



Unija poslodavaca
Crne Gore

MONTENEGRIN EMPLOYERS FEDERATION

**The strongest voice of
Montenegrin business
in the country and
internationally**



DIJALOG

DIALOGUE

RAST

GROWTH

Strong economy ←
→ **successful Montenegro**

SARADNJA

COOPERATION

PROSPERITET

PROSPERITY



The Montenegrin Employers Federation (MEF) is an umbrella employers' organization, representative both nationally and internationally. In the past two decades, we have reaffirmed our strong commitment to creating an environment for the development of sustainable enterprises, primarily through actions that focus on improving business environment, eliminating business barriers and strengthening the competitiveness of the economy. After 20 long, difficult and uncertain, but also very successful years, today the MEF is engaged in its essential mission, which is: an efficient state, a strong employer and a satisfied worker.

The business community is a major driver of job creation, economic and social progress. That is why we put our overall influence in the service of the economy - the one that creates, employs and builds the future of our Montenegro.

In the past, we have made a strong contribution to finding measures for better access to capital, equipment and new technologies, modernization of business, growth of exports and foreign direct investment, as well as improving the efficiency and transparency of the public services and the overall administration. We have significantly contributed to the establishment and development of social dialogue as an important pillar of democracy. We actively participated in the processes of creating more favorable business environment and helped employers to be finally recognized as heroes of their times, that is, those who support the budget even in times of crisis and economic instability, who employ workers and, at their own risk, invest in development and job creation.

A state characterized by observance of legislation, in which possible misunderstandings are resolved through negotiations, peacefully and through social dialogue, can expect economic development, better living standard and working conditions, and social justice. However, it is first necessary to create adequate preconditions, especially a business environment that is stable, predictable and enabling for the existing and new companies. Therefore, in our work we will continue to advocate for: the elimination of business barriers, reduction of the gray economy, reduction of taxes and contributions on wages, reduction of interest rates and easier access to loans, elimination of bribery and corruption, abolition of monopolies, reduction of municipal taxes and fees, and abolition of those that are not based on the law and the Constitution, attracting foreign direct investment, increasing the competitiveness of our economy while advocating for the protection of domestic production - to a degree that is in line with the rules of the European Union.

In the years to come, the MEF will be a strong partner to its social partners - the Government and the trade unions, as well as the most important international organizations with which we have successfully cooperated for many years - ILO, IOE, BusinessEurope. In our future plans, our esteemed members will continue to be our greatest support!

Slobodan Mikavica, MEF President

MEF in brief

The Montenegrin Employers Federation (MEF) was founded in 2002, as an employers' organization based on voluntary membership. By achieving representativeness in 2005, we have become an umbrella employer organization and an independent voice of business domestically and internationally. MEF is a social partner (since 2006), and thus the official representative and protector of the interests of employers in the relations with the Government and the trade unions.

We founded the Business Women Association of Montenegro and helped establish numerous employers' associations at the local and sector level.

For almost two decades, we have been encouraging the development of social dialogue and equal, partnership relations with representatives of the executive and trade unions, advocating for better business conditions - through greater efficiency of state administration, elimination of business barriers and promotion of business environment.



Our mission

The Montenegrin Employers Federation represents the interests of employers, improves business conditions and promotes responsible business practices, in order to create a modern, competitive and strong economy and a prosperous state of Montenegro.

Our vision

The leading employers' organization in the country, dedicated to building a business environment that is enabling for the development of sustainable companies and permanent, stable employment.



Our values



INDEPENDENCE

Autonomy and full independence in work, policy creation and decision making are the key principles by which we operate and act as a legitimate representative of Montenegrin employers.



TRANSPARENCY

We show openness, clarity and full transparency in our business on a daily basis, through all reports, adopted decisions, policies, as well as the work of the MEF bodies.



EQUAL TREATMENT OF MEMBERS

Our members are equal, regardless of size and activity, and have the same rights in proposing activities, initiatives and policies, participating in the work of MEF bodies and using all the benefits of MEF membership.



SOCIAL RESPONSIBILITY

Our priorities are in line and lean on the UN Sustainable Development Goals and the universal principles of the UN Global Compact in the areas of human rights, labor rights, environmental protection and anti-corruption.



ETHICAL, PROFESSIONAL AND LAWFUL OPERATIONS

The Code of Ethics for Employers (adopted in 2005) and all the successes we have achieved confirm our commitment to business based on the law, ethical principles and professional work standards.

Three MEF priorities



1

IMPROVING THE BUSINESS ENVIRONMENT

We create a business environment that is stable, predictable and enabling for sustainable development of enterprises. Montenegro needs successful companies - they are a generator of economic growth, increase in employment, increase in the living standard and prosperity of society as a whole.

2

COMPETITIVENESS OF THE ECONOMY

The strength of the business community also determines the strength of the state. As a responsible social partner, we are committed to cooperation and consensus with the Government and trade unions on all issues that regulate the status and directly affect the position of employers and employees. With such an attitude, we strengthen the economy and build a prosperous state of Montenegro.

3

SUSTAINABLE DEVELOPMENT

Economic growth, employment and decent work are the basic principles of our action. Looking to the future, we strongly encourage and promote innovation and digital transformation, the green economy, skills development and education that responds to the needs of the labor market.

Representing its members

As a social partner, MEF is actively involved in social dialogue at the bipartite and tripartite level. MEF is a member of the Social Council at the national level and carries out special activities in the process of forming local Social Councils. Together with the government, the social partners and policy makers, MEF is continuously working on creating an environment in which entrepreneurship is encouraged, business environment is improved and economic growth is strengthened.

MEF represents the interests of employers through participation in bodies with different powers and functions at the national level. In this area, of particular importance are: the Competitiveness Council, the Privatization and Capital Projects Council, the Statistical System Council of Montenegro, the Partnership Council for Regional Development, the Council of the Fund for Professional Rehabilitation and Employment of Persons with Disabilities, the National Education Council and the National Sustainable Development Council.

Also, the MEF representatives are members of several management boards (MB), namely: MB of the Labor Fund, MB of the Health Insurance Fund, MB of the Pension and Disability Insurance Fund, MB of the Employment Agency of Montenegro, MB of the Agency for Peaceful Settlement of Labor Disputes, MB of the Limited Liability Company "Rekra". In addition, MEF participates in the work of numerous working groups, commissions, and advisory bodies at the national and local level.

International positioning

Through the cooperation with related international organizations, forums and bodies, MEF contributes and actively participates in the processes that introduce both employers and the state of Montenegro to the European and global trends.

We work closely with the International Labor Organization (ILO), and we have been working in line with its principles and standards since our establishment. We are a member of the strongest global network - the International Organization of Employers (IOE) and leading European organizations - the Association of European Employers' Organizations (BusinessEurope), and co-founder of the Adriatic Region Employers Center (AREC).

MEF is a member of the EU-Montenegro Joint Consultative Committee (JCC), a body established under the EU-Montenegro Stabilization and Association Agreement.

MEF is a signatory of the *UN Global Compact* - the United Nations Strategic Initiative for Companies.

We cooperate with numerous employers' organizations, international forums and bodies, as well as other entities at the international level. We have signed cooperation agreements with all employers' organizations in the region and numerous organizations in the EU and the world.



International
Labour
Organization



MEF membership

Our members are entrepreneurs, micro, small and medium size enterprises, large economic systems, as well as business associations formed at the sector and local level.

Through our daily activities, for 20 years, we support them in business and development of economic activities, represent them and protect their interests, connect them, network with partners from the region and wider, promote them, reward them... We offer to the business community we gather the conditions to do what they know best, and that is to create, develop and employ.

Join us,



become a part of our organization!

Membership structure

Members of the MEF operate in all three regions, and perform their activities in various sectors of the economy. Bearing in mind that about 99% of the Montenegrin economy consists of micro, small and medium size enterprises, economic entities belonging to this category constitute major part of our membership.

Agriculture

Processing industry

Education and consulting

Services

Healthcare

Banking and insurance

Textile industry

Energy

Mining

Information and communication

Tourism

Trade

Construction

Metallurgy and mechanical engineering

Traffic and transport

Telecommunications and IT

Chemical industry

Crafts

Membership benefits

Membership in MEF is voluntary, and can be individual (for companies) and collective (for associations). Accession to the Montenegrin Employers Federation ensures access to a large system of support and numerous benefits that are important for the development and success of business operations.

INFORMATION

We provide information on legislation and prescribed obligations, compliance with legal norms, open calls, competitions and support programs, and other important issues.

EDUCATION

We organize workshops, seminars, round tables, conferences and other forms of education for businessmen. We also discuss topics that are relevant for business activity in publications that we publish regularly.

PROMOTION

We organize events intended to promote those who stand out with their business operations and achieved results. At the annual level, traditionally, we organize the award ceremony "MEF award for corporate social responsibility " and awards for "The best female managers in Montenegro".

LEGAL SUPPORT

We provide free legal advice services in all areas that are relevant for the operations of the company. We especially highlight consulting in the field of labor legislation.

REPRESENTATION

We protect the rights of employers and represent their interests in relations with state administration bodies, local self-governments, and institutions, professional organizations and associations.

NETWORKING

We encourage the cooperation between the MEF members and connect them with businessmen and associations of employers, entrepreneurs, small and medium-sized enterprises at the regional and international level.

Services to members

MEF PROTECTS GENERAL AND INDIVIDUAL RIGHTS AND INTERESTS OF MEMBERS, NOTABLY:

- With regard to legislation in the field of labor and social welfare
- In the relations with authorities and bodies of the state administration, regional and local self-government, as well as trade unions
- In the field of collective bargaining and conclusion of collective agreements, as well as in labor disputes.

MEF PROVIDES TO ITS MEMBERS:

- Quality business information and information regarding legislation and other regulations relevant for the operations of the companies
- Representation in the relations with the Government, trade unions, other administrative bodies, other domestic and foreign institutions and organizations
- Free legal advice
- Participation in workshops and round tables under preferential terms and organization of such activities based on the needs of MEF members
- Discounts and participation in the project of mutual solidarity of employers "Employers for employers"
- Direct involvement in the largest global network of employers, which brings together 145 employers 'organizations, members of the IOE (International Employers' Organization)
- Participation in international gatherings, fairs and forums of employers
- Information on EU standards and regulations
- Special contract with the General Secretariat and other services in accordance with the specific needs of the company.

BY CONNECTING COMPANIES AND ENTREPRENEURS IN THE COUNTRY AND INTERNATIONALLY, **MEF HAS CONFIRMED ITSELF AS AN INDEPENDENT VOICE OF BUSINESS IN MONTENEGRO**

What did MEF achieve so far?

The strength and success of the business community also determines the strength of the state. That is why the MEF has been dedicated to representing and protecting the interests of employers for years, through activities aimed at creating conditions for the growth and sustainability of economic activities of Montenegrin businessmen. Although the results of our work are numerous, we wish to mention a number of them:

- A new Branch Collective Agreement for Tourism and Hospitality was signed, and it is harmonized with the Labor Code;
- Extended validity of the Branch Collective Agreement for Telecommunications until 8 October 2024;
- Introduction of the Register of Charges, as an integrated, centralized and electronically kept records of (fiscal and parafiscal) charges in Montenegro;
- Reduction of the cost of wages due to the abolishment of the health insurance contributions;
- Introduction of a non-taxable part of the wage (up to EUR 700 gross);
- Delayed beginning of application of the Law on Fiscalization in the trade of goods and services for a period of one year (1 January 2021);
- Abolition of 8 local communal fees with the introduction of maximum amounts for the remaining three;
- 72 fees reduced and 49 fees abolished;
- Abolition of the possibility of charging communal fees for billboards and masts on privately owned surfaces and buildings;
- Introduction of prior consent of the Government of Montenegro to decisions of local self-governments on local utility and administrative fees;
- Introduction of prior consent of the Government of Montenegro to decisions of local self-governments on fees for road use;
- Reduction of the health insurance rate paid by employers from 4.3% to 2.3%;
- Abolishing the obligation of the employer to announce vacancies in cases of extension of employment with the same employee or his taking over on the basis of an agreement with another employer;
- Providing the employer with the opportunity to independently assess the abilities of the employee on probation, i.e. without the obligation to form a special Commission;

- Extension of the maximum duration of a fixed-term employment contract from 24 to 36 months;
- Introduction of temporary deployment of employees in emergencies;
- In order to prevent possible abuse, an obligation of the employee to submit to the employer a certificate that confirms initiation of the sick leave has been established;
- Introduction of the requirement that the employee must be employed by the employer for at least 18 months in order to be entitled to severance pay in the event of redundancy;
- Simplification of the procedure for establishment of accountability of employees;
- Introduction of a notice as a measure in case of minor breach of duty;
- Introduction of conditional termination of employment as a measure in case of a serious breach of duty;
- Introduction of the institute of statute of limitations for claims arising from employment relationship after 4 years;
- Introduction of a single residence and work permit for foreigners;
- Abolition of quotas for foreigners by occupation;
- Introducing the possibility for a foreign executive director to be able to work with several employers at the same time;
- Exemption from the obligation of employers (up to 10 employees) to pay a special contribution for professional rehabilitation and employment of persons with disabilities;
- Introduction of the institute of wage compensation during interruption of work that arises without the fault of the employee;
- Decision of the Ministry of Health to abandon its original proposal that the wage compensation during sick leave on the basis of pregnancy for the first 60 days be paid by the employer;
- Simplification of the company registration procedure;
- Revocation by the Constitutional Court of the decision of the Water Supply and Sewerage Company of Podgorica on determining the price of delivered water and services of waste water disposal and treatment services;
- Abolishment of the need to present the certificate from the records of the Employment Agency of Montenegro (EAM) in the further procedure of issuance of work permit for foreigners in Montenegro;
- Amended provision by which owners of business space paid three times more than homeowners for the cost of maintenance of residential buildings;
- Reduction of VAT rate from 21% to 7% for the hospitality sector.

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