

COMMUNICATION ON ENGAGEMENT (COE) OF
INSTITUTE FOR ENTREPRENEURSHIP AND ECONOMIC DEVELOPMENT MONTENEGRO

Period covered by this Communication on Engagement
From: October 2016 To: October 2018

Statement of Continued Support by the Chief Executive or Equivalent

To our stakeholders:

I am pleased to confirm that Institute for Entrepreneurship and Economic Development (IPER) reaffirms its support to the United Nations Global Compact and its Ten Principles in the areas of Human Rights, Labor, Environment and Anti-Corruption. This is our Communication on Engagement with the United Nations Global Compact. We welcome feedback on its contents.

In this Communication of Engagement, we describe the actions that our organization has taken to support the UN Global Compact and its Principles as suggested for an organization like ours. We also commit to sharing this information with our stakeholders, using our primary channels of communication.

Sincerely yours,

PhD Dragana Radevic, Director

ABOUT US

Institute for Entrepreneurship and Economic Development is an economic think tank established with the aim to provide support in development of entrepreneurship and private sector in Montenegro. It was founded in 1993 at the Faculty of Economics of University of Montenegro under the name Centre for Entrepreneurship and Economic Development (CEED). Since 1998, it has been operating as independent organization. Center for Entrepreneurship and Economic Development was renamed into Institute for Entrepreneurship and Economic Development (IPER) in October 2013.

Within its activities, IPER is carrying out researches at the most important social and economic topics, preparing recommendations from policy development, conducting activities in order to educate entrepreneurs and thus contributing to the improvement of the life quality of Montenegrin citizens.

VISION

Our vision of the Montenegrin society relies on the ideas of the individual freedom and responsibility, free market and limitations of the state. We believe that the developed free market is the best solution for poverty combating.

The best policy for poverty prevention includes the following: creating a favorable business climate, an effective education system, accessible and transparent public administration and well-targeted social and child protection.

MISSION

The mission of IPER is – though programs, projects and advocacy activities – to promote and implement the ideas of free market, entrepreneurship, private property in an open, responsible and democratic society with the rule of law in Montenegro. In achieving its mission, IPER has had the cooperation with the business community, international organizations, the media and other social groups, while preserving its independence as an important prerequisite for achieving the positive results.

RESEARCH AREAS

Research areas covered by the Institute for Entrepreneurship and Economic Development (IPER) are as follows:

- Business Environment
- Economic reforms
- Regional Development
- Social policy
- Energy sector

IMPLEMENTED ACTIVITIES

We present the activities of our organization through the implementation of the ten Principles of the UN Global Compact:

Human Right

IPER supports all international conventions relating to human rights. It strives to eliminate discrimination and promote the principles of equality and fairness. In the daily work, we obey the basic principles of human rights:

- Right to freedom and protection of personal identity,
- Right to education,
- Right to employment, paid holidays, protection against unemployment
- Social security,
- Right to full participation in cultural life,
- Freedom from torture and discrimination of any kind,
- Freedom of thought, belief and religion,
- Freedom of expression and opinion.

Labor

In accordance with these principles, IPER aims to work together with their employees in creation of a workspace that will further motivate us to provide the best conditions for work and development.

IPER respects employees' rights to dignified and decent work, without discrimination and with equal opportunities for professional development. In particular, it insists on the strengthening of mutual support, tolerance and equality.

Professional training

As a think tank which recognizes the importance of helping young people in their further education, IPER is striving to provide the knowledge and experience to young educated people. The program of volunteer and professional practice is seen as its contribution to solving the problem of youth unemployment in Montenegro.

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights;

Principle 2: Make sure that they are not complicit in human rights abuses.

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: The elimination of all forms of forced and compulsory labor;

Principle 5: The effective abolition of child labor; and

Principle 6: The elimination of discrimination in respect of employment and occupation.

During the last six years, in cooperation with the Employment Agency of Montenegro, IPER has actively participated in the 'Program of professional training of persons with acquired higher education'. Upon its completion, four out of nine young trained persons found employment in our team on definite period of time, while one person has been employed on indefinite period of time. The aim of this program is to facilitate the transition of young people from the education field to the world of business by providing opportunities to acquire additional knowledge, skills and competencies that will respond to the labor market. The program contributes to reducing youth unemployment, as well as to provide guidance to higher education institutions in the creation of enrollment policy.

Principle 7: Businesses should support a precautionary approach to environmental challenges;

Principle 8: Undertake initiatives to promote greater environmental responsibility; and

Principle 9: Encourage the development and diffusion of environmentally friendly technologies.

Cooperation with students

In cooperation with the University of Donja Gorica from Podgorica, IPER has enabled students to gain experience and additional skills that is the best recommendation for permanent employment after their graduation.

Anti-Corruption

In every day work, the business sector should work against corruption at every level, including extortion and bribery. IPER operates according to the rules laid down by law, and the cash flow is transparent because it is made exclusively through bank accounts, which contributes to the prevention of money laundering and abuse of the financial system in criminal purposes or terrorist financing. In line with this, IPER is raising awareness primarily of its staff as well as of clients on the topic and through mutual cooperation we could jointly fight against corruption and all forms of illegal behavior in society.

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

Action for paper recycling and electronic waste

Recycling is a key component of modern waste management system and it is the third Component 'Reduce, Re-use, Recycle' of waste management hierarchy. Since 2014, IPER has regularly participated in the collection and recycling of office paper in cooperation with a recycling center

from Podgorica. Until now, the collection and sending of paper for recycling is carried out once a month, while the action of recycling electronic waste is held once a year.

Promoting environmental responsibility

In 17 primary schools and in 11 secondary schools, in 9 cities of Montenegro, the research 'Primary and secondary schools pupils' opinion/knowledge on climate change' was implemented. . It aimed to examine in what extent the topic 'Climate Change' was present as a curricular topic in the subject programs. Also, there was a preliminary assessment of key perceptions and awareness of pupils on the topic of climate change, as well as the recognition of risk factors associated with climate change in the local community and the country. Within the qualitative research, 40 in-depth interviews were carried out with teachers and professors in selected primary and secondary schools, by 20 at each level.

Support to the Implementation of Anti-Discrimination and Gender Equality Policies

Within the program 'Support to the Implementation of Anti-Discrimination and Gender Equality Policies in Montenegro', from April to September 2017, IPER had the task to organize the education program for women entrepreneurs, in two municipalities. In total, 69 women entrepreneurs from Podgorica and 65 women entrepreneurs from Niksic have entered into the education program.

The results of this process are as follows:

- 12 women entrepreneurs developed/finalized business plan document,
- 2 women entrepreneurs obtained loans from the Employment Agency,
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- 6 women entrepreneurs registered their business.

In this way, IPER contributed to development and promotion of women entrepreneurship in Montenegro.

Young entrepreneurship

Institute for Entrepreneurship and Economic Development implemented the project 'Business Youth - A Program for Mentoring and Education for Young Entrepreneurs' in the period May - December 2018, with the financial support of the United States Agency for International Development (USAID). The project aims to support the development of entrepreneurship among youth in Montenegro.

The project foresees that mentors who are already experienced entrepreneurs, over a period of 7 months, monitor the work of young entrepreneurs, provide them with advice and transfer knowledge and experience.

Following public calls, 11 mentors and 18 young entrepreneurs entered into programme and worked intensively. For the purpose of mentoring programme, IPER created a manual for mentors and entrepreneurs - 'How to get the most out of the mentoring process?'

Social entrepreneurship

Even though the Law on Social Enterprises has not been adopted, IPER, in cooperation with five partners from Serbia, Macedonia, Bosnia and Hercegovina, Croatia and Turkey has started with the implementation of the regional project 'Sustaining civil society impact through social entrepreneurship and innovations in Bosnia and Hercegovina, Serbia, Montenegro, Macedonia and Turkey'. The project lasts for three years, until 2019, and its aim is to help in creation of environment for social entrepreneurship of civil society organizations (CSOs) and to improve their sustainability, financial viability and social impact.

Other activities in consistent with our status, mission and research areas:

It is worth to mention that IPER possesses deep experience in publishing sector.

Firstly, it is *Montenegro Business Outlook*, a quarterly publication of pertinent economic indicators presenting a comprehensive view of Montenegro's business environment. This publication is intended to serve international business people seeking investment opportunity in Montenegro.

Secondly, upon successful completion of every project, IPER publishes research paper, policy brief, policy paper or position paper, depending on the context and the topic concerned.

We are going to list a several papers published so far:

- *Policy analysis*
 - Youth unemployment in the northern region of Montenegro
 - Traditional Agricultural production in Montenegro
- *Policy papers*
 - Youth and Entrepreneurship in Montenegro
 - An authentic agro-tourism model for Montenegro (building upon the traditional agriculture and food production)
- *Policy brief*
 - Water or oil?
 - The Energy Union takes shape
 - What role for Montenegro in the European Energy Union?
 - Clusters as a development instrument for small and medium-sized enterprises in Montenegro
 - New rules for European carbon and energy markets.