

IMPORTANT EVENTS

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IMPORTANT EVENTS IN THE PERIOD JANUARY - SEPTEMBER 2025

JANUARY

The specific excise duty on cigarettes was increased from 52 euros to 53.5 euros per one thousand cigarettes, while the proportional excise duty remained unchanged and stood at 24.5% of the retail price. At the same time, pursuant to the latest amendments to the Law on Excise Taxes, an excise duty of 25 euros per hectolitre of still wine was introduced.

In line with the entry into force of the Law Amending the Law on Value Added Tax, as of 1 January 2025, the provision exempting shipments valued up to 75 euros from taxation ceased to apply. Under the new provisions, all online purchases are subject to value added tax (VAT), with the VAT rate set at 21% for most products, 7% for newspapers and textbooks, and 15% for books and publications. This is one of the measures envisaged by Montenegro's Fiscal Strategy for the period 2024–2027 which aims to compensate for the budget revenue loss resulting from the reduction of pension insurance contributions following the increase in the minimum wage.

Representatives of the Central Bank of Montenegro and the Bank of Italy signed a Letter of Intent for the implementation of the TIPS Clone Project, which is expected to enable real-time instant payments in Montenegro.

The Government of Montenegro fulfilled the final requirement for the operational start of using the available European Union funds from the Growth Plan for the Western Balkans, paving the way for the disbursement of planned tranches.

FEBRUARY

The Parliament of Montenegro adopted the Budget Law for 2025, projected at 4 billion euros, as well as the Decision on Borrowing authorizing additional borrowing of up to 1.4 billion euros.

The Parliament also adopted the Law on Consumer Credits, which abolishes fees for loan processing and early repayment of housing loans. In addition, the Law introduces the cap on effective interest rate on consumer loans, in line with the initiative of the Central Bank of Montenegro, ensuring consumer protection against excessively high interest rates, particularly for the most vulnerable categories of borrowers who have typically been exposed to extremely high borrowing costs.

MARCH

The Government of Montenegro adopted the Agro-Budget for this year worth 77.06 million euros, of which 56.54 million euros is to be provided from the government budget, 11.02 million euros from donations, and 9.50 million euros from credit funds.

The Ministry of Finance of Montenegro issued 850 million euros worth government bonds, with a seven-year maturity and an interest rate of 4.875%.

The Financial Stability Council adopted the Financial Sector Roadmap towards Sustainable Finance, aiming to align Montenegro's financial system with European and global sustainable development standards and ESG principles.

According to the 2025 Index of Economic Freedom published by The Heritage Foundation, Montenegro ranked 67th out of 184 countries, with a score of 63.8, which is the annual increase of 4.1 points.

The credit rating agency Standard & Poor's (S&P) confirmed Montenegro's stable outlook and maintained its rating at B+.

APRIL

CBCG has successfully transitioned to the modern international standard for payment data exchange ISO 20022.

A new microcredit financial institution (MFI) "Mikrokreditiranje" started operating in the Montenegrin financial market.

The credit rating agency Moody's confirmed Montenegro's stable outlook and maintained its rating at 'Ba3'.

MAY

Through the Reform Agenda, and as part of the Western Balkans Growth Plan, Montenegro received 26.8 million euros in pre-financing, of which 12.5 million euros in concessional loans were transferred into the national budget, while the remaining 14.3 million euros will be channelled via the Western Balkans Investment Framework (WBIF) in the form of grants and loans to enhance infrastructure across the country.

The National Tourism Organization of Montenegro participated in the prestigious IMEX fair in Frankfurt to strengthen its position in the business tourism sector. In Budva, the MICEB conference was held on sustainable economic policies and the path towards the EU, serving as an important forum for attracting investment and expertise.

JUNE

The Government approved the proposal of the annual account of the Budget of Montenegro for 2024.

Representatives of the Ministry of Transport, Railway Infrastructure, and Maintenance of Railway Vehicles signed agreements to transfer WBIF grant funds totalling 35.47 million euros, intended for the project of railway infrastructure upgrade on the Bar–Vrbnica section.

Elektroprivreda Crne Gore (EPCG) and the German development bank KfW signed a grant agreement for consultancy services and support for a market-oriented green transformation of the Montenegrin electricity company, totalling 1.5 million euros.

Montenegro received the prestigious international Bloomberg Philanthropies Foundation award for excellence in tobacco taxation policy.

Representatives of the Ministry of Agriculture, Forestry, and Water Management and the company “Tehnogradnja” signed an agreement to build the first Agriculture House in Montenegro, valued at 1.8 million euros.

JULY

The Parliament of Montenegro adopted the Law Amending the Budget Law for this year. The budget revision was proposed for technical alignment following the adoption and implementation of the new Regulation on the organisation and operation of the public administration.

The Ministry of Finance of Montenegro and the International Bank for Reconstruction and Development (IBRD) signed a Loan Agreement to finance the Project for Modernisation of Montenegro’s Financial Infrastructure and its alignment with SEPA standards, in the amount of up to 8 million euros.

The Parliament of Montenegro adopted the Law on the Credit Guarantee Fund, aimed at stimulating and accelerating Montenegro’s economic development, as well as increasing access to finance for businesses, entrepreneurs, and all engaged in entrepreneurial activities.

CBCG adopted a set of 11 regulations necessary for the implementation of the Law Amending the Law on Credit Institutions. The adoption of this set of regulations created the key prerequisites for meeting the closing benchmark 1 under Chapter 9 – Financial Services, marking an important step toward the provisional closure of this chapter and further confirming CBCG’s commitment to the European integration process.

The Parliament of Montenegro adopted the Company Law, as well as the Law Amending the Law on Tax Advisors.

The Government of Montenegro signed a 200 million euros loan agreement with the European Bank for Reconstruction and Development (EBRD) for the construction of the second section of the highway from Mateševo to Andrijevića.

AUGUST

The European Commission officially approved the disbursement of the first tranche of funds to Montenegro under the EU Instrument for Reform and Growth, continuing the positive trend in implementing the Western Balkans Growth Plan and confirming commitment to the European perspective.

EPCG and the EBRD signed an additional 25 million euros loan arrangement for the construction of the Gvozd 2 wind farm (WF).

The Law on Games of Chance came into force, comprehensively regulating one of the most dynamic and sensitive industries for the first time.

SEPTEMBER

The Government of Montenegro adopted the Draft Law Amending the Law on the Prevention of Illegal Business Operations, introducing new measures aimed at combating the informal economy and increasing tax discipline.

Credit rating agency Standard & Poor's confirmed Montenegro's stable credit rating, with potential for further improvement, subject to furthering fiscal results.

The Government of Montenegro approved an Annex to the agreement between the Railway Administration of Montenegro and Railway Infrastructure of Montenegro a.d.Podgorica, providing 2.5 million euros from the current budget reserve for public infrastructure maintenance from 1 February to 31 December 2025.

The Ministry of Finance of Montenegro, in cooperation with the Organisation for Economic Co-operation and Development (OECD), officially launched the implementation of the Spending Reviews project, aimed at improving fiscal discipline, transparency, and efficiency of public finances.