



USAID
FROM THE AMERICAN PEOPLE

ECONOMIC GROWTH
PROJECT

Montenegro Country Overview:

- **Country Overview/Current Situation:** Corruption, poor infrastructure, low average net salaries (515 euros) in a country with prices approaching Western European levels and high unemployment (12% official rate), especially in mostly rural and mountainous north. Country's December 2010 acceptance as an official EU candidate has opened it to increased EU assistance.
- **Current Programming:** Three-year, \$5.3 million USAID Economic Growth Project, implemented since September 2010.
- **Main Sectors of Assistance:**
 - Promoting Private-Sector Economic Development through assistance to:
 - Agriculture
 - Tourism
 - Business-Enabling Environment





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Implementation Period:

9/29/10 – 9/28/13

Project Description:

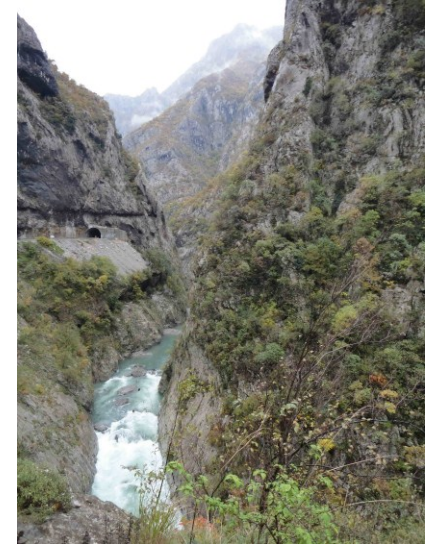
The project is designed to increase economic opportunity in 13 municipalities in northern Montenegro through a series of partnerships with clients to implement client-driven initiatives proposed by beneficiaries.



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- Major Components/Assistance Areas:
 - 1: Competitive review and funding of client-proposed initiatives through Calls for Proposals in 6 areas: Small-Scale Economic Infrastructure Investment, Business Support Services, Business Enabling Environment, Workforce Development, Enterprise Innovation, Information and Communications Technology
 - 2: Small Grants for Advocacy and Market and Policy Analyses
 - 3: Formation and support of Economic Growth Working Groups
- Accomplishments to Date:
 - 1: 14 projects approved, including 5 completed and 3 currently having begun implementation
 - 2: Thirteen Economic Growth Working Groups formed and 4 Pilot Municipalities selected





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- **Challenges:**

- Redirecting expectations of project by host government and public away from community development-focused infrastructure projects and toward private-sector development
- Achieving success with a budget and project duration that is substantially more modest than previous initiatives

- **Opportunities:**

- Eagerness of Montenegrin Government to collaborate
- Leveraging funds and support from European donors

- **Challenge *and* Opportunity**

- Lack of other major activities in north helps lead to high project visibility but also necessitates managing high expectations