

Introduction

Montenegro is a country located in Southeastern Europe. It has a coast on the Adriatic Sea and is bordered by Croatia, Bosnia and Herzegovina, Serbia, Kosovo, and Albania. The geography of Montenegro is varied from mountain ranges along Serbia and Albania to a narrow Adriatic coastal plain. The government system is a republic; the chief of state is the president, and the

head of government is the prime minister. Montenegro has a service based market economy in which the prices of goods and services are determined in a free price system. Montenegro is a member of the Central European Free Trade Agreement (CEFTA).



Location: Southern Europe

Capital City: Podgorica (+1 GMT)

Chief of State: President Milo Djukanovic

Head of Govt.: Prime Minister Duško Markovic

Currency: Euro (EUR)

Major Languages: <p>Serbian 42.9%, Montenegrin (official) 37%, Bosnian 5.3%, Albanian 5.3%, Serbo-Croat 2%, other 3.5%, unspecified 4%</p>

Primary Religions: <p>Orthodox 72.1%, Muslim 19.1%, Catholic 3.4%, atheist 1.2%, other 1.5%, unspecified 2.6%</p>

Calling Code: 382

Voltage: 220

Key Websites

Main Government Page: gov.me

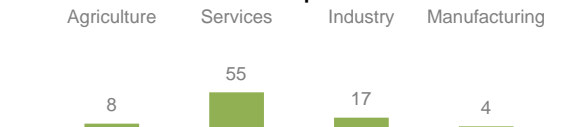
Commerce Ministry: mek.gov.me

Investment Promotion Agency: mipa.co.me

Key Economic Facts

| | |
|--|---------------------------|
| Income Level (by per capita GNI): | Upper Middle Income |
| Level of Development: | In Transition |
| GDP, PPP (current international \$): | \$12.05 billion (2017) |
| GDP growth (annual %): | 4.70% (2017) |
| GDP per capita, PPP (current international \$): | \$19,354.93 (2017) |
| External debt stocks, total (DOD, current US\$): | \$3,138,033,056.90 (2017) |
| Manufacturing, value added (% of GDP): | 3.76% (2017) |
| Current account balance (BoP, current US\$): | -\$0.88 billion (2017) |
| Inflation, consumer prices (annual %): | 2.38% (2017) |
| Labor force, total: | 258,402 (2018) |
| Unemployment, total (% of total labor force) (modeled ILO estimate): | 15.46% (2018) |
| Imports of goods and services (current US\$): | \$3.12 billion (2017) |
| Exports of goods and services (current US\$): | \$1.99 billion (2017) |

GDP Composition %



**Although Manufacturing is included in the Industry figures, it is also separately reported because it plays a critical role in economy.*

Rankings

| Index | Rank |
|---|----------|
| Corruption Perceptions Index | 64 / 178 |
| Global Competitiveness Index | 71 / 139 |
| Global Enabling Trade Index | 62 / 136 |
| Index of Economic Freedom | 92 / 179 |
| International Logistics Performance Index (LPI) | 77 / 160 |
| KOF Index of Globalization | 63 / 185 |
| Networked Readiness Index (NRI) | 51 / 139 |

Risk Assessment (Provided by Coface)

Country rating: B - Political and economic uncertainties and an occasionally difficult business environment can affect corporate payment behavior. Corporate default probability is appreciable.

Business Climate rating: A4 - The business environment is acceptable. Corporate financial information is sometimes neither readily available nor sufficiently reliable. Debt collection is not always efficient and the institutional framework has shortcomings. Intercompany transactions may thus run into appreciable difficulties in the acceptable but occasionally unstable environments rated A4.

Strengths

- Tourism potential (sea, mountain, climate)
- Hydroelectric potential
- Use of the euro
- Negotiations for accession to the European Union
- Good quality education and health

Weaknesses

- Modest market
- Dependence on tourism, construction, energy
- Power generation largely based on subsidized coal
- Deficient road and electricity networks
- Structural unemployment (14%); lack of qualified personnel
- Importance of ethnic voting; absence of political alternation
- Poor business environment
- Large informal economy (25% of the workforce) and low participation rate (56%)

U.S. Embassy

U.S. Embassy Podgorica
 Dzona Dzeksona 2
 81000 Podgorica Montenegro
 Phone: +382 (0)20 410 500

<https://me.usembassy.gov>