The United Nations Development Programme (UNDP) has been operating in Montenegro for over 15 years, during which its programme has been shaped by the country’s development priorities and challenges. The programme under review (2017-2021) responds to the priorities laid out in Montenegro’s Development Directions (2015-2018 and 2018-2021) and its sectoral policies and normative framework. It responds to Montenegro’s European Union (EU) accession priorities across all sectors, and specifically: public administration reform and public finance management; environment and climate change with interlinkages to economic development; social policy; and democratic governance and human rights. The Independent Evaluation Office of UNDP conducted an Independent Country Programme Evaluation of Montenegro in 2020.

Key findings and conclusions

UNDP has been a trusted and reliable partner of the Government. Its value proposition lays in both its responsiveness to the Government’s long-term development priorities and its ability to fill in short-term gaps in government capacity to respond to EU accession requirements. While meeting immediate needs, UNDP provides short-term ad hoc support to the Government particularly on the environment and climate change by bringing short-term international experts to deliver on EU and other international obligations. This limits institutional capacity-building, which can be counterproductive in the long term.

Montenegro’s upper middle-income country status and the country’s shrinking donor space presents a resource mobilization challenge for UNDP. It has managed to overcome this so far by implementing a wide range of thinly spread short-term interventions under the country programme document supported by government cost-sharing. While spreading human resources thin, such an approach leads to fragmentation and undermines UNDP’s potential to achieve transformative results, some made possible through cross-sector synergies.

UNDP has made significant contributions in promoting democratic governance and public administration reforms in pursuit of EU accession requirements. UNDP has been a partner of the Government and the EU in important democratic governance reforms and has contributed to strengthening public service delivery through support to IT, interoperability, e-governance and e-services solutions. UNDP’s multi-pronged upstream-downstream support model responds to the changing priorities of the central administration and line ministries. It also brings reforms to the local level, where assistance to institutional capacity development is most needed. This support’s outcomes

### Funding sources (2017-2020)

<table>
<thead>
<tr>
<th>Source</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vertical Trust Funds</td>
<td>16.2%</td>
</tr>
<tr>
<td>Government Cost Sharing</td>
<td>55.4%</td>
</tr>
<tr>
<td>Bilateral/Multilateral Funds</td>
<td>26.3%</td>
</tr>
<tr>
<td>Regular Resources</td>
<td>2.1%</td>
</tr>
</tbody>
</table>

Total programme expenditure (2017-2020): $28,212,401

### Programme expenditure by outcome areas, 2017-2020 (million)

- **Economic Growth**: $6.54
- **Social Inclusion**: $10.7
- **Environmental Sustainability**: $6.7
- **Democratic Governance**: $4.3
are still emerging and offer a positive prospect of effectiveness and sustainability.

**UNDP has contributed to strengthening the environment and climate change normative and policy framework in alignment with EU accession priorities and international obligations.** UNDP has provided critical support to Montenegrin institutions, especially in meeting reporting requirements to international treaty bodies by providing international and national experts. While outsourced expert support has helped fulfil the country’s reporting obligations, it falls short in addressing long-term institutional capacity needs. The establishment of the Eco Fund, a key achievement, is one of the critical benchmarks in EU accession negotiations. The fund supports the green economy and promotes green growth through interventions and pilots in environmental institutions and businesses. However, as the fund is still in an early phase of institutionalization, it remains to be seen whether and when it will reach its full potential, considering resource limitations, especially post COVID.

**UNDP has significantly contributed to improving the quality of social services in Montenegro.** UNDP’s contribution to social welfare through ISWIS and enhanced social service delivery capacity has been vital in transforming national social welfare system. The system is progressively stronger and observant of equity issues, focusing on women, victims of gender-based violence, the elderly, persons with disabilities, Roma and other vulnerable groups. It proved its utility during the COVID-19 pandemic in targeting assistance to vulnerable groups. Lessons learned are being used to support the health and justice systems, confirming UNDP’s added value in social development.

**UNDP has made notable contributions in promoting gender equality and women’s empowerment (GEWE) with significant results in political engagement, social inclusion, protection from violence and, to a limited extent, economic development.** UNDP’s long-term engagement with the Government, public administration, civil society and political parties has been key to the transformative changes, which are visible in improved legislative frameworks, better public services and improvements in the integration of gender in the Government’s policymaking, planning and budgeting. While UNDP has been generally successful in this area, one exception has been integrating a gender dimension in environmental protection mechanisms and policies. UNDP could have done more to leverage its position and support.

**Recommendations**

**Recommendation 1.** In line with Montenegrin EU accession aspirations, UNDP’s next country programme strategy should build on the established intersection of themes in which UNDP has found a strong niche, i.e. support to good governance across the public sector as well as economic development underpinning sustainable environment protection.

**Recommendation 2.** UNDP should consolidate and expand its support to local self-government units to embrace and implement reforms, principles and standards initiated by the central government. Particular attention should be placed on the institutional capacity development of local authorities to promote and benefit from reforms in line with the EU accession aspiration of Montenegro.

**Recommendation 3.** UNDP should consider merging economic development and segments of its support to the environment, green growth and reduction of carbon footprint under one umbrella programme to ensure consolidation of its green economy portfolio. Lessons from implemented models with potential for scaling up and promotion of a systematic approach to circular economy and innovation should be generated to inform the Government’s efforts to diversify the economy.

**Recommendation 4.** UNDP should build on results and lessons from the implementation of initiatives supporting GEWE as the basis for the CO strategy to fully integrate GEWE in its portfolio. Cross-sector and cross-portfolio synergies with transformative potential for women should be developed and integrated into support of the Government’s gender requirements as part of the EU acquis. Stronger efforts should be made by UNDP to promote the gender dimension in its environment and climate change portfolio.