



MAKING THE MOST OF THE EU FUNDS FOR ROMA

**Effects, challenges and possibilities for using EU funds for  
improvement of status and social integration of Roma and  
Egyptians population in Montenegro**

## **I Introduction**

Geographical position of Montenegro and historical circumstances on the end of twentieth century has created very serious problems for Roma and Egyptians (RE) population in the Montenegrin society. Having in mind the existing and available data from the census of the population, dwellings and real estates at 2011<sup>1</sup>, 6251 persons or 1,01% of total population has declared to appertain the Roma nationality. Egyptians population counts 2054 persons or 0,33% of total population, while 5169 persons speaks Roma language as maternal. National policies in this area in the previous period have not shown to be mature enough to solve the problems that RE population faces. This is confirmed by the fact that in the Strategy for improving of the RE position in Montenegro 2012-2016 is clearly indicated that *still the most of the RE population lives in the conditions of extreme poverty and very low standard, especially in the sanitary and hygienically sense, large number does not posses personal documents, health and social insurance and has very poor education. Considerable number doesn't speak official language and only few have elementary education with very limited possibilities to improve their education. Most of the RE population is unemployed and the employed ones do the least qualified and paid jobs or earn the minimal wages doing self-taught crafts and skills which puts them in the inconvenient and uncompetitive position in the labour market.*<sup>2</sup> On the other hand, European integration, as one of constitutional orientations of Montenegro has imposed the need to approach to this problem in more serious and constructive mode. One of the efficient ways that leads to the sustainable solution of this problem is the usage of EU funds for financing relevant projects for RE population and improvement of their life standard. Significance of EU funds usage for this purpose confirms the Opinion of the European Commission on the request of Montenegro for membership in the EU<sup>3</sup> where as one of the key seven recommendations is stated that it is necessary to *implement the legal and policy framework on anti-discrimination in line with European and international standards; guarantee the legal status of displaced persons, in particular Roma, Ashkali and Egyptians, and ensure respect for their rights. This will include the adoption and implementation of a sustainable strategy for the closure of the Konik*

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<sup>1</sup> Source MONSTAT

<sup>2</sup> Strategy for improving of the RE position in Montenegro 2012-2016, official document of Government of Montenegro

<sup>3</sup> Brussels, 9.11. 2010, COM(2010) 670

camp. In the upcoming period it is necessary to mobilize all available resources and capacities on national level in order to create preconditions for sustainable usage of EU funds (primarily the Instrument for Pre-Accession Assistance – IPA) on the Government and non-governmental level.

## **II Pre-Accession Assistance in Montenegro in the period 2007-2013**

Instrument for Pre-Accession Assistance (IPA) is the comprehensive continuation of previous instruments for assistance to the states in the EU accession process (CARDS, PHARE, ISPA, SAPARD, Instrument for Turkey). During the EU financing perspective 2007-2013 pre-accession assistance is structured in a way which creates conditions for providing assistance in all key areas for successful continuation of EU integration process and it is divided in five 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 (Agriculture and Rural Development). Beside the assistance that Montenegro gets on national level, EU finances *Multibeneficiary Instrument for Pre-Accession Assistance (MB IPA)* as a way for implementation of regional projects which deal with common problems of Western Balkan countries and Turkey in the EU integration process.

For the period of financing perspective 2007-2013 Montenegro received the amount of 236.625.200 €<sup>4</sup> of EU assistance on national level. Most of this amount is allocated for the projects of Component I (166.703.056 €) while allocation for Component II is 30.065.037 €. The fact that most of the funds is allocated for components I and II is a consequence of the rule that Montenegro as a country with status of potential candidate for EU membership (until December 2010) could use IPA funds only through these two components. With the achievement of the candidate country status Montenegro got the possibility to use components III, IV and V which allocations are 23.200.000 €, 5.757.077 € and 10.900.000 € respectively. However, for the operational usage of funds from components II, IV and V additional precondition is decentralization of management of EU funds in Montenegro.

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<sup>4</sup> Izvor: Revised Multi-Annual Indicative Financial Framework for 2012-2013; COM(2011) 641 final

Independently of the funds that Montenegro gets through national IPA, European Commission is doing programming and implements regional projects through MB IPA instrument. MB IPA budget is common for all Western Balkan countries and Turkey and it is several times bigger than the national ones. For the period 2007-2013 for the multibeneficiary programmes it is 1.159.559.317 €.

From the special allocations within the component I and MB IPA and through *European Instrument for Democracy and Human Rights* (EIDHR) support projects to civil society organisations are financed.

Planning of the EU financing support on national level is a joint task of Government of Montenegro, European Commission and the Delegation of European Union to Montenegro. The whole process of defining the purpose of spending the funds, generating projects ideas, formulating project proposals is a part of project cycle which is commonly called programming. Programming of IPA component I is done by the line ministries with the support of National IPA Coordinator office and European Commission. In the previous period funds from Component I are mainly programmed on annual bases with joining project proposals into annual IPA programmes. Programming of Component II is totally different from Component I because funds are being granted within calls for project proposals for each cross-border programme separately.

Programming of IPA Component I on national level is mainly done in advance and it is finished concluding with 2013. It means that funds are already allocated for concrete projects. Programming of IPA component II for bilateral cross-border programmes is ongoing and it will be done through calls for project proposals. It is expected the joining of funds for 2011, 2012 and 2013 into joint calls for proposals for every cross-border programme.

Programming of funds for components III and IV is very similar to programming of EU structural funds. In Montenegro for the funds which are allocated for 2012 and 2013 Strategic Coherence Framework and operational programmes<sup>5</sup> are made and approved by the European Commission. Implementation of these programmes will start after the decentralization of management for these two components. Special chance for financing the projects in the area of social inclusion of RE population will be projects within Component IV where special

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<sup>5</sup> Available at the web site of the Ministry of International Affairs and European Integration

grant schemes for the support to the employment and social inclusion of RE population are planned.

EU pre-accession assistance funds in Montenegro are spent according with the rules of centralised management system. It means that all procedures related to the contracting and disbursement within EU funded projects is done by European Commission via the Delegation of European Union to Montenegro. Process of decentralisation of management system is ongoing for all five IPA components. Decentralization process means gradual capacity building on Montenegrin institutions and implementing EU procedures related to the independent management of EU funds with ex-ante control of European Commission.

### **III Effects of EU funds usage for RE population related problems in period 2007-2013**

According to the data available in data base of EU funded projects in Montenegro<sup>6</sup> for implementation of projects in the area of economic and social inclusion of RE population European Union granted total amount of **9.373.028 €**. Project beneficiaries have co financed these projects with total amount of **1.081.946 €**, which makes projects of total value of **10.454.974 €**. These data are related to governmental and nongovernmental sector. Data for the specific projects are cumulated in the following table:

*Table 1: EU funded project on national level*

Program	Project title	Beneficiary	EU budget (€)	Cofinancing (€)	Total budget (€)
IPA 2008	Comprehensive Support to Refugees and Displaced Persons in Montenegro	Bureau for Care of Refugees, Ministry of Labour and Social Welfare	1.500.000	70.268	1.570.268
IPA 2011	Identifying Durable Solutions for IDPs and Residents of Konik Camp	Ministry of Labour and Social Welfare	2.500.000	500.000	3.000.000

<sup>6</sup> Dostupna na web sajtu Delegacije Evropske unije u Crnoj Gori

IPA 2010	Social Welfare and Child Care System Reform: Enhancing Social Inclusion	Ministry of Education and Sports, Ministry of Labour and Social Welfare	2.923.000	335.000	3.258.000
IPA 2013	Identifying Durable Solutions for IDPs and Residents of Konik Camp II phase	Ministry of Labour and Social Welfare	1.000.000	112.000	1.112.000
IPA 2012	Contribution to the Regional Housing Program – Sarajevo Process	Direct contribution	1.000.000	-	1.000.000
IPA 2007 CSS <sup>7</sup>	Challenging Education for Roma Inclusion - CHERI	Pedagogical Centre of Montenegro	122.166	23.270	145.436
IPA 2007 CSS	Cross-Sectoral Initiative on Preventive Health and Special Education for Displaced Roma in Konik	Montenegro Red Cross	199.722	27.235	226.957
IPA 2009	Increasing of Internal Displaced Persons Association's Participation in IDP Related Public Policies Development	NGO Kosmet, NGO - Association of the Displaced, Refugees and Expelled Persons in Montenegro	98.140	11.026	109.166
EIDHR 2009	NO to the Charity, YES to the Fight for Accomplishment of Human Rights of REA Disabled Children in Montenegro	NGO Humanitarac	30.000	3.147	33.147
<b>TOTAL</b>			<b>9.373.028</b>	<b>1.081.946</b>	<b>10.454.974</b>

Beside the projects from the IPA 2012 and IPA 2013 programmes for which the contracting process still had not began and projects from IPA 2011 programme where contracting is in the first phase, contracting of funds for other projects shown above is mainly finished and disbursements are made. Related to the programming implementation of projects on national level following conclusions can be deducted:

- Although EU funded projects in the area of integration of RE population were of high importance, effects of these projects on final beneficiaries (which should be RE population) in most cases is not present;

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<sup>7</sup> Civil Society Support

- In the phase of defining project idea and development of project proposals project results are often overestimated, and having in mind limited financial resources project results are not fully achievable;
- In the phase of programming and implementation of projects more intermediaries (RE civil society organisations, individuals) with the developed sensibility for the RE population problems should be involved;
- Relation of projects with national and EU strategic documents often isn't well defined which leads to the spending of financial resources for the implementation of activities which do not contribute to the achievement of strategic goals in this area;
- Real problems of RE population were in large scale neglected in the process of EU support strategic planning, which lead to the limited possibilities for using the support;
- Information about availability of EU funds often were not available to the final beneficiaries and not on time for preparation of projects in due time;
- Real impact of spending these funds and final effect on life standard of RE population isn't on the expected level, which opens the issue of further activities for improvements in this regard.

Beside support in the area of RE population social and economic integration that EU grants on national level, significant amounts of money is allocated for implementation of regional projects trough Multibeneficiary IPA. These projects are prepared on centralised base by the European Commission, which is in charge for contracting and disbursement of funds as well. In the period from 2007 to 2013 in the area of RE policies implementation it is financed five regional projects with the total value of 9.600.000 €<sup>8</sup> with the details indicated in the table underneath:

**Table 2: EU funded regional project**

Program	Project title	EU budget
MB IPA 2008	Regional programme for voluntary return ofn refugees in WB countries	1.000.000
MB IPA 2008	Support to the marginalized groups registration	1.000.000

<sup>8</sup> Available at: [http://ec.europa.eu/enlargement/instruments/multi-beneficiary-programme/index\\_en.htm](http://ec.europa.eu/enlargement/instruments/multi-beneficiary-programme/index_en.htm)

MB IPA 2009	Regional program for voluntary return and providing of durable solutions for refugees and internally displaced people in the WB countries	1.000.000
MB IPA 2010	Regional initiative for Roma integration	3.000.000
MB IPA 2010	Improving of human rights and minority protection in WB countries	3.600.000
	<b>TOTAL</b>	<b>9.600.000</b>

Even though significant amount of money is allocated for implementation of regional projects impact of these projects in Montenegro are very little or not at all visible. Having in mind that activities within these projects are implemented on regional level, Montenegrin institutions are not often involved in its implementation. If institutions are involved in project activities other potential stakeholders are not involved. Reporting system on project implementation is based on semi-annual reports which are not enough for monitoring of implementation on national level. It is clear that in the upcoming period implementation and impact of regional projects must be significantly improved. These improvements should be made in the part of European Commission activities as well as in the involvement of Montenegro in implementation of these projects.

All mentioned above indicates that in the upcoming period it is necessary to sustainably plan comprehensive activities in order to make EU funds that will be available to Montenegro (primarily instrument IPA II and other EU external actions instruments that will be available to Montenegro) more focused on sustainable solutions of RE population problems. Cooperation of all involved stakeholders in this process will be of key importance for its success; especially having in mind that management of EU funds will be the responsibility of Montenegrin institutions in the upcoming period.

#### **IV Possibilities for using EU funds during EU financing perspective 2014-2020**

European Commission has produced proposal of Regulation for European Council and European Parliament regarding Instrument for Pre-Accession Assistance for

the period 2014-2020 (IPA II)<sup>9</sup>. Principles for using IPA II will be significantly different comparing to the financing perspective 2014-2020. Starting from legal base and expected rules of application and completing with the programming process IPA II brings significant changes. Programming of IPA II will be based on multiannual approach with the focus on preparation of high quality sector documents which will be used as a base for making annual or multiannual national programmes. Documents which will closely define legal and technical base for using IPA II are in the drafting process and it is expected to be adopted by the EU institutions until the beginning of 2014. European Commission has delivered to the beneficiary countries of IPA II guidelines for the beginning of making the strategic documents for programming process as well as basic instructions for the beginning of programming process with the application of sector approach. Programming of IPA II assistance for 2014 in Montenegro will be made in parallel with the drafting of strategic programming documents for IPA II which will additionally obligate all stakeholders to involve in this process.

Components of IPA in the concept of IPA II are replaced with the policy areas in order to achieve more impact of support of IPA II as follows:

1. Transition Assistance and Capacity Building;
2. Regional development;
3. Employment, social policy and human resource development;
4. Agriculture and rural development;
5. Regional and territorial cooperation;

In the draft Regulation for IPA II in article 2 it is stated that the assistance, among the other, will be directed to the following specific goals (that can be good base for usage of support for RE inclusion policy) in line with individual needs of every beneficiary country and its accessions programme:

- Strengthening democratic institutions and role of law;
- Promoting and protection of human rights and fundamental freedoms, improvement of respecting minority rights, promotion of gender equality, antidiscrimination and media freedom as well as promoting good neighbourhood relations;

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<sup>9</sup> Brussels, 7.12.2011, COM(2011) 838 final 2011/0404 (COD)

- Development of civil society and social dialog;
- Reconciliation measures, peace promotion and improvement of trust;
- Social and economic inclusion of minorities and vulnerable groups.

European Commission has not yet adopted all documents related to the legal base for IPA II which could inform in detail about technical details about implementation of the support. Having in mind the current integration moment of Montenegro it is realistic to expect that in the following seven years period will be the beneficiary of IPA II instrument, without using structural and cohesion funds. Having in mind the EU budget planning process for the 2014-2020 period in the European Council and European Parliament one can indicatively conclude that the amount of support for the EU acceding countries will remain approximately the same, which will mean around 35 million € annually for Montenegro with additional support through regional support programmes.

Possibilities for using of IPA II support for RE inclusion policies in Montenegro will mainly depend from the right and timely strategic planning of support on national level. In this moment it is important to respond in an efficient way to the requests related to the strategic planning of support through making Country Strategy Paper (CSP) which will define sectors and priorities that will be supported on national level through IPA II. During financing perspective 2014-2020 EU will support only these sector priorities that will be defined in CSP. It should be mentioned that this document will be adopted by the European Commission and that its revision will be possible only on the middle of programming period which means middle 2017, which additionally obligates all stakeholders involved in its drafting. This is why organization and including wide range of stakeholders in the area of RE population inclusion policies in wide consultative process on national level is of high importance for creating a quality base for using IPA II funds for this purpose.

## V Conclusions and recommendations

Montenegro as a state with constitutionally proclaimed rights on equality of all its citizens will have to dedicate serious efforts in resolving problems that RE population faces in the upcoming period. This means creating conditions for inclusion of RE population in social and economic flows in the state. Having in

mind that Montenegro is in the first phase of accession negotiation process with the EU issue of efficient and sustainable solution of RE population problems will be one of the key preconditions for progress in chapters 19 – Social policy and employment, 23 – Judiciary and fundamental rights and 24 – Justice, freedom and security. Bearing in mind that implementation of *EU acquis* in this area is very demanding and very expensive process available resources through EU funds can significantly facilitate resolving of this issue. On the base of lessons learned in the previous period and having in mind projections of possibilities in the upcoming period the following conclusions can be deducted:

- EU funds are a good opportunity for financing projects in the area of care and inclusion of RE population;
- Projects financed in the previous period have not yet given the expected results, which is consequence of bad strategic planning of support and unreal projection of project results;
- In order to make EU funds more approachable in this area in the upcoming period it is necessary to include all potential stakeholders (individuals, associations, Roma CSOs, state institutions) in an unique process with clearly planned amount of support which is intended to accomplish;
- Capacities of key stakeholders in the process of preparation and management of project cycle are currently very low. Constant capacity building in the area of project preparation and project cycle management is a key priority;
- Lack of mature projects in this area is evident. Identification of projects and its preparation is a very important precondition for accomplishment of higher absorption ratio of EU funds;
- Creation of some kind of base of prepared project proposals would be very useful in this moment, which is also a good practice from neighbour countries. Prepared projects significantly increase chances for absorption of funds from different sources of funding, including EU funds;
- It is important to bear in mind that absorption of EU funds for RE population is an inclusive process which demands a quality cooperation of all stakeholders involved in the process. This process demands more informal and closer cooperation of state institutions and non governmental sector;
- Technical support projects in the beginning phase of using IPA II would be very useful for capacity building in the area of preparation and proposing projects for financing;

- Involving non state actors in the consultative process of support planning through IPA II on national and regional level is a key factor for creating a solid strategic base for funds absorption;
- Timely sharing of information about the possibilities for using funds is a precondition for timely preparation of projects and using all possibilities for its financing;
- Involvement of local self governments in the process and its close cooperation with the non state sector is an important aspect for resolving concrete problems of RE population on local level;
- Sharing experience and lessons learned in the process of using EU funds so far is a good mechanism for improving efficiency in the upcoming period.

## **VI Metodological base**

With the usage of data sources, this study in methodological sense is a synthesis of experience got so far and data created with field work. All data used are gathered from the official sites of Government of Montenegro, European Commission and Delegation of the European Union to Montenegro. Sources of used data about projects within this study are mentioned in the footnotes.