



PERMANENT MISSION OF MONTENEGRO TO THE UNITED NATIONS OFFICE AND OTHER INTERNATIONAL ORGANIZATIONS IN GENEVA
Rue de Lausanne 147, 1202 Geneva

No: 76/OHCHR

The Permanent Mission of Montenegro to the United Nations Office and other International Organizations in Geneva presents its compliments to the Office of the High Commissioner for Human Rights and, in connection to its note of December 17 2010, has the honour to convey the Answers to Questionnaire regarding the Human rights and extreme poverty.

The Permanent Mission of Montenegro to the United Nations Office and other international organizations in Geneva avails itself of this opportunity to renew to the Office of the High Commissioner for Human Rights the assurances of its highest consideration.

11 March, 2011

Office of the High Commissioner for Human Rights
GENEVA

OHCHR REGISTRY

15 MARS 2011

Recipients :SPD.....
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Government of Montenegro

Answers on the Questionnaire on recent adjustment of public expenditure and the impact on those living in extreme poverty

Answer 1

The main characteristic of the medium-term fiscal scenario for the period 2011 to 2013 for Montenegro is the elimination of deficit in public finances until 2012, and transition to budget surplus of 1.7% GDP in 2013.

As observed in the nominal sums, the increase of the primary revenues from 1.265 million € in 2010 to 1.506 million € in 2013 is planned. Also, an increase in public spending is planned from 1.386 million € in 2010 to 1446 million € in 2013. Projection of the public revenues increase is based on projected rates of the economy recovery, inflation rates in the period, and an elasticity of revenues in relation to GDP growth rates. It is expected that, only in 2013, revenues will reach their level of 2008, when the cyclic component of the revenues was, according to the assessment of the Government, around 6% of the GDP.

As far as the expenditure part of the budget is concerned, in the next three-year period and with the aim of achieving the surplus, a small increase in expenditures is planned, primarily for materials and services, whereas the main expenditure categories such as wages, pensions and social insurance will remain more or less at the present level. The main sources of growth of present expenses were actually the wages in the public sector as well as pensions. Consequently, the Government of Montenegro adopted the whole set of laws that strictly regulate and establish principles and priorities for the employment in the public sector. The main aim is that, in the medium-term, the moderate growth of the current public spending is accomplished, from 1.228 million € to 1.264 million € in 2013, and that, at the same time, the level of government budget sustains at approximately 5% of GDP.

Answer 2

Present public spending for 2011 is planned in the amount of 1.247,33 million € or 39.35 % of GDP which is 1.58% of GDP less than in 2010. In the next three years (2011-2013), the main categories of the expenses (wages, pensions, and social insurance), will remain more or less at the present level (Economic and fiscal program for Montenegro 2010 - 2013).