Montenegro Minister Backs Continued ‘Golden Passports’ Scheme Despite EU Calls

Defying EU pressure to cancel the scheme, Finance Minister Aleksandar Damjanović said on Monday that closing down the economic citizenship program would damage Montenegro. Montenegrin Finance Minister Aleksandar Damjanović said on Monday that the economic citizenship program should be continued, despite European Union pressure to terminate the program by the end of the year. He told parliament’s Economy and Budget Council session that in 2023 the government expects to earn 70 million euros from the program. “From applications that are in procedure and those that have not even started to be solved we expect up to 70 million euros – about 35 million of incomes is certain, but it’s estimated up to 70 million for the next year,” he said. “European friends insist that this project be completed [ended] by 2023. I will only say that this would cause enormous damage to Montenegro and that we need to find a way to see if there is a model to continue with implementation,” Damjanović said. On his first official visit to Brussels on May 20, Montenegrin Prime Minister Dritan Abazović said that the controversial program would end on December 31. He said there would be additional controls to make the whole process more transparent. On September 29, Abazović confirmed that the program will terminate by the end of the year, while stressing that new applications can be submitted until December 31. “The program brought the numerous benefits, valuable investments were made through it and new jobs were created. But we also have to respect our EU partner’s requests,” Abazović said. In March last year, the government, which came to power after the electoral defeat of Milo Đukanović’s Democratic Party of Socialists, DPS, announced that the citizenship program will be terminated by the end of 2021 because it could slow Montenegro’s European Union accession. But in December, the government extended the program until the end of 2022, claiming it would impose stricter conditions for gaining economic citizenship. Investors that had already requested citizenship would now have to submit a bank guarantee worth 50 per cent of the investment prescribed by the program. Montenegrin civic activists have long called on the government to end the “golden passport” program, warning it could slow the path to EU membership. In this year’s progress report, the European Commission also pressed Montenegro to phase out the scheme, citing risks related to money laundering. According to government data, 108 foreign citizens, mostly from Russia and China, have so far obtained Montenegrin passports by buying apartments in hotels or by donating money to underdeveloped areas. The former government under the DPS started three “economic citizenship” schemes in 2010, initially selling passports to “renowned businessmen of credible reputation” if they invested at least half-a-million euros. The most recent program for foreign investors was launched in January 2019, when the government offered passports to investors who invested at least 250,000 euros in undeveloped regions in the north or 450,000 euros in more developed regions.

MEPs Demand End to Roaming Charges for Western Balkans

More than 80 European Parliamentarians have urged the European Commission to abolish roaming charges for Western Balkan countries in a letter sent to President Ursula von der Leyen. A group of more than 80 members of the European Parliament has asked the European Commission to include the Western Balkan countries in the Free Roaming Area. In a letter sent to Commission president Ursula von der Leyen, the MEPs say that the Western Balkan states are proven “reliable partners of the European Union”, and that with October’s European Commission recommendation to grant candidate status to Bosnia and Herzegovina, “another milestone in the union’s enlargement policy has been reached”. “We… therefore call on the European Commission to quickly present a clear roadmap aimed at ending roaming surcharges between the European Union and the Western Balkans, thereby enlarging the European Free-Roaming Area for the benefit of European citizens. The time to act is now,” the letter says. MEPs say this move should come after Von der Leyen’s September 14 address to the European Parliament, when she pledged to bring Ukraine into the European free-roaming area. “While you have our full support for this endeavour, we would also like to draw your attention to another European region that deserves to benefit from free roaming, namely the countries of the Western Balkans.” Thomas Waitz, MEP and co-chair of the European Green Party, said the Commission should contribute to stronger integration by creating a European free-roaming area that includes the Western Balkans. “We urgently need closer integration of the Western Balkan countries and the EU, and one step for this would be tearing down roaming barriers,” Waitz said. “This will not only help to close the gap towards the EU but also acknowledge the daily hurdles citizens of the Western Balkans who live and work in the EU, often away from their families, face due to expensive roaming surcharges,” he added. In 2017, the European Union announced that it was considering cutting roaming charges for the Western Balkans, following calls from EU candidate countries to abolish the fees. Since July last year, six countries of Western Balkans abolished roaming charges in accordance with the Regional Roaming Agreement signed in 2019 at the second Western Balkans Digital Summit in Belgrade.

Montenegro to Pay $4 Million Yugoslav-Era Debt to Libya

The Montenegrin Finance Ministry said that the country will pay $4 million it owes to Libya, part of a total of $210 million that Yugoslavia borrowed to secure oil imports. The Montenegrin Finance Ministry announced on Thursday that the country will repay $4 million to Libya its part of Yugoslavia’s debt to the African state for oil imports. “During meetings with Libyan officials on October 12, a final agreement was reached,” the ministry said. It added that the debt will be settled “in the shortest possible time”. In August 1975, the National Bank of Yugoslavia issued guarantees for a loan of $70 million, which was used to build a Yugoslav oil pipeline. In July 1981, Yugoslavia took another loan in the amount of $150 million, which Libya granted for the import of its oil. The loan agreement was concluded between the Central Bank of Libya and the National Bank of Yugoslavia, guaranteed by the Yugoslav government. The Montenegrin government said it must repay the Yugoslav according to an agreement signed in June 2006 between Serbia and Montenegro when their unitary state ended. According to the agreement, Yugoslav financial rights and obligations are split between Serbia and Montenegro, with 94.12 per cent going to Serbia and 5.88 per cent to much smaller Montenegro. After the collapse of Yugoslavia, Serbia and Montenegro in April 1992 established the Federal Republic of Yugoslavia, declaring the newly formed federation to be Yugoslavia’s successor. In June 2006, Montenegro formally declared independence after parliament by a majority vote accepted the results of a referendum held in May, in which voters backed splitting from Serbia. According to the latest government data from 2019, Montenegro has to repay a $850 million debt from the Yugoslav era. Under Josip Broz Tito’s Yugoslav socialist federation, its six republics were allowed to take on loans independently for infrastructure projects, agriculture, electricity, water management, forestry and transport. Croatia and Slovenia – the only former republics which have so far joined the European Union – have paid off their debts.