



**MEMORANDUM OF UNDERSTANDING**  
**between the European Union and Montenegro**  
**on the participation of Montenegro in the ISA<sup>2</sup> Programme**

**THE EUROPEAN COMMISSION**, on behalf of the European Union,  
(hereinafter referred to as “**the Commission**”),

**and**

**THE GOVERNMENT OF MONTENEGRO**,  
(hereinafter referred to as “Montenegro”),

Hereinafter referred to collectively as ‘**the Parties**’.

## *Preamble*

Whereas:

- (1) A Stabilisation and Association Agreement between the European Communities and their Member States, of the one part, and Montenegro, of the other part (the 'Stabilisation and Association Agreement') has been approved by Council and Commission Decision 2010/224/EU, Euratom<sup>1</sup> and entered into force on 29.03.2010. In Article 132 of the Stabilisation and Association Agreement it is provided that the general principles for the participation of Montenegro in Community programmes are laid down in its Protocol 8. Article 5 of that Protocol stipulates that the specific terms and conditions, including the financial contribution, with regard to the participation of Montenegro in each particular programme, will be determined by agreement, in the form of a Memorandum of Understanding, between the European Commission and the competent authorities of Montenegro.
- (2) the ISA<sup>2</sup> programme was established by Decision (EU) No 2015/2240 of the European Parliament and of the Council of 25 November 2015<sup>2</sup>,

HAVE AGREED AS FOLLOWS:

### *Article 1*

#### **Programme**

Montenegro shall participate in the ISA<sup>2</sup> Programme (hereinafter called "the Programme"), in accordance with the conditions laid down in the Stabilisation and Association Agreement and under the terms and conditions referred to in Articles 2 to 6 of this Memorandum of Understanding.

### *Article 2*

#### **Terms and conditions with respect to participation in the Programme**

1. Montenegro shall participate in the activities of the Programme in conformity with the objectives, criteria, procedures and deadlines set out in Decision (EU) No 2015/2240.
2. The terms and conditions applicable to the submission, assessment and selection of applications by eligible institutions, organisations and individuals of Montenegro shall be the same as those applicable to eligible institutions, organisations and individuals of the Member States of the European Union.
3. To participate in the Programme, Montenegro shall pay every year a financial contribution to the General Budget of the European Union in accordance with Article 3.
4. The financial contribution of Montenegro in respect of its participation and implementation of the Programme shall be added to the amount earmarked each year in the General Budget of the European Union for commitment appropriations to meet the financial obligations arising out of different forms of measures necessary for the execution, management and operation of the Programme.

---

<sup>1</sup> OJ L 108, 29.03.2010, p. 1

<sup>2</sup> OJ L 318, 4.12.2015, p. 1

5. One of the official languages of the European Union shall be used for the procedures related to requests, contracts and reports, as well as for other administrative aspects of the Programme.

### *Article 3*

#### **Financial contribution**

The rules governing the financial contribution of Montenegro are set out in the Annex to this Memorandum of Understanding.

### *Article 4*

#### **Reporting and evaluation**

1. Without prejudice to the responsibilities of the Commission and the Court of Auditors of the European Union in relation to the monitoring and evaluation of the Programme, the participation of Montenegro in the Programme shall be continuously monitored on a partnership basis involving the Commission and Montenegro. Montenegro shall submit to the Commission relevant reports and take part in other specific activities provided for by the Union in that context.
2. In accordance with Regulation (EC, Euratom) No 966/2012 of the European Parliament and the Council<sup>3</sup> and Commission Delegated Regulation (EC, Euratom) No 1268/2012<sup>4</sup> and with the other rules referred to in this Memorandum of Understanding, the contracts concluded with beneficiaries of the programmes established in Montenegro shall provide for financial or other audits, on the basis of documents and on the spot, to be conducted at any time by Commission agents or by other persons mandated by the Commission.
3. Commission officials or agents and other persons mandated by the Commission shall have appropriate access to documents and to all the information required in order to carry out such audits, including in electronic form. That right of access shall be stated explicitly in the contracts concluded to implement the instruments referred to in this Memorandum of Understanding. The Court of Auditors of the European Union shall have the same rights as the Commission.

### *Article 5*

#### **Final provisions**

1. This Memorandum of Understanding shall apply for the duration of the Programme or until the accession of Montenegro to the European Union, whichever comes first.
2. Projects and activities in progress at the time of termination, as well as the contractual arrangements applying to them, shall continue until their completion under the conditions laid down in this Memorandum of Understanding.
3. The annexe shall form an integral part of this Memorandum of Understanding.

---

<sup>3</sup> Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 (OJ L 298, 26.10.2012, p. 1).

<sup>4</sup> Commission Delegated Regulation (EU) No 1268/2012 of 29 October 2012 on the rules of application of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council on the financial rules applicable to the general budget of the Union (OJ L 362, 31.12.2012, p. 1).

4. This Memorandum of Understanding may only be amended in writing by common consent of the parties.
5. This Memorandum of Understanding shall enter into force on the day of signature by both Parties.

Done at Brussels on 29/05/2018

Done at Brussels on 29/05/2018

For the European Commission  
on the behalf of the European Union,

For the Government of Montenegro

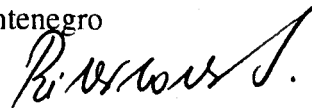


***Mariya Gabriel***

Commissioner for Digital Economy and  
Society

***Suzana Pribilović***

Minister of Public Administration of  
Montenegro



## **Annex**

### **Rules governing the financial contribution of the Montenegro in the ISA<sup>2</sup> Programme**

1. The financial contribution to be paid by Montenegro to the General Budget of the European Union to participate in ISA<sup>2</sup> programme budget lines of the Programme shall be the following:

EUR 6 450 for the year 2018,

EUR 6 610 for the year 2019,

EUR 6 780 for the year 2020.

For the first calendar year of its participation, Montenegro will pay a contribution calculated from the date of participation to the end of the year on a pro-rata monthly basis.

Travel costs and subsistence costs incurred by representatives and experts of Montenegro for the purposes of taking part as observers in the work of the committee referred to in Article 12 of Decision (EU) No 2015/2240 adopting the Programme or other meetings related to the implementation of the Programme shall be reimbursed by the Commission on the same basis as and in accordance with the procedures currently in force for representatives of the Member States of the European Union.

2. The Financial Regulation applicable to the General Budget of the European Union shall apply to the management of the contribution of Montenegro.
3. After this Memorandum of Understanding is signed and at the beginning of each subsequent budgetary year, the Commission shall send to Montenegro a call for funds corresponding to its contribution of the costs covered by this Memorandum of Understanding.
4. That contribution shall be paid in Euro to a Euro denominated bank account of the Commission.
5. Montenegro shall pay its contribution to the annual costs in accordance with the call for funds request no later than three months after the date of the call.

Any delay in the payment of the contribution shall give rise to the payment of default interest by Montenegro on the outstanding amount from the due date. The interest rate shall be the rate applied by the European Central Bank to its main refinancing operations, as published in the C series of the Official Journal of the European Union, in force on the first calendar day of the months in which the deadline falls, increased by 3.5 percentage points. In case the delay in the payment of the contribution is such that it may significantly jeopardise the implementation and management of the Programme, and in the absence of payment 20 working days after a formal letter of reminder has been sent by the Commission to Montenegro, participation of Montenegro in the Programme for the concerned year will be suspended.