

October 17th, the International Day for the Eradication of Poverty

Video – clip made for Montenegrin United Development Programme Office (UNDP): **Poverty in Montenegro**
<http://www.undp.org.yu/montenegro>

*If we could turn the population of Montenegro into a small community of 100 people, 12 would be **absolutely poor** (living without sufficient supply of food, adequate accommodations, clothes and footwear) and 30 would be economically vulnerable, very close to **absolute poverty**.*

Source: Human Development Report for Montenegro, Diversities – Potential for Development, Institute for Strategic Studies and Prognoses, September 2005

Nearly half (45%) of the poor population of Montenegro live in the North.

Source: Human Development Report for Montenegro, Diversities – Potential for Development, Institute for Strategic Studies and Prognoses, September 2005

Measured through consumption of 10% of the poorest and of 10% of those at top of consumption scale, the inequality in Montenegrin society is the greatest in the region.

Source: Human Development Report for Montenegro, Diversities – Potential for Development, Institute for Strategic Studies and Prognoses, September 2005

Approximately 2/3 of Montenegrin families do not own a computer, and 1/5 of population use Internet.

Source: Analyses on Economic Policy Implementation in Montenegro for first half of 2006, Government of Montenegro, Secretariat for Development, July 2006
<http://www.gom.cg.yu/files/1154957559.doc>

If Montenegro had 100 inhabitants 51 would be women and 49 men. Out of 51 women only 4 would own real estate assets (apartment, house) and 3 of them would have their own car.

Source: Office for Gender Equality, Government of Montenegro, 2005

Public administration expenditures account for nearly a half of Montenegro's annual budget.

(Data on public sector employees and public expenditure are available at: "Serbia and Montenegro, Republic of Montenegro: Economic Memorandum A policy Agenda for Growth and Competitiveness", World Bank, October 27, 2005: <http://www.seerecon.org/documents> and the Ministry of Finance of the Republic of Montenegro web site: <http://www.ministarstvo-finansija.vlada.cg.yu>)

88% of SMEs in Montenegro faced corruption-related problems personally, as victims or as witnesses.

77% of SMEs do not trust the judicial system.

Source: Research on corruption problems SMEs face in Montenegro, NGO Group for Changes, October 2005

Share of environmental expenditures from the State Budget was 0.01% of GDP in 2004.

Source: Annual Financial Statement of the Ministries' Budget for 2004, GDP for 2004, MONSTAT

The Constitution defines the Republic of Montenegro as democratic, civic and ecological state.

Montenegro imports 1/3 of total energy consumption which is equal to approximately 60 Mil. Euros.

Source: <http://www.vlada.cg.yu/vijesti.php?akcija=vijesti&id=1379>

Currently 50% of Montenegrin population use wood products as fuel and if the price of energy goes up, then more population will switch from electric heat to using wood – which would make a negative environmental impact.

Source: Household Survey No. 11, Institute for Strategic Studies and Prognoses, July 2005

The aluminum industry accounts for half of total annual electricity consumption. The price of electricity sold to private sector aluminum industry is approximately 2 cents per/KWA while the citizens pay approximately 4,9 cents per/KWA. Is it possible that the subsidy to the aluminum industry in Montenegro is equivalent to approximately 1 Euro per household every day?

By the end of 2003 the Law on Free Access to Information was adopted. Contracts on buying and selling of large companies are defined as business secret.

It is widely recognized that without growth it is hard to reduce poverty. It is possible to achieve significant economic growth without reducing poverty at the same time, unless action is taken to:

- 1. prioritize action towards impoverished groups*
- 2. link priorities to ring-fenced budget resources*
- 3. monitor the impact*

Through its partnership with the Government, relevant institutions and Civil Society Organizations, local United Nations Development Programme (UNDP) Office is committed to assist in the efforts of Montenegro to comply with European Union accession standards and international conventions.