

The Challenge

USAID is supporting the transition from a centralized non-democratic economy towards a prosperous democracy with membership in Euro-Atlantic Institutions. Political uncertainties such as the upcoming referendum on Montenegro's independence will likely shift the development needs of Montenegro. In addition, corruption, political patronage, nepotism, and weak institutions remain obstacles for progress. Within this context, USAID has recently integrated the democracy and economic programs to achieve a greater aggregate economic impact. USAID supports economic reforms both at the municipal level and through national policy frameworks and is working towards improving institutional capacity and the rule of law to make government institutions more accountable to their constituents and more responsive to the needs of the private sector, specifically small and medium enterprises.

Objectives, Sectors and Workforce

Mission Director: Keith Simmons

MCA Status: Not a Candidate

PEPFAR Focus Country: No

Provided or Received Services From Other Missions: Received

Program Budget (Appropriations by Objective)	FY 2004 (\$000)	FY 2005 (\$000)	FY 2006 (\$000)	FY 2007 (\$000)	Percent Change FY 04-07	2005 SO Performance Score	Direct SO Admin. Cost Ratio
170-0130 Economic Policy and Finance	8,794	5,692	0	0	N/A	1.31 Exceeded	0.17
170-0131 Economic Policy and Governance	0	0	2,789	3,985	N/A	N/A	N/A
170-0132 Local Economic Growth	0	0	3,165	0	N/A	N/A	N/A
170-0200 Democracy and Governance	6,137	898	0	0	N/A	0.97 Met	0.63
170-0210 Community Development and Local Governance	13,963	7,910	0	0	N/A	1.43 Exceeded	0.18
170-0211 Democracy and Economic Security	0	0	3,221	1,267	N/A	N/A	N/A
170-0420 Cross-Cutting Programs	1,841	1,500	2,500	1,431	-22.3%		0.14
Transfer to Other US Government Agency	4,000	4,000	3,175	1,817	-54.6%		
Country Total	34,735	20,000	14,850	8,500	-75.5%		

Program Budget (Appropriations by Account)	FY 2004 (\$000)	FY 2005 (\$000)	FY 2006 (\$000)	FY 2007 (\$000)	Percent Change FY 04-07
Asst. for E. Europe and the Baltic States	34,735	20,000	14,850	8,500	-75.5%
Total	34,735	20,000	14,850	8,500	-75.5%

Program Budget by Sector and Account	FY 2004 (\$000)	FY 2005 (\$000)	FY 2006 (\$000)	FY 2007 (\$000)	Percent Change FY 04-07
Agriculture and Environment AEEB	222	4,590	490	280	26.1%
Higher Education & Training AEEB	0	686	0	0	N/A
Economic Growth AEEB	10,663	10,801	10,242	5,309	-50.2%
Human Rights AEEB	100	100	0	0	N/A
Democracy and Governance AEEB	23,250	3,823	4,118	2,911	-87.5%
Family Planning / Reproductive Health AEEB	500	0	0	0	N/A
Total	34,735	20,000	14,850	8,500	-75.5%

Workforce	FY 2004	FY 2005	FY 2006	FY 2007	Percent Change FY 04-07
US Direct Hires	0	1	1	1	N/A
US Non Direct Hires	4	4	3	3	-25.0%
Foreign Nationals	26	31	33	33	26.9%
Total	30	36	37	37	23.3%

Operating Expense	FY 2004 (\$000)	FY 2005 (\$000)	FY 2006 (\$000)	FY 2007 (\$000)	Percent Change FY 04-07
Salaries and benefits	270	0	0	0	N/A
Travel	24	0	0	0	N/A
Transportation of things	5	0	0	0	N/A
Rent	46	0	0	0	N/A
Security	0	0	0	0	N/A
Equipment	59	0	0	0	N/A
ICASS - Operating Expense only	251	0	0	0	N/A
Other Operating Expense	55	0	0	0	N/A
Total OE Budget	710	0	0	0	N/A
US direct hire salary and benefits	0	0	0	0	N/A
Program Funded Administrative Expenses				2,084	
Country Total Administrative Budget				2,084	
Percent of Bureau OE Total				0.0%	

Mission Summary

	FY 2004	FY 2005	FY 2006	FY 2007
Program per US Direct Hire (\$000)	N/A	20,000	14,850	8,500
Program per All US (\$000)	8,684	4,000	3,713	2,125
Program per Position (\$000)	1,158	556	401	230
Operating Expense as % of Program Funding				0.0%
Program Funded Admin Expense as % of Total Admin				100.0%
Total Admin Expense as % of Program Funding				24.5%

Other Major Donors:

Bilateral: Germany, Sweden, Canada, United Kingdom

Multilateral: European Agency for Reconstruction (EAR), European Bank for Reconstruction and Development, the World Bank, the International Monetary Fund, the Organization for Security and Cooperation in Europe, United Nations Development Program.