialism used to anticipate things a lot so that someone else was always doing the thinking and getting things done instead of you. Personal initiative died and disappeared. But through our personal example, we are making an attempt to make people understand the importance to respect themselves. It is a true miracle that people here are beginning to exceed their own personal areas of interest.”

The Mayor of Plevlja stated, “The greatest value of these projects is that citizens have become interested in the state of the community and their living conditions. They are now thinking about possible solutions using available resources.”

- **A significant number of active citizens have the skills necessary to engage local government and the social capital necessary to mobilize community resources to continue CRDA-type civic activism. Most however are not confident that they can “go it alone”. Nevertheless, though citizen activism has not yet become institutionalized and has not yet reached the level of sustainability, there is concrete evidence that communities are becoming capable of replicating the CRDA process and undertaking projects in partnership with municipal government without CRDA program funds.**

At a Kolasin CDC roundtable, one woman who had worked on a CDC project in the school in which she is employed spoke about how she had used her CRDA participation experience to bring land-line telephone service to the village in which she lives. The village of Trabaljevo has never had telephone service, and CHF is not currently working in her village. Nevertheless, applying the skills she learned from the school project in Kolasin, she established her own CDC in the village, organized her neighbors to dig all the necessary trenches, and approached the municipality and the Republic government for assistance in paying for and laying telephone cable throughout the village. The project was successfully completed entirely on citizen initiative and government partnership. No CRDA/CHF funds were involved. This would not have been possible without the social capital and organizational skills she learned from her involvement in a CRDA supported

project.

In Put Selite, following the road project mentioned above, the CAC proposed the reconstruction of a second, 6 km impassable road that runs to Shas Lake. IRD chose not to fund this project, but the community was able to raise 50% of the money necessary to complete the project from the municipal government and 50% from in-kind labor and Diaspora community contributions. The road was completed this summer. In addition to the economic impact that the road has had on the 350 families living along its length, a group of Diaspora community investors is currently negotiating to purchase an abandoned military facility on the lake for the purpose of converting it into a hunting lodge/inn. The investors will market vacation trips for fishing and wild boar and duck hunting in Italy. It is projected that the lodge will create up to 10 jobs in the community and create additional investment opportunities for residents to provide services to the hunters.

- **CRDA has been the catalyst for a number of breakthroughs at the local level, where common ground and shared interest has been found across community lines and politically, between pro-government and opposition interests.**

In Herceg Novi, a cluster committee made up of representatives of all seven CACs in the municipality, and including active members of a number of political parties, proposed a project to provide production equipment to Radio Herceg Novi. The equipment will allow the radio station to produce programming and commercials and earn income to sustain itself as a public broadcaster. During the roundtable, one member commented that, "Equally important to the money and the project that we are able to do, is the lessons we learned about working together across the community and from all political parties.

Radio Herceg Novi was established in 1979 following the earthquake, as a State-run radio station. At a later date, it transferred to local municipality ownership and is now the first radio station in Montenegro to transition to being a public broadcaster. The radio station will produce thematic broadcasts in topics including agriculture and politics, across the political spectrum. It will produce independent news and coverage of the NGO sector and its activities. The radio station will also broadcast all local parliament sessions, live and has reached agreement with the local employment bureau to regularly broadcast advertisements of job openings in the community. Radio Herceg Novi's matching contribution to the project is the broadcast of over \$10,000 worth of public service announcements.

Radio Herceg Novi covers a broadcast area that reaches the residents of three former Yugoslav republics. With its new production equipment, Radio Herceg Novi is establishing programming partnerships with broadcasters in nearby Croatia and Bosnia, and installing ISDN connections to establish phone-in links across all three countries, enabling the partners to produce line phone-in talk shows across a broadcast network in all three republics.

- **CRDA is a catalyst for the emergence of new community leaders.**

In Zabljak, the chairperson of the CDC is a candidate for Mayor in a special election being held shortly after the period of this evaluation.

TRENDS AND ISSUES

- **CRDA is clearly contributing to a progressive development of a culture of democracy at the local level.**

A former Constitutional Court Judge in the pre-Milosevic Yugoslavia, and now a retiree and member of the CDC in Ravna Rijeka and Rasovo stated, “The role of citizens has changed. People have gained trust in the representatives of their community. We used to have a practice where projects were promised, but due to a lack of funds, promises were never realized. Now people trust community leaders again. We have raised the awareness level about the need for joint work. When people see that a project is realized, they are more motivated to work on future projects. I can assure you that if a project is good, we can organize citizens to come into the project.”

- **Mayors and other local political leaders are beginning to see participation with communities as normal, and are beginning to understand the benefits and rewards of participation, communications with citizens and transparent operations.**

In Niksic, the Deputy Mayor, who was leader of the municipality’s strategic planning team stated, “I was surprised with the level of seriousness and dedication of the citizens to get a significant document. Now we are undertaking similar activities in the way our public hearings and roundtables are organized. We also try to include media wherever possible and we now publish materials and briefs for the media.”

A participant in a roundtable in Zabiljak said, “I’m 65 years old and no one has ever asked me before what I think can be done here.”

- **CRDA is helping communities and local governments utilize their resources to repair and/or improve the basic community infrastructure that is fundamental to promote economic development.**
- **Strategically, the organized community activity and advocacy supported by CRDA is an effective catalyst to stimulate local governments to develop their skills and improve services in ways that create a foundation and an enabling environment for local economic development.**
- **Some communities in Montenegro are capable of mobilizing substantial resources in the Diaspora.**

In the village of Plav for example, members of the Diaspora community in the United States have formed an NGO to collect tax-deductible contributions. More than half of the \$125,000 community’s contribution to the Plav Economic Development Cluster Council’s

projects to develop a green market and a cattle market came from the Diaspora community.

In the village of Mama Gorana, CAC members estimate that 700 families living in Chicago, New York, Los Angeles, San Francisco and Atlanta contribute approximately \$50,000 a year to the community.

- **CHF has begun to assist the evolution of a more diverse community of civic activity organizations, by supporting the development of sector-focused cluster councils in areas such as urban renewal, economic development and tourism development.**
- **CRDA has been used as a platform for activities not related or relevant to democracy, the development of citizen involvement in community decision-making, or community development.**

Some of these unrelated activities have been included in the program by implementer design. Some have been imposed on the program by USAID. For example, CHF's "income generation" activities and IRD's "individual micro grants" neither contribute to the establishment of democratic processes and traditions in communities, nor lead to sustainable community development and local economic growth. Both activities are primarily charitable assistance activities and do not contribute to the achievement of CRDA program objectives. Second, while CRDA is technically capable of developing projects like reproductive health clinics and/or other reproductive health projects in communities, and while they are valuable projects, they are projects established and carried out through means other than the democratic selection by active citizens in partnership with their local governments. These projects should be implemented through a more appropriate instrument.

STRATEGIC RECOMMENDATIONS

- Based upon the level and quality of citizen involvement and local government collaboration achieved to date CRDA can, in the next two years, be expected to successfully reach the level of citizen involvement and establish the necessary level of confidence in citizens' ability to create positive change in their communities, that is essential to the sustainability of organized citizen engagement and sustainable partnerships with local government.
- The two-year option envisioned in the original RFA should be exercised with appropriate changes in the statement of work to shift the program's focus from the development of citizen participation and local government partnerships, to a concrete exit strategy that promotes the sustainability of these relationships and more directly brings USG development interests in Montenegro into the discussion of project identification and selection. The model that CRDA has established to date is a two-way discussion of needs and interests between citizens and local government. To be sustainable following the end of CRDA financial assistance, the negotiation of interests that takes place in these

partnerships must expand to include the strategic and policy interests of all parties that contribute resources to community projects.

- As noted above, CRDA is a valuable and effective instrument for helping communities establish the supportive infrastructure and enabling environment essential to successfully promote growth in local jobs and create new economic opportunities. CRDA is not, however, a micro-enterprise or SME development program. USAID/Montenegro should have an activity in its portfolio that can provide more focused technical assistance and training in micro-enterprise and SME development that can effectively build on the economic opportunities created by CRDA. In Montenegro's existing economic and infrastructure environments, community development and economic growth programs can be substantially more effective when linked together, than they can be independently or in isolation from each other.

PROGRAMATIC RECOMMENDATIONS

- As part of its exit strategy and to wean communities off of CRDA funds and establish the level of confidence necessary for community engagement to be sustainable, USAID should consider reducing the percentage of CRDA project funding to no more than 50% of project costs in the first year of the recommended extension and no more than 25% in the final year.
- Alternatively, USAID should consider requiring communities to complete one project of similar scope, in partnership with their local government and independent of any CRDA grants, in order to qualify for a CRDA grant supported project.
- In the recommended extension, USAID should consider limiting CRDA grants to projects that more closely meet USG strategic and policy interests such as; growth in jobs, incomes and economic opportunities, or water and waste-water projects. At this stage of the project's development, and relative to the success to date in organizing community activity and mobilizing resources social, cultural, educational, and environmental projects are more appropriate for community action, independent of CRDA funds. Technical assistance and advice for CACs and CDCs undertaking such projects should continue.
- USAID should consider supporting the evolution of more diverse and more focused community-based organizations based upon community resources and the skills and interests of CAC/CDC members. Appropriate types of community-based organizations would include: community foundations, community or regional-based savings and credit associations (credit unions) to assist community members in accessing micro-credit, agricultural cooperatives, business associations and clusters (in linked closely to USAID's new Competitiveness Program), local economic development associations, tourism development committees, etc. A number of communities are capable of mobilizing substantial resources in their Diaspora communities, and would be capable of establishing significant capital for micro-lending through a savings and credit association or for community investment through a community foundation. They would, however, need

substantial training and technical assistance, and seed capital equal in scale to current CRDA project levels, to attract matching funds. Current Montenegrin law allows micro-lending institutions to operate with as little as 100,000 Euros in capital. It is unclear, however, how Montenegrin law would treat shares in a capital asset fund (similar to deposits), purchased by credit union members. An organized community-based micro-lending activity should not be undertaken, however, in the absence of appropriate technical assistance from a specialized micro-enterprise or SME program.

- While CRDA grant support for projects related to community-based commercial cooperatives and business associations can often be appropriate, CRDA should avoid direct grant support to individuals and individual private business enterprises as well as operational support grants to cooperatives, associations and NGOs.
- CHF's "income generation" activities and IRD's "individual micro grants" should end.

II. Good Local Governance Program: Local Government Support

BACKGROUND

The contract for the implementation of the Good Local Governance Program was signed with the Urban Institute on September 26, 2003. The term of the contract was for 3 years, and the total estimated amount was \$11,999,205.

Essentially, the goal of the project is to improve local governance within the context of the new empowering legislation and to make decentralization work. Local Government in Montenegro was the beneficiary of a series of favorable laws; the law on local self-government, the law on local government finances and budget, and the law providing for the direct election of mayors. Urban Institute was to implement the full framework of the new enabling empowering legislation in all 21 municipalities with a strong emphasis on increasing citizen participation and developing better informed citizens which effort was to inform all project components and activities. The components of the program are: the implementation of the local government reform laws, which involved activities ranging from assisting with the setting up of municipal treasury operations, municipal own source revenue mobilization, and improved budgeting and budget controls; citizen participation; municipal service delivery improvement, which concentrated on water and waste water enterprises; and developing/upgrading municipal IT capacity.

The synergies and interface with the CRDA project were very important to optimization of the Program's potential and were reflected in the Work Plan.

The methodology employed in the conduct of this assessment of the Local Government component of Strategic Objective 2.1 consisted of field visits for intensive interviews with the Mayors of Podgorica, Plevlja, Bijelo Polje, Ulcinj, Tivat, Budva, as well as some of their key staff members and heads of their municipal communal service enterprises for water/waste water or solid waste; in Berane with the Secretary of Finance; representatives of some central government ministries; USAID/Podgorica leadership and sector staff engaged in related/synergistic programs; a full complement of Urban Institute staff involved with GLG Program implementation; the CHF and IRD COPs of the CRDA Program, and many of their staff members; numerous members of the Strategic Planning groups; many citizen members of CRDA CACs and CDCs; and members of the Bearing Point Economic Reform Project staff assisting the Ministry of Finance.

FINDINGS

Legislative Framework for Reform:

The passage of the law on local self government, the law on local government budget and finance, and the law providing for the direct election of mayors in municipalities, taken together at face value represent significant progress along the continuum of decentralization, fiscal decentralization, and the empowerment of local governments. These legislative measures clearly increase the ability of local governments to solve local problems and issues at the local level. That having been said, it is troubling to note that following closely on the heels of the passage of the law on local government budget and finance, which was seen as landmark legislation in the re-assignment of revenue sources and greater fiscal independence for municipal governments, were a number of legislative acts which then proceeded to strip

local governments of significant parts of the specific revenue sources assigned. Specifically; the Law assigned the relevant municipalities 30% of the fees collected by the Republic government for concessions, a subsequent law reduced this to 10%; the Law assigned 100% of tourism taxes to the municipalities of origin, a subsequent law stripped them of this completely, reassigning the proceeds 80% to local tourist organizations and 20% to the national tourist organization; taxes generated from games of chance were originally assigned by the Law 100% to the respective municipalities, a subsequent law stripped this away completely and reassigned it to the Republic government. This is troubling from several points of view, most important being the doubt cast on the government's commitment to decentralization and municipal empowerment as well as the fact that to date there has been no movement to replace for local governments the value of the revenue streams so diverted, thus further challenging the viability of already anemic municipal budgets.

GLG Capacity for Delivery of Intensive Technical Assistance:

Field visits to some of the participating municipalities and interview segments dealing with human resources available to the municipalities led to the conclusion that certain program components; e.g. those operating in the financial management area such as establishment of an individual municipal treasury system and assumption of responsibility for the Real Estate tax, will require (with the exception of Podgorica) intensive, repetitive, hands-on technical assistance by Urban Institute staff to ensure that the new systems and procedures become absorbed, embedded, and effectively executed in the administrative routine of the participating municipalities. Given the current staffing pattern, and the combination of topography and road system which effectively makes Montenegro a much larger country than its square mileage would suggest, it would appear that the current staff size cannot deliver the results needed and desired, in the number of municipalities being engaged, in the component areas mentioned, within the time frame set.

Municipal Strategic Plans:

Local governments have an important role to play in economic development insofar as their jurisdictions serve as the platforms for development; ranging from the establishment of a business-friendly environment; setting up one stop shops which consolidate, simplify and facilitate matters of licensing and provide the full range of information on requirements for establishing and maintaining business operations; to the provision of continuous, reliable, essential infrastructure services and the investments necessary to maintain, extend and improve them as needed; land use planning and controls to protect investments and the physical business environment; and the transparency, predictability and effectiveness of administration to provide security and ethical performance within a rule of law environment. In addition, local governments can be directional and proactive in seeking to fulfill a vision for their development. As an excellent example of interface with the CRDA Program, GLG, with the support of the CRDA implementers and the active participation of some members of their related community groups, facilitated a Strategic Planning exercise with all 21 municipalities. The planning group membership was supposed to represent a spectrum of the municipality's sectors; e.g. local government, business, NGO leadership/members, CRDA community leadership, etc. The exercises were completed, and in some cases they have already been presented to the local Assembly and officially approved. However, it is critical that the Strategic Plans developed in the various municipalities be treated as active

documents, revisited at 3 or 6 month intervals, refined, changed circumstances and opportunities factored in, and responsibility for doable tasks fixed and monitored. Conversations with Urban Institute staff would seem to indicate that it is not clear who (understand which institution) has the responsibility for seeing that the Strategic Plans remain active, and that the planning groups assembled under the aegis of the respective mayors continue to function. While it is clear that ultimate responsibility rests with the planning groups themselves, it is equally clear that they are not there yet, and that the process will falter if not stiffened at this stage with some outside facilitation and push.

A Voice for Local Government:

Local government needs a vehicle that can lobby for and represent its interests before central government, the parliament and the people. In most countries with, or trying to move toward empowered local governments and a system of more democratic local self-governance, municipal associations are the vehicle of choice through which local governments develop a consensus around a legislative agenda, lobby, develop coalitions to support desired/needed legislation and provide services for their membership. In Montenegro, the Union of Montenegrin Municipalities, UMM, an organization of which all Montenegrin municipalities are members, would seem the logical choice to play the role being described. However, at a time when decentralization seems to be gathering force, and when the national government appears to be in support of progressive decentralization and fiscal decentralization, albeit with the seeming contradictions/hesitancy noted above, the voice of local government is not part of the debate. The UMM, while being granted the formal recognition that comes with occasional review of draft legislation of interest to local government, (frequently of critical importance to their members), is not an effective lobby and appears to carry little weight with the players at the Republic government level. Despite the critical need, there is currently no organization seemingly capable of neutralizing the sharply divided political party interests and galvanizing mayors around issues of vital importance and common need to all local governments. It is a serious need of municipalities and it currently remains unfilled.

Citizen Participation and the Value of the CRDA Interface:

While obviously a work in progress, this component of the Program is enjoying good results and beginning to show an encouraging trend line. In connection with implementation of the CRDA Program, Mayors have engaged in give and take with organized communities, worked collaboratively in selection and financing of community identified priority projects, some have adjusted the budget process to transparently anticipate further financing support and most importantly, many have emerged from the process with a new appreciation of the political potential of such interaction, and the realization that it is neither emasculating nor intolerable. This active collaboration with various organized communities was continued via the Strategic Planning process and is beginning to establish the procedures and patterns which characterize democratic local self governance. The large infrastructure component of CRDA projects has tied in very nicely with GLG emphasis on improved service delivery, “growing” municipal own source revenues, improved budgeting and resource allocation. While still requiring additional repetition to become irreversible, a good start has nevertheless been made on citizens’ actively influencing investment decisions and voicing their preferences and priorities.

Additional Framework Legislation:

Despite the recent progress made in creating the legislative framework for more empowered local government and beginning to move towards increased fiscal decentralization, there are still glaring needs. The subject of what is State property and what should be municipal property is of critical importance to municipalities. It is quite significant in questions of own source revenue, development, and the ability to borrow for large scale infrastructure investments. This situation needs resolution.

The Republic government needs legislation on municipal bankruptcy, and should develop mechanisms for monitoring municipal borrowing with a view toward heading off excessive borrowing.

As municipal governments receive additional responsibilities, authorities and revenue sources it becomes increasingly clear that there should be provisions for differentiation by population size. It is quite clear that some municipalities are too small to be charged with the full panoply of responsibilities needed by larger ones.

The direct election of mayors will establish a new dynamic, one of the results of which will definitely favor improved democratic governance insofar as mayors will now be more dependant on the citizenry for their office and less so on the Party officials who previously put them on the lists. In this regard, the unfinished business here is that local assemblies should also be directly elected, to further increase responsiveness to local priorities, and increase local impact on decision making.

The Problem of Illegal Construction:

Interviews with Mayors have revealed large scale problems with illegal construction in the municipalities. As municipal staff, with technical assistance from Urban Institute have moved forward to administer and collect the revenues from the Real Estate Tax, assigned exclusively to the municipalities via recent legislation, the true dimensions of the problem of illegal construction have become even clearer. The Mayor of Podgorica estimates the number of illegal constructions may run as high as 20,000; every mayor interviewed discussed this as a serious problem facing their municipality. Clearly, land use controls and construction inspection procedures are currently inadequate and require tightening up. Corruption may also be exacerbating the difficulties of inspection control.

While one dimension of the problem is locating illegal constructions, punishing the transgressors to deter further such activity and adding them to the rolls of property subject to Real Estate taxes, the more important issue is preventing further such construction. The coastal areas with tourism potential are in the greatest jeopardy. Every effort must be made to preserve the scenic beauty and protect the beaches from encroachment.

Service Delivery and Infrastructure Investments:

In Bar, Herceg Novi, Danilovgrad, Plevlje and Rozaje the GLG Program is undertaking pilot projects with the municipalities to improve performance of the water and waste water enterprises. Reliable, affordable, and satisfactory communal services to their citizens and the local plants and businesses are fundamental requirements of local government, as well as required underpinning for any realistic hopes of attracting domestic or foreign investment and promoting additional jobs.

Initially, the GLG Program is working to install basic business strategic planning skills and supporting this effort by modern computers. In addition, special efforts will be mounted to improve billing and collection. Leak detection equipment will be purchased to permit the enterprises to more precisely locate and go after leaks and reduce water losses. Collections must be improved, and rate structures adjusted to achieve or progressively work towards full cost recovery including provisions for investment costs, to enable the municipalities to undertake the larger scale borrowings required to provide for development of modern infrastructure systems guaranteeing year round provision of service, and featuring waste treatment for a growing local (Budva has grown an estimated 40% since the last census) and anticipated tourist population.

RECOMMENDATIONS

- Decentralization is a process and not an event. And for Montenegrin municipalities to achieve sufficient workable empowerment, and the minimum financial tools needed to carryout their responsibilities, will require further legislation. They will also require some time, and technical assistance to accelerate the process, to digest the new powers, mount the new systems required, and train staff. However, given the critical role local government plays in the transition of Montenegro to a more democratic system of governance and to the creation and maintenance of infrastructure, service systems and an environment conducive to business and investment, the continued support of USAID, in the form of a follow-on program to municipalities beyond the completion date of the GLG Program is strongly recommended.
- Depending on the progress made by Montenegro in the further development of the legal framework for increased fiscal decentralization and empowerment of municipal governments, the follow-on Local Government Program should not focus exclusively on making existing decentralization legislation operable, but also focus resources on conducting a suitable policy dialogue with the Republic government to assist in securing for local governments those additional pieces of legislation; e.g. division of State and municipal property; some differentiation of authorities and responsibilities which is more realistic for the smallest population municipalities; and based on experience to that point, adjustments as needed, in the assigned revenue sources for municipal governments. This latter analysis should weigh potential of “growing” own source revenues versus seeking ability to “piggy-back” national revenue streams.
- Should the current situation of local government in Montenegro being without an effective voice continue to the close of the GLG Program, it is strongly recommended that the follow-on program contain a component designed to rectify that condition. Local government needs a vehicle which can lobby for its interests before the national government, the Parliament and represent local government to the nation. Whether the remedy is technical assistance to UMM, or another solution, local government should not be forced to continue without a voice at those forums where its critical interests are being determined.

- A follow-on local government program requires a component that assists with land use planning and controls, and assists municipalities to put a stop to illegal construction and tackle whatever remnants of it exist. Since municipalities are already required to prepare 5 year CIPs (Capital Improvement Plans) land use planning needs should be an integral part of this process. Roads, by-passes, industrial parks, are necessary to support economic development and must be planned and sited with anticipation. Support of higher-end tourism by the coastal municipalities will require urban planning.
- Over the next 2 to 3 years, Montenegro should have the prospects of EBRD funds for municipal infrastructure. The follow-on USAID local government program should feature a component which provides training and technical assistance to municipal governments in the preparation of proposals, and the development of bankable packages of infrastructure projects for funding. The training should be precise, not generic and directed to the requirements of the specific donor agency.
- A follow-on local government project should also contain a component for the preparation within the municipal building of a combination Citizens Service Center and One Stop Shop. With strong computer support and special training of staff to ensure a service orientation, the One Stop Shop should cater to local and prospective foreign investors and provide information and assistance on licensing, fees, taxes, and compress the current maze of municipal requirements for registration and operations of businesses. The operation would be one more example of the business friendly environment created in the municipality. The Citizens Service Center operation should have computerized service to sharply compress the time required to provide citizens with the records, copies of documents, etc. normally secured from the municipalities.
- If the law on State Property, which provides for dividing State and Municipal property is passed during the tenure of GLG, a follow-on program should include a component for asset management. This technical assistance will facilitate the municipality's categorization of properties, and maximization of income.

III. Local Economic Development

BACKGROUND

In the current strategy, USAID states the intention to use 2.1. CRDA and Local government Projects to “support tangible meaningful opportunities for citizens to achieve positive change in their lives and their communities through direct, participatory action and partnership with local government”. The IRs support community groups to address critical community problems , and demonstrate the value of citizen engagement in social and economic recovery.

Two complementary projects have been implemented: one designed to address issues of community organization and lay the foundation for longer social and economic development through small scale road, water, waste water, electricity and other infrastructure activities. The other project provides support to enhance the capacity of the local government to respond to citizens' needs. Neither of the projects has been designed to directly support economic development; yet, both CRDA and GLG projects have, both implicitly and explicitly provided core support for achieving economic development objectives.

It is important to note that there is no single USAID project that specifically addresses the small private sector development aspect of local economic development and local job creation. And yet, opinion polls show that jobs are the prime issue to Republic citizens.¹

Experience world wide has demonstrated that without the proper enabling environment, business cannot flourish. Competitiveness of one place above another is dependent on numerous factors that support business expansion and lower costs of doing business. In the modern economy, the advances in information flow, improvements in transportation, mobility of labor and capital, not to speak of international agreements on tariffs and trade mean that each country and each locality must maximize its advantages and minimize its disadvantages in order to compete. In practical terms points to the need for a local economic strategic focus that guides decision making and harnesses the economic and social potential of all important actors within a municipality- government, private sector, and community- to maximize economic potential and create the appropriate business conditions.

Local economic development, job creation and investment can be stimulated by a number of actions at the local level that assist existing businesses and production to expand and provide a good location choice for new investment .The GLG section of this report alludes to some of the responsibilities and opportunities for local governments to provide a favorable economic enabling environment.

However, the local government is but one actor. Local economic development and sustainable job creation is an effort that stretches both horizontally across sectors of the community including actors both governmental and private, and vertically from top to bottom, and can only be achieved through programs and activities that address all levels and actors. To maximize the impact of local economic development and job creation USAID can clearly identify obstacles, and develop realistic opportunities that enhance the chance for competitive local economic growth.

FINDINGS

Sustainable local economic development, job creation and income generation face a number of obstacles in Montenegro. Many of these problems can only be addressed at a sector level or involve national economic policies and structures. Among such issues are:

- Administrative burdens and obstacles

¹ USAID programs concentrate on addressing macro fiscal management, regulatory issues, commercial banking, strengthening private enterprise management, competitiveness of the private sector at firm level and institutional level within key sectors. There is no specific focus on the local economy or local enabling environment.

- Elevated cost of production compared to foreign goods and products, making products uncompetitive
- Poor transportation links and cost of exporting
- High degree of reliance on imports both raw and finished leading to high local prices
- Disorganized , poor quality and inadequate marketing and production
- Unfair competition from state companies, and less than transparent processes
- Barriers to availability of credit to micro enterprises and start-ups
- Export and import policies
- Lack of well targeted economic sector development policies
- Small scale of agricultural holds and production

However there are also a range of issues and problems amenable to solution and the local level that can impact local economic development potential and job generation.

- Local business acumen and experience and ability to assess prospects
- Adequate structures, funds or institutions for providing local assistance, or training to specific growth sectors or to small and startup enterprises. (This includes gaps in government extension services, municipal agriculture or business assistance, Ministry of Tourism assistance, etc.)
- Adequate local hard infrastructure with economic production side effects
- Land ownership registration
- Job skills appropriate to potential local employment sectors
- Understanding of local competitiveness
- Small scale family agriculture that is oriented to commercial production or linked to distribution or transformation, rather than subsistence
- Strong business organizations and commercial associations
- Better tax and fee collection to support services and infrastructure
- Better understanding and attention by local government to the needs and requirements of private sector for economic development and job generation
- Institutional framework for strategic focus on economic development

The GOM has recently formulated an economic reform agenda that focuses future attention on a limited number of sectors: USAID's SME competitiveness project will undertake to assist in developing certain sub sectors of agriculture, wood processing and tourism, providing support to those sub sectors deemed to have the greatest market demand and growth potential. This assistance will be extremely useful in assisting targeted sectors and resolving key related macro issues, but the project is not designed to address fundamental local economy issues, or give extensive support to individual small enterprises, producers or entrepreneurs.

The CRDA project, on the other hand, has focused at a very local level and attempted to fundamental issues of community development, but also has not been designed to deal with the private sector as the generator of jobs and economic development. The GLG project is designed to help local government play its role in promoting job creation and economic development. Thus each of the projects has a different focus at a different level all of which

contribute to local economic growth. The gap, however, is a project with appropriate tools to stimulate and assist micro enterprises, entrepreneurs and producers.

IMPACT

There is no doubt that the community development project has had a fundamental impact, but this is poorly represented through a quantification of income generated or man hours/number of jobs created. such figures are not the only or the best indicator of success in developing the basis for economic growth and cannot capture the long term effects or sustainability of project activities. Many activities only have economic payoff after several years or have secondary and tertiary economic effects that this project cannot attempt to measure. Success should not be measured by SME or job creation program standards since the community development program has been geared to providing a foundation on which to build other, more carefully targeted and focused economic growth activities and has identified local issues requiring further assistance and attention using other, more appropriate tools for private sector job creation.

The main impacts and value of the CRDA program has been to:

- Sensitize the population to the local aspect of general economic problems and to thinking about solutions.
- Develop private sector support for development and for projects that benefit the entire community. For example in Njksic municipality, most of the large infrastructure projects were supported by cash and equipment private sector contributions.
- Significantly increased local budget support for infrastructure that can have long term effects on the economic development for the municipality. Improvements to, or extension of local roads, improvements to electricity supplies, and local water systems have the potential to generate economic benefits in the future that cannot yet be measured.
- Identify infrastructure needs and priorities of major community economic generators such as cattle growers, market farmers, tourism promoters.
- Initiate or stimulate activity that supports the development of skills and qualifications that are needed for employment, such as supporting education and skills training where it meets real demand and employer needs. For example computer equipment given to a secondary school computer training program enabled a school to give school leavers computer skills in direct demand, and at the same time provided retraining in this skill for unemployed adults.
- Involve non-traditional actors to collaborate in projects that can contribute to economic growth
- Focus attention of the municipalities in the south on the importance of clean water as a fundamental prerequisite for tourism growth.

Four general types of programmatic tools have been used in the economic development and job creation pillar of the CRDA community development project:

1. Income generating public works projects or grants to individuals that generate immediate income and short term employment for unemployed persons .

2. Local infrastructure projects with a variety of economic as well as social purposes.
3. Economic development “cluster” grants, to support specific sectors of the local economy in one or several communities.
4. Grants to entrepreneurs and small businesses combined with loans from existing lending institutions (“hybrid loans”)

Infrastructure grants. A number of these projects have the greatest potential for primary and secondary impact on the local economy over the long term. It is extremely difficult to gather reliable data on impact, and while anecdotal reporting has shown a number of instances of immediate benefits to those directly affected; we can base assumptions about impact on world wide experience which shows that certain infrastructure improvements lead to long term economic benefits. Targeting infrastructure grants to support specific economic sectoral needs has a large payback in leveraging long growth and also leverages credit such as EBRD or other loan mechanisms.

Income generated through public works

This activity has been undertaken to directly increase household disposable income. It has had a small, but temporary impact but it is impossible to know the longer term benefits. While the public works undertaken have provided useful services for communities, this is not the most effective programmatic tool or project setting for generating jobs or a sustainable local economy and other activities could be contemplated to meet the needs.

Micro Grants to individuals for business startups or expansions.

Business start ups, expansions of existing micro enterprises or individual entrepreneurial activities are an important focus for local economic development. A comprehensive programmatic approach is needed that will improve the success rate of micro enterprises. Over 90% of micro enterprises/small businesses started in Macedonia fail within 5 years due to a number of factors: lack of adequate market demand, high competition, poor linkages, lack of business skills, etc. A full range of tools is needed to develop the potential of micro enterprises, and to target those that are most viable. So called “hybrid loans” are one programmatic tool which assist access to micro credit.

Cluster Grants/Economic Generation Projects. The impact of most of these projects are not yet known, since many are less than a year old, and in most cases impacts could not be measured over such a short time period. As with micro grants to individuals, the limited size and scope of the economic development component of what is first and foremost a community development project has not permitted a full range of appropriate SME, agriculture and micro enterprise development and support tools.

ISSUES

The following section will address issues and identify gaps in local economic opportunities that USAID may want to address through a continuation of the existing projects and the development of new, complementary tools. The new five year strategy presents an opportunity to design a range of tools and appropriate interventions that will complement the strengths, focus and achievements of the current projects.

- CRDA focus: CRDA can meet some, but not all local economic development needs.

- Infrastructure projects: clarify the goals and priorities of local infrastructure projects.
- Grant support linked to credit: USAID has stimulated and supported business credit and micro finance in Montenegro and world-wide as a fundamental aspect of business development. USAID may consider maximizing the use of micro credit. Grants not linked to credit (to individuals) may have the unintended effect of minimizing rather than maximizing the commitment and do not encourage the client to assume individual risk. USAID Business development endeavors should be encouraged to use own assets and capital to the maximum to qualify for credit finance;
- Access to Credit Finance: There are outstanding problems in the current micro credit system that needs to be addressed in order to stimulate economic development at the local level. These need to be addressed with appropriate tools and projects. The objective should be a well functioning credit system that is available to finance sound business opportunities.
- Support development of quality micro enterprise proposals: There is a need for assistance in the development of sound and realistic business opportunities at local level, based on markets and demand especially where sectors of focus have been identified. This requires development of micro business development assistance prior to project funding and will greatly improve chances of credit approvals.
- Current restrictions on assistance to companies and individuals. The CRDA project was designed to assist NGO and similar clients, not micro enterprises. There is significant gap in USAID programming that leaves out micro enterprises. This means that a large sector of potentially productive clients is not served by a USAID program and their potential for economic development is not being exploited. A very high percentage of enterprises in the smallest size employment size class are organized as sole proprietorships and typically play extremely important roles as sources of new employment and innovation in countries undergoing economic transition and growth and are fundamental for supporting other larger economic sectors. According to the recent CEED study, a random sample of the Montenegro business community indicates that 60% of existing businesses are micro enterprises. A project directed to this group, at local level, would complement existing CRDA target client groups and has a significant local economic impact.
- Small business and technical assistance needs. Local small businesses, part time businesses and micro businesses rarely have access to adequate business advice and the technical inputs that would lower risk of failure. There is little available especially in small communities, either through public or private sector. A package of technical advice should be contemplated to complement any loan, grant or micro enterprise assistance projects.
- Focus on identified Markets and market potential . Arguably, given the GOM's economic development priorities, and those of the SO 1.3 competitiveness project, synergies and leverage of local economic development and micro enterprise could be promoted if economic assistance at the local level were targeted to those sectors of the community where GOM, and the SME project have identified greatest economic growth potential, greatest competitiveness, and least obstacles to growth.
- Development of appropriate indicators of local economic development projects: The impact of Hard Infrastructure investments, business support projects, training, equipping public supporting institutions such as school programs, and other enabling

environment activities cannot easily be measured, and there yet are necessary for local economic development. Inappropriate measures focused on short term “outputs” can distort attention from activities with a higher and more sustainable economic return.

- Coordination of economic development activities at the local government level. There is a need to develop a sustainable and clear structure for coordination of economic development actions of a variety of actors, public sector, private sector and community to avoid ad hoc efforts and insure that public and private resources effectively promote and support economic development potential.

RECOMMENDATIONS AND OPTIONS

OPTIONS FOR EXISTING PROGRAMS

- Target infrastructure grants to those projects that (1) maximize long term economic development potential of the municipality (2) benefit or support targeted economically competitive sectors. Clearly define the type of infrastructure investments that could be supported based on current knowledge infrastructure needs.
- Encourage community groups and local governments to use own funds for community development projects
- Develop clear programmatic linkages to the competitiveness project through targeting assistance that supports sub sectors and sector needs identified through that project.
- Enhance the private sector participation in economic development planning and decision making and establish a sustainable institutional framework for economic development strategic thinking and implementation at the local level.
- Develop community awareness campaign to improve payment of infrastructure fees in conjunction with infrastructure grants. Link tariff restructuring to infrastructure grants program and develop PR campaign that links decentralization, infrastructure and community responsibility.
- Offer TA during to economic project clients for project implantation(market research , modern techniques and skills, small business finance assistance)maximize economic potential
- Limit direct grants to community economic projects that support broad economic development goals, and provide individual micro enterprise support through credit institution mechanisms
- Develop new guidelines for support to individuals and clusters/ Associations organizations to increases stakeholder own source risk capital on in projects with potential direct individual economic benefits. Options include:
 - lowered percentage of project eligible for support
 - 100% repayment for equipment

STRATEGIC OPTIONS

While the above mentioned options could be considered for an extension of the existing CRDA program’s economic development pillar, and as activities that a continued GLG program might undertake, USAID should consider other tools and projects appropriate to

meet identified gaps and local economic needs. These would supplement and complement a community development program and local government program in its five year strategy.

- Development of a separate micro enterprise support and TA program that complements the Competitiveness Project by providing support to micro enterprises within similar sectors, but farther down the production chain and at local level.
- Provide assistance or support existing institutions that provide technical assistance to help small entrepreneurs develop potential business ideas and assist credit applicants to develop sound and financially feasible projects to improve success rate of credit applications
- Development of larger scale and longer term activities to address micro finance issues within the framework of credit institutions, so that gaps in access to credit are addressed in manner consistent sound business principles but also support local economic needs. Work with existing credit institutions to develop and support schemes that address real gaps in the micro lending system but that support the credit system rather than the individual.(Opportunity Bank and Agro Invest currently operate in this domain and provide micro credit, as do commercial banks using GOM subsidies)
- Extend and expand the reach and longer mandate of Competitiveness project
- Develop a local economic strategy support component of local government programs.

ANNEX

MEETINGS HELD/PERSONS MET:

Community Development Councils (CDC), Community Action Committees (CAC) and Cluster Committees (CC):

Niksic Municipality CDC and CC	Stari Bar CAC
Zabljak CDC	Zaljevo CAC
Pljelva Municipality CDC and CC	Polje CAC
Ravna Rijeka CDC	Celuga CAC
Rasovo CDC	Grbalj CAC
Berane Urban Renewal Cluster Council	Herceg Novi CC
Vladimir CAC	Budva CAC
Brajsa CAC	Cetinje Youth Forum CC
Rastis CAC	Cetinje Women's Group CC
Sukobin CAC	Zeta CC
Stodra CAC	Faculty for All CC (Podgorica University)
Mala Gorana CAC	

EDCCs

Podgorica(IRD communities)
Berane EDCC
Andrejivica EDCC

Roundtables and meetings with citizens not members of CDCs or CCs:

Citizens of Strasevina	Citizens of Luzac
Berane project end beneficiaries	Citizens of Mala Gorana

Citizens of Grbalj

Budva project end beneficiaries

Roundtables of Strategic Planning Team Members

Kolasin (CHF communities)

Podgorica (IRD communities)

NGOs:

Viva Vita, Pljevlja

Elipsa, Pljevlja

Natura, Kolasin

Djordijic Blazic, ADLP

Stanko Manc, Executive Director, Union of Montenegro Municipalities

Mrkojevici, Mala Gorana

Association of Youth with Disabilities of
Montenegro

Economic Grantee Associations and Individuals

Olive Growers Association of BAR

Professional Fishermen's Association of BAR

Tivat Micro Grantee

Andela Milosevic, Montenegro Business Alliance Kotor

Fruit Growers Associate Berane

Electro Chemical School Berane

Mayors and Municipal Officials:

Mayor of Niksic and associates

Mayor of Pljelva and associates

Mayor of Bijelo Polje and associates

Mayor of Plav and associates

Mayor of Andrijevica and associates

Dragan Kankaras, Mayor of Tivat

Kemal Djecevic, Secretary for Finance, Podgorica

Dragan Nivavic, Secretary for Finance, Bar

Vlatko Pekokic, Secretary for Finance, Berane

Fuad Nimani, mayor of Ulcinj

Rade Jovanovic, Mayor of Budva and
associates

Dr. Miomir Mugosa, Mayor of
Podgorica and associates

Credit Institutions

Robert Sicotte, CIPE/CEED

Keith Flintham, Opportunity Bank

Mark Crawford, Opportunity Bank

Aleksa Lukic, Opportunity Bank

Commissions:

Rajko Mihovic, Coastal Resource Commission

Dragoljub Marokovic, Coastal Resource Commission

Government of the Republic of Montenegro

Vesna Bracanovic, Deputy Prime Minister's Office

Biserka Dragicevic, Deputy Prime Minister's Office

Zarko Popovic, Deputy Prime Minister's Office

Milan Markovic, Ministry of Agriculture, Forestry and Water Management
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CHF Berane Staff
CHF Pljevlia Staff
IRD Budva Staff
IRD Municipal Coordinator, Ulcinj
IRD Municipal Coordinator, Bar
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Maja Kustudic, CHF ED Program
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Bruce Reid, Bearingpoint
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