



This project is funded by the European Union



## Press release

Twinning Project

'Support to Regulation of Financial Services in Montenegro'

[MN 14 IPA FI 02 17 R]

Podgorica, 7<sup>th</sup> July, 2020

The institutions in Montenegro regulating financial services (the Central bank of Montenegro, the Insurance Supervision Agency and the Capital Market Authority) and the Consortium of central banks of Germany, Croatia and Netherlands and the agency for supervision of financial services of Germany and Croatia (BaFin and HANFA), supported by the EU funds (IPA), implemented Twinning contract worth 1,41 million euro to support the regulation of financial services in Montenegro. The purpose of this Project was to align the legislation for financial services with Union acquis and strengthen the regulatory and supervisory capacities.

Beneficiaries and partners from Montenegrin side are the Central bank of Montenegro led by governor Radoje Žugić, Capital Market Authority led by president, Mr Zoran Đikanović (who is also beneficiary project leader) and Insurance Supervision Agency led by the president of the council of the Agency, Mr Uroš Andrijašević.

During the 27 months of the Project regulations were drafted and harmonized in accordance with EU Directives in the field of banking, insurance and capital market. In total 118 missions expert missions, 7 study visits and one internship were performed within the Project.

The overall objective of the Project was to ensure more stable, sustainable and efficient financial services in line with the EU best practice in order to support the private sector development and enhance the competitiveness of the economy.

Through intensive work of all partners the following drafts of regulations were prepared:

- ✓ The Law on Credit Institutions
- ✓ The Insurance Law
- ✓ The Law on Investment funds
- ✓ The Law on Alternative Investment funds
- ✓ The Law on Pension funds
- ✓ Amendments to the Law on Capital Market

Relevant bylaws (e.g. Manual for on-site inspection of compliance with legislation in the area of prevention of money laundering and terrorism financing was drafted in all three Components of the Project).

The employees of all three institutions of Montenegro engaged on the Project have adopted necessary knowledge and compiled regulations defined in the Chapter 9 of the pre-accession negotiations. The Project was assessed as successful from all the stakeholders and it represents great foundation for further cooperation between Montenegro and Member State partners.