



**ROMA INTEGRATION 2020**  
Regional Cooperation Council

# Roma Responsive Budget Brief



## Montenegro

# 2020 budget takeaways and recommendations

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TAKEAWAY: THE VISIBLE GOVERNMENT EXPENDITURE FOR ROMA INTEGRATION IN 2020 DOES NOT GUARANTEE ACHIEVEMENT OF ROMA INTEGRATION STRATEGY AND THE DECLARATION OF WESTERN BALKANS PARTNERS ON ROMA INTEGRATION WITHIN THE EU ENLARGEMENT PROCESS GOALS AND TARGETS.

THE EMPLOYMENT AGENCY OPENED A NEW PROGRAMME FOR ROMA EMPLOYMENT, THUS MAKING A DIRECT CONNECTION BETWEEN THE ROMA INTEGRATION ACTION PLAN AND THE NATIONAL BUDGET FOR THE FIRST TIME.

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**Recommendation:** To increase budget transparency and increase budget guarantees for Roma integration, the Government should continue with the practice of making transparent the connection between the Action Plan and the public budget.

**Recommendation:** Considering that the Ministry of Finance initiated programme budgeting reform and plans to move towards fully operational programme budgeting in following years, the reform should be used to appropriately budget funds for Roma integration and develop appropriate budget programmes, sub-programmes, indicators and targets in line with the Roma integration requirements for all priority policy areas.

TAKEAWAY: THE INSTITUTIONAL SETUP FOR IMPLEMENTING AND REPORTING ON THE ROMA INTEGRATION STRATEGY DOES NOT GUARANTEE EFFICIENT FOCUS ON ROMA INTEGRATION. THE NATIONAL ROMA CONTACT POINT DOES NOT HAVE SUFFICIENT MANDATE WITHIN THE ADMINISTRATION TO EFFECTIVELY PERFORM ITS ROLE VIS-À-VIS OTHER INSTITUTIONS.

THE GOVERNMENT REPORTS ON ROMA INTEGRATION MOSTLY DO NOT REPRESENT CORRECT FACTS ON THE AMOUNTS SPENT FOR THE INTEGRATION OF ROMA COMMUNITY. EXPENDITURE IN SOME POLICY AREAS REMAIN OVERESTIMATED WHILE UNDERESTIMATED IN OTHERS. IT IS IMPOSSIBLE TO VERIFY EXPENDITURE FROM INDEPENDENT SOURCES AND THE NATIONAL ROMA CONTACT POINT DOES NOT HAVE THE MANDATE TO VERIFY REPORTED INFORMATION.

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**Recommendation:** The institutional role of the National Roma Contact Point must be strengthened so to be able to appropriately coordinate Roma integration policy implementation and monitoring in Montenegro.

The capacities of the National Roma Contact Point office for budget analysis should be enhanced.

Recommendation: The post-2020 Roma integration strategy preparation should be approached immediately. The new strategy must include indicators and budget defined based on the real Roma integration needs.

The methodology for collecting data on the situation of Roma must be defined and adopted to make it possible to monitor policy implementation and budgetary effects.

# Preface

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*We, the Prime Ministers of the Western Balkans ..... Agree to develop, adopt and implement regional standards on public budgeting related to Roma integration for mainstream and targeted policies, use and increase the public budgeting, both central and local, reaching Roma communities to achieve the abovementioned objectives, use available donor funding, including Instrument for Pre-Accession Assistance, to advance the status of Roma...*

*DECLARATION OF WESTERN BALKANS PARTNERS ON ROMA INTEGRATION WITHIN THE EU ENLARGEMENT PROCESS. Poznan, 05 July 2019*

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Roma in Montenegro are characterized by “intense social deprivation, social segregation and poverty”, thus representing a vulnerable and marginalized social group. Recognising the needs of Roma, Montenegro implements the Strategy for Social Inclusion of Roma and Egyptians<sup>1</sup> allocating budgetary funds for its implementation.

On 5 July 2019, Montenegro adopted the Declaration of Western Balkans Partners on Roma Integration within the EU Enlargement Process (the Declaration). Montenegro committed to step up its efforts to integrate Roma and achieve concrete targets in all policy areas, budgeting and policy monitoring by the time of the EU accession.

This document provides an overview of budgetary allocations for Roma integration proposed in 2020 public budget. It further provides comment of officially reported budget expenditure in 2018, with recommendations for improving institutional setup and ensuring sufficient funding in line with the Montenegro national and EU integration commitments.

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<sup>1</sup>Montenegro policy documents refer to Roma and Egyptians population. In line with the terminology of the European institutions and international organisations, the term ‘Roma’ is used here to refer to a number of different groups (e.g. Roma, Sinti, Kale, Gypsies, Romanichel, Boyash, Ashkali, Egyptians, Yenish, Dom, Lom, Rom and Abdal) and includes ‘travellers’ or ‘itinerants’, without denying the specificities of these groups.

# Roma Responsive Budgeting in Montenegro (2020)

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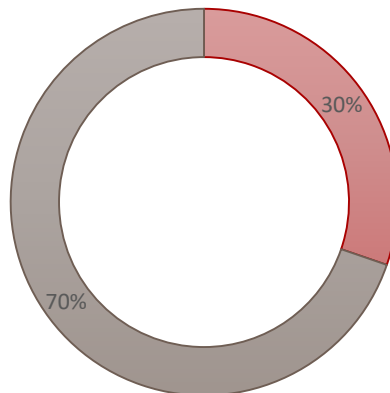
Current budget system and practice in Montenegro is not fully operational programme budgeting. Hence it was not entirely possible to support and prepare programme budgets for Roma integration. The Ministry of Finance plans to move towards programme budgeting in following years; however, no strict deadlines can be stated due to the complexity of envisaged reforms.

Therefore, performance indicators, base and target indicators, creation of sub-programmes and analytical reporting for responsive programme budgeting for Roma integration were not possible to include in the 2020 national budget.

To accommodate the abovementioned problem, two budget users have specifically singled out funds for Roma integration. The Ministry of Human and Minority Rights has a specific programme “Improvement of the position of RE population” (115,201.00 EUR) and the Employment Agency introduced a separate budget programme for public works of Roma (50,000.00 EUR) for the first time in 2020.

Thus, total visible budget amount for Roma integration in 2020 is 165,201.00 EUR.

*Total visible amount of programmed budget for Roma integration*



■ Employment agency of Montenegro    ■ Ministry for human and minority rights

Having in mind that total budget for 2020 in Montenegro is 2.5 billion EUR the stated amount is very low. On the other side, there are a number of initiatives for Roma integration not visible in the budget.

## Budget of the Employment Agency of Montenegro (2020)

*For the first time, the Montenegro public budget makes a clear connection between the Roma Integration Action Plan and the national budget by recognising the Action Plan activity directly in the budget proposal.*

The newly introduced programme for public works for Roma (50,000.00 EUR) represents 0.14% of the overall budget of the Employment Agency of Montenegro.

The newly introduced programme of the Employment Agency of Montenegro additionally sets clear base and target indicators:

- **Public works**
  - a) Budget 30,000.00 EUR
  - b) Target value: 20 persons involved
- **Education**
  - a) Budget 20,000.00 EUR
  - b) Target value: 30 persons involved

Total budget of Employment agency of Montenegro for 2020 is 34.75 million EUR, which represents a 5 million EUR increase compared to 2019. Roma will benefit from increased expenditure as they also benefit from other Employment Agency programmes. However, these do specify targets for Roma Integration.

## Recommendations

- **Short-term recommendation:** Continue the practice of connecting Roma Integration Action Plan and the public budget in all policy areas and use lessons learned.
- **Short-term recommendation:** Because of remaining line budgeting practices, activities related to Roma integration are generally not adequately presented in the budget. To overcome the issue temporarily, the Ministry of Finance should open separate budget programmes for budget units working on Roma integration. This exercise will help to identify existing expenditure for Roma integration and increase budget transparency. It will further facilitate later transition towards fully operational programme budgeting and implementation of the medium and long-term recommendations stated below.
- **Mid-term recommendation:** Introduce fully operational programme budgeting on the national and local level as soon as possible, both for Capital and Current budget.
- **Long-term recommendation:** Provide possibility for budget units to divide programmes into new sub-programmes with additional breakdown and IT add-ons if needed so to appropriately recognise how Roma benefit from mainstream activities in budget programme classification.
- **Long-term recommendation:** Enable tailor made solutions i.e. concrete interventions in the current system for opening new "windows" of budget inputs such as performance indicators,

base and target indicators, sources of confirmation, etc. These need to be aligned with the post-2020 Roma integration strategy and the Declaration targets.

- **Long-term Recommendation:** Provide IT support for designing special reporting for Roma integration activities in order to facilitate reporting toward various stakeholders, both on national and international level.
- **Long-term recommendation:** Redefine Budget Circular letter to include requirement for budget organizations to introduce at least “one (1) objective” in their budget programmes or sub-programmes which is related to the Roma Integration Strategy and Action Plan, mainly in the seven priority areas.
- **Long term recommendation:** As part of transition to fully operational programme budgeting, provide extensive training on Roma responsive and programme budgeting in all budget units dealing with Roma integration.

## Reporting Budget Expenditure (2018)

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*We, the Prime Ministers of the Western Balkans ..... undertake to use the available data (including the results of the 2017 Western Balkans Regional Roma Survey) to formulate evidence-based policies for integration of Roma, and commit to establish proper mechanism for monitoring and reporting on the implementation of the Roma policies, including data relevant to measure the achievements of the objectives set forth in this Declaration, by designating the national statistical offices as key responsible institutions for data collection in accordance with their programs;*

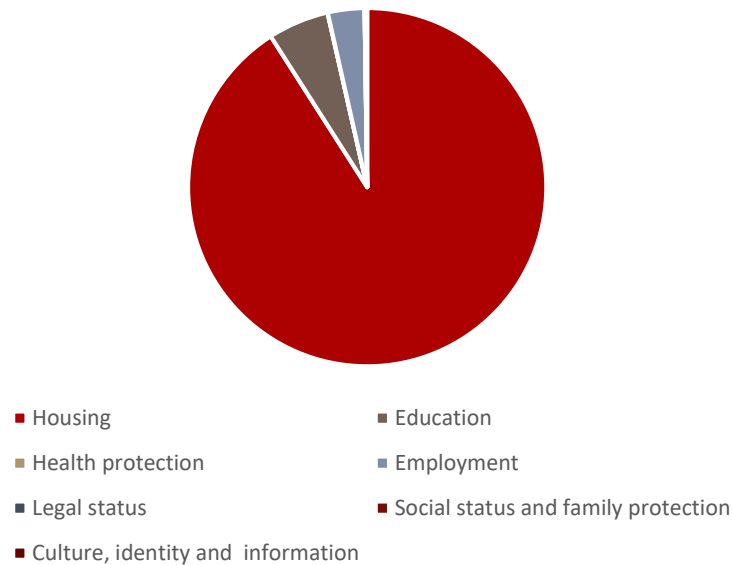
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According to the official reports, 4.4 million EUR was spent on Roma Integration in 2018, with only 0.9 million EUR allocated from the national budget. Majority of reported funds were spent on housing, while only 1,000.00 EUR was reported as spent on health. It is assessed that real expenditure on health must be higher but there is no appropriate mechanism to measure and verify it.

Graph: List of amounts by activities in separate objectives

Budget spent for Roma integration



Government reported expenditure on Roma integration cannot be verified from independent sources, having in mind that stakeholders act independently from one another and do not have common reporting structure. The Ministry of Human and Minority Rights and the National Roma Contact Point only aggregate information collected from other institutions and stakeholders. The National Roma Contact Point and his office do not have the mandate nor capacities to verify or amend the reported information.

It takes a considerable amount of manual effort to break down different institutions' activities and their budget allocations. This is also due to the fact that sometimes there are overlapping activities. This situation sometimes led to confusing amounts identified as spent on Roma integration, such as in the housing and health examples.

## Recommendations

- **Short-term recommendation:** Immediately start work on the post-2020 Roma integration strategy based on the analysis of current status of activities and situation of Roma in Montenegro, and the EU post-2020 Framework for National Roma Integration Strategies.

Develop corresponding focused action plans in cooperation with budget units dealing with Roma integration.

- **Short-term recommendations:** Define and adopt methodology to periodically collect data about situation of Roma and measure progress. This is a necessary precondition to inform policy making and budgeting processes and increase policy and expenditure efficiency and effectiveness.



- **Short-term recommendation:** Strengthen the role of the National Roma Contact Point in policy coordination, implementation, monitoring and reporting.

The unit dealing with Roma integration should be professionalised through clear definition of its position in the administration, authority, roles and responsibilities, also vis-a-vis other institutions.

- **Short term recommendation:** Charge one person (contact point) in every budget unit working on Roma integration to be responsible for all matters related to Roma integration issues.