

# OBSERVATORY OF ILLICIT ECONOMIES IN SOUTH EASTERN EUROPE

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## Summary highlights



### No lockdown for the Kotor gangs

For more than five years, there has been a gang war between two criminal groups from Kotor, on the coast of Montenegro. While most of Montenegro was in lockdown during the COVID-19 crisis, the killings continued. Despite the ongoing violence, the two leaders of the feuding Kavač and Škaljari clans, who were arrested with much ado in 2018, are now both out on bail. The new government in Montenegro has pledged to fight against organized crime and corruption. Will it be able to stop the cocaine war?



### Albanian cannabis moves indoors

Albania has gained the dubious reputation of being ranked as Europe's top cannabis producer. Some Albanian criminal groups, however, have been shifting their production operations to Western Europe, where they are cultivating cannabis indoors. And while Albania gets a bad rap, a recent high-profile drugs seizure in Serbia shows that there may be other hotspots of cannabis cultivation emerging in the region.



### Cash comes home for the holidays

Over the summer season, police in Albania seized several hundred thousand euros in cash at key border crossings and the airport in the capital, Tirana. This is just the tip of an iceberg: millions of euros of cash are smuggled into Albania every year, symptomatic of the illicit cash transfers in the Western Balkans that oil illegal economies.



### The Balkan Route and COVID-19: More restrictions, more misery

During 2015, tens of thousands of refugees and migrants moved through South Eastern Europe on their journeys to the West of the continent. Today, the so-called Balkan Route is largely closed: borders have been securitized, and desperate migrants and asylum-seekers are being pushed back. Some of the few winners in this crisis are migrant smugglers. We examine how a growing number of migrants are entering the Western Balkans from Greece via Albania, and the methods that are used to smuggle them. This story also highlights the impact that this is having in Bosnia and Herzegovina, where,



because of tight border controls with Croatia and fears of COVID-19, there is a growing humanitarian crisis.



### **Under the gun: Investigative reporting in Montenegro**

Vladimir Otašević, award-winning investigative journalist in Montenegro and editor of the crime and corruption reporting network LUPA explains to our researchers why

being a journalist investigating crime and corruption in Montenegro is a risky business. Otašević describes the media environment in Montenegro and the pressures faced from the government, criminals and the private sector. He concludes on a note of optimism, arguing that the new post-Djukanovic government in Montenegro could increase media freedom, strengthen integrity and improve the fight against organized crime.

## **ABOUT THIS ISSUE**

Welcome to the first issue of the Risk Bulletin produced by the Civil Society Observatory to Counter Organized Crime in South Eastern Europe, part of the Global Initiative Against Transnational Organized Crime (GI-TOC). This new monthly publication, modelled on similar risk bulletins produced by the GI-TOC's other regional observatories, will cover issues related to organized crime, illicit finance and corruption in the Western Balkans region.

The Risk Bulletin will focus on hotspots of organized crime in the Western Balkans, the political economy of organized crime, criminal markets and how corruption enables serious organized crime. While the bulletin will try to focus on timely stories, its objective is principally to assess and analyze risk posed by regional illicit economies. It looks at sectoral, local and national issues, where possible placing them in a broader regional context as well as highlighting the relationship to broader global criminal markets, flows, drivers and enablers. In the short term, we will have a special interest in analyzing the impact of COVID-19 on regional organized crime, as well as the ability and political will of the authorities in the region to counter the latter. Contributions come from our own research network in the region and other authors. Where relevant, we will cross-reference articles in the Risk

Bulletin to other GI-TOC publications for those interested in a deeper analysis.

This first edition focuses on a broad range of issues, including cannabis cultivation in Albania and how there appears to be a shift by Albanians to indoor cannabis growing in Western Europe; the impact of COVID-19 and the securitization of borders on the smuggling of migrants through the Western Balkans; the impact on the Kotor gang war of the pandemic and the new government in Montenegro; and the phenomenon of cash transfers in the Western Balkans. We also feature an interview with an investigative journalist on the challenges and risks of exposing corruption and organized crime in Montenegro.

A fundamental pillar of the GI-TOC's programming is to strengthen community resilience to organized crime. The Resilience Fund supports civil society, including in the Western Balkans, with projects and programmes that aim to bolster the antibodies of communities, groups and individuals who are vulnerable to crime. The Risk Bulletin will feature civil society actors in the region who are trying to strengthen resilience to organized crime.

If you have feedback or ideas for the Risk Bulletin, or would like to contribute to it, please contact [almedina.dodic@globalinitiative.net](mailto:almedina.dodic@globalinitiative.net).

# No lockdown for the Kotor gangs.

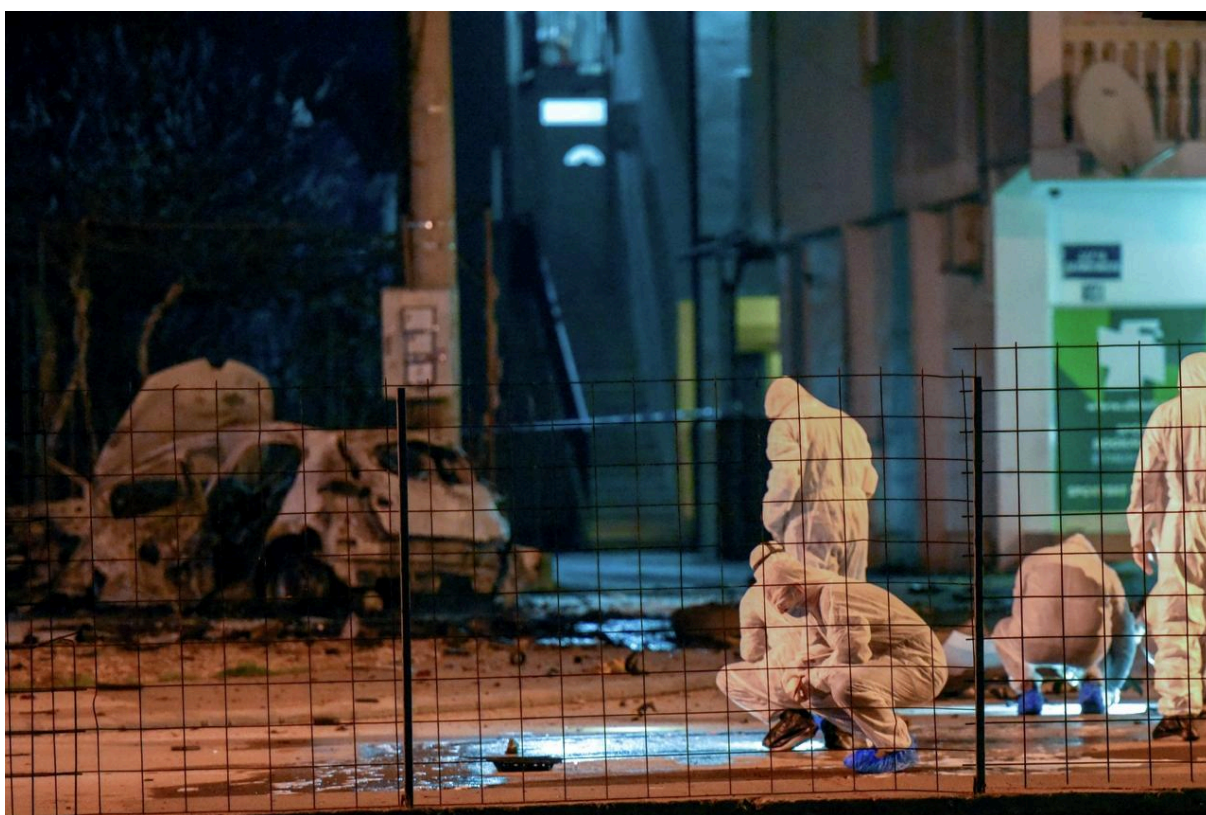
Montenegro was in lockdown for most of the spring. It was the last country in Europe to register a case of COVID-19<sup>1</sup>(on 17 March) and, 68 days later (on 24 May), it was the first European country to declare itself free of the virus.<sup>2</sup> But while the government trumpeted its firm handling of the pandemic, it was taking a less tough stance on organized crime. The bosses of the feuding Kavač and Škaljari clans, who were arrested in 2018, are now both out on bail under heavy police protection and, meanwhile, the cycle of retaliatory inter-gang killings continues unabated.

The tit-for-tat killings that have gone on in the Montenegrin underworld since a shipment of cocaine went missing in Spain in 2014 (which triggered a split in the criminal clans based in Kotor) continued during the COVID-19 crisis, regardless of the lockdown measures. One man was killed and another injured on 4 March when the car that they were in was blown up near a supermarket in the capital, Podgorica. A passer-by was also injured. Both men were known to the police; the

dead man is alleged to have been a member of the Škaljari clan.<sup>3</sup>

Later, four men tried to kill the alleged boss of the rival Kavač clan, Radoje Zvicer, in Kyiv on 27 May.<sup>4</sup> And two members of the Škaljari clan were brutally murdered in a hail of machine-gun fire in Corfu on 23 July.<sup>5</sup> These killings follow a pattern analyzed by the GI-TOC in a report published in July 2020, 'Making a killing: What assassinations reveal about the Montenegro drug war'.<sup>6</sup>

Two high-ranking members of the rival clans have recently been let out of jail. At the end of July 2020, the alleged leader of the Škaljari clan, Jovan Vukotić, who had been arrested in Turkey in 2018, was released because the prosecution did not complete indictment within the time limit prescribed by law.<sup>7</sup> Vukotić had been charged with attempted murder and illegal possession of weapons and explosives. He had previously served a 15-month sentence for using a false passport. His bail follows the release of Slobodan



**Forensic experts look for clues after a car bomb explosion in Podgorica, Montenegro, in March 2020 in which a Škaljari clan member is thought to have been killed.**

© PetarJovanovic/eStock

Kaščelan (also Kascalan), the alleged head of the Kavač clan, who was arrested in Prague in December 2018.<sup>8</sup> Kaščelan was released in December 2019 after posting bail of almost half a million euros. The prosecution has claimed that Kaščelan ran a criminal group involved in drug smuggling, money laundering and extortion.<sup>9</sup>

Despite the bloody and protracted nature of this gang war, which is tarnishing the reputation of Montenegro, it received almost no attention from politicians during the campaign for the parliamentary elections that took place on 30 August. Would a new government in Montenegro have the appetite to stop the cocaine clan war? There are signs that a potential coalition government might take a harder stance against organized crime – at least on paper. In the cooperation agreement between the three coalition parties signed on 8 September 2020, the three leaders pledged that 'the new democratic government in

Montenegro will completely depoliticise key government institutions with a view to ensuring an uncompromising fight against organized crime and corruption.<sup>10</sup>

In reality, it will not be easy for the new government to break the networks created by the Kotor clans that have become entrenched within the country and further afield thanks to revenue they have amassed from cocaine trafficking from Latin America to Western Europe. It should also be kept in mind that although the Democratic Party of Socialists now find themselves voted out of power for the first time in 30 years, the party leader, Milo Djukanovic, remains the country's president. But dealing with this issue, with support from abroad, would demonstrate that the new government is both willing and able to make a clean break from some of the shadier aspects of the country's recent past.

## Notes

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# Albanian cannabis moves indoors.

Albania is notorious for its cannabis cultivation industry. In 2014, one village, Lazarat, was even dubbed by the BBC as Europe's 'outdoor cannabis capital'.<sup>1</sup> But, for a number of reasons, there seems to be a shift in the source market as Albanians are becoming more involved in growing cannabis indoors in Western Europe.

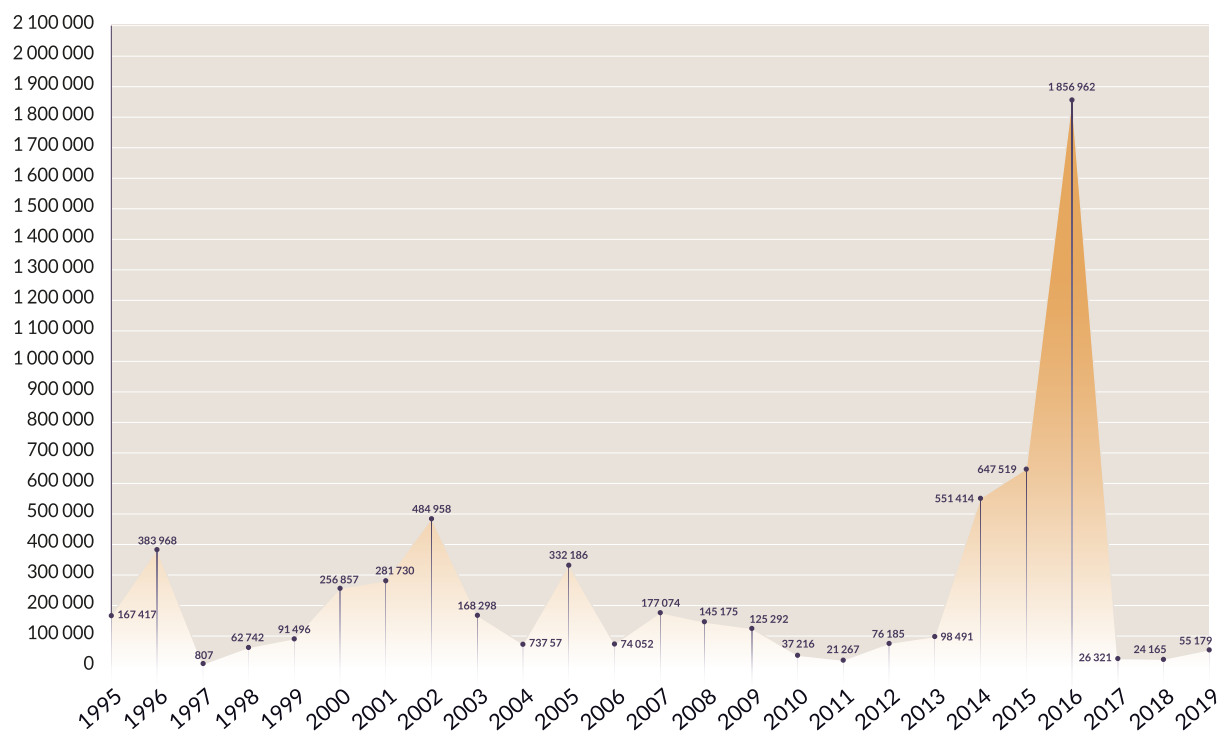
Significant amounts of cannabis have been grown in Albania since the early the 1990s. Following the collapse of communism, the country became a major source of cannabis for the European market. Albania has favourable growing conditions, and the market was stimulated by weak governance, corruption and geography – the country is close to Greece, Italy and central Europe. Poverty and opportunism in the wake of a chaotic transition to democracy and a free market economy also led to a surge in Albanian cannabis production.<sup>2</sup>

Within a decade, as growing techniques became more efficient and trafficking routes more established, cannabis cultivation in Albania grew into a billion-euro business. This illicit economy supported the livelihoods of tens of thousands of farmers, injected drug profits

into politics and business, and enriched Albanian traffickers at home and abroad.

Although cannabis has been produced the length and breadth of the country, by the early 2000s the epicentre was a village in the south called Lazarat. It became a dark yet open secret, an untouchable area of cannabis cultivation that enriched the local economy, politicians and traffickers. A change of government in 2013 followed by pressure exerted by the international community led to a major crackdown, involving at one stage a protracted gunfight between police and well-armed cannabis growers, in Lazarat in June 2014.<sup>3</sup>

However, the problem was not solved by the intervention – it was merely displaced. Cannabis cultivation swept across the country in 2016, a year that saw a bumper crop and massive profits.<sup>4</sup> Instead of being concentrated in a few isolated areas like Lazarat and the Dukagjini Highlands in the north, the valuable weed was soon being grown in almost every part of the country. This enabled Albanian traffickers to move up the value chain – investing their cannabis profits in the



**FIGURE 1** Number of cannabis plants eradicated in Albania between 1995 and 2019 (data for 2015–2019 extracted from June–December timeframe).

Source: Albanian State Police



**FIGURE 2** Areas of cannabis cultivation in Albania in 2019.



cocaine market, and some soon became big players in Latin America and Western Europe.<sup>5</sup>

Robust police crackdowns since 2017 seem to have had the effect of thwarting cannabis cultivation in Albania. There may be a slight increase in 2020 production levels, although it is too early to tell, especially given the impact of COVID-19 on the crop, as the pandemic hit at around the time when cannabis seeds are sown. On the one hand, farmers may have experienced setbacks in their production because of the lockdown restrictions; on the other, police were probably less vigilant because of other priorities. According to the latest data from the Ministry of Internal Affairs, during June 2020 police eradicated 36 044 plants, more than twice the amount (14 595) seized in the same month in 2019.<sup>6</sup>

Unlike five years ago, when cannabis could be obtained for between €150 and €700 a kilogram, today the wholesale cost is €1 300 because of relatively limited supply. While costs are higher, so too are the risks. Transporting a kilogram of cannabis – for example by speedboat across the Adriatic to Italy – allegedly costs around €300 a kilogram. Police have also become more vigilant in Albania and neighbouring countries, making drug trafficking an increasingly risky business.

Today, although Albania remains Europe's top cannabis producer,<sup>7</sup> some criminal groups seem to be shifting their operations to Western Europe, where there is higher demand and less associated risk. Over the past four years, the trend – which can be seen in police activities in Western Europe – seems to be that entrepreneurial Albanian criminals are investing in cultivating indoor cannabis in countries like Spain, the Netherlands, Belgium and the United Kingdom. The market forces behind this shift are conducive – demand is high in Western Europe, and so too are profits. A kilogram of cannabis grown indoors in a Western European country sells for around €3 000. That's about a third more than what Albanian-grown cannabis fetches in Western Europe. When one includes the costs and risks of trafficking the drugs from Albania, the advantages of siting production nearer the end market are clear.

Growing cannabis indoors also makes for a better-quality product. Outdoor cannabis, like any other crop, is vulnerable to weather conditions and other risks that can jeopardize the harvest. Growing cannabis indoors can be done in a controlled environment, the potency or level of THC (the psychoactive substance in the drug) can be regulated, and constant light and controlled



**Indoor cannabis cultivation.**

© Uriel Sinai/Getty Images

watering can accelerate the production cycle, enabling a harvest every three to four months.

Although farmed cannabis may have significantly dropped off in Albania, Albanians seem to be still active in cannabis cultivation elsewhere. This shift in supply is likely to lead to a corresponding refocusing on the part of law enforcement, with Western European agencies having to deal with a problem now closer to home. Meanwhile, the reduction in cannabis cultivation in the Albanian countryside, which provided a livelihood for many farmers, should be accompanied by a stronger focus on socio-economic assistance to reduce the chances<sup>8</sup> of a return to dependency on the drug-production economy.

It is worth noting that there are signs of cannabis cultivation happening elsewhere in the Western Balkans. In a recent high-profile case, police in Serbia arrested the owner of an organic food company, Predrag Kolvija, after 65 581 cannabis plants, around 650 kilograms of dried marijuana, with a total weight of around 3 954kg (4 tonnes) as well as weapons, surveillance equipment and a car equipped with police markings were

discovered on the property of his Jovanjica company in Stara Pazova, Vojvodina.<sup>9</sup> It is one of the biggest drug hauls in Serbian history.<sup>10</sup> The trial, involving the food company owner and eight co-accused, started in July. The case is attracting attention because of the alleged political contacts of the accused as well as accomplices in the state security services.

It remains to be seen whether this is an isolated case or part of a wider trend of increased cannabis cultivation in Serbia and the region. Small cannabis seizures have been reported in Kosovo (where police found 1 753 cannabis plants between January and June 2020),<sup>11</sup> and in Bosnia and Herzegovina where, in June, the State Investigation and Protection Agency discovered an indoor growing site in Sarajevo,<sup>12</sup> while small plots of outdoor cultivation have also been reported. In North Macedonia, cannabis cultivation for medical purposes has been possible since 2016, although with strict provisions and high criteria for obtaining a license.

The GI-TOC will shed more light on drug markets in the Western Balkans in a report to be issued in early 2021.

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# Cash comes home for the holidays.

Between June and August this year, police in Albania seized several hundred thousand euros in cash at key border crossings and the airport in Tirana. This is the tip of an iceberg of millions of euros worth of cash that is smuggled into Albania every year, and symptomatic of the importance of illicit cash transfers in the Western Balkans.

While border controls in the region usually focus on intercepting and seizing illicit tobacco, drugs and other counterfeit products, less attention is paid to the smuggling of cash. Much of it is from the proceeds of crime.<sup>1</sup>

Crossing the border with cash poses few risks. Criminal proceeds generated in the European Union (EU) and the UK are often hidden in compartments of cars and in trucks, and transported across the borders. According to a recent report by the GI-TOC on illicit financial flows, criminal actors also ask family, relatives and friends to bring cash back into the region in exchange for a small fee. Even people making a licit income abroad but who are paid in cash often entrust individuals with EU and UK passports (as well as US, Canadian and other 'strong' passports) to bring the money back home for them.<sup>2</sup> A

truck driver explained how one can earn a commission of 10 per cent of the total cash being transported. Albanian criminals working in the UK, referred to as 'London boys', are known to pay well.<sup>3</sup> Cash smuggling tends to increase during the summer months as people working abroad return home for the holidays.

The table shows incidents of seizures of cash being smuggled into or out of Albania between June and August 2020, including at the airport in Tirana (the Rinas border).

These figures pale in comparison to a prominent case in June 2018 when €3.4 million was seized at the port of Durres in a trailer coming from Belgium (which is a major entry point for cocaine smuggled from Latin America to Western Europe).<sup>4</sup>

Moving cash between and within countries of the Western Balkans is comparably easy to conceal since large portions of every-day economic activity are cash-based. It is even common to make large, high-value payments, such as purchasing luxury property, using cash. Although most of these transactions are informal rather



**Banknotes to the value of €16 000 are hidden in a plastic bag in the cab of a truck heading for Kosovo seized at the Blace border crossing in North Macedonia, June 2020.**

© North Macedonia customs agency, <http://www.customs.gov.mk/index.php/mk/informacii-mk/vesti-mk/2584-otkrieni-migranti-i-zapleneta-razna-stoka-devizi-domashna-rakija-cigari-i-falsifikati>

Place	Date	Amount seized
Durres	13 June 2020	€498 850
Rinas	3 July 2020	€18 500
Rinas	3 July 2020	€12 900
Morine	5 July 2020	CHF 77 160
Rinas	7 July 2020	GBP 15 000
Tre Urat	9 July 2020	GBP 26 820
Durres	28 July 2020	€78 730
Rinas	31 July 2020	€15 000
Rinas	5 August 2020	GBP 22 000
Rinas	28 August 2020	GBP 31 850
Rinas	28 August 2020	GBP 10 000

**FIGURE 3 Seizures of smuggled cash, Albania, June to August 2020.**

Source: Information provided by the Albania General Directorate of Customs

than illegal, they create the space for illicit actors to extract, move and absorb large amounts of value without ever leaving a trace on the formal financial systems.

Why enact payments using large amounts of cash as opposed to bank transactions or fast-money transfers? Is there a lack of trust in the system, or do people have something to hide? Or is it a more systemic problem related to the fact that many people in the country (particularly in the north) do not have bank accounts or access to ATMs?<sup>5</sup> Whatever the reason, the lack of transparency certainly arouses suspicion. There are reports of powerful businesspeople working in the region who carry significant sums of cash between the countries but are considered to be ‘untouchable’ by customs officers. In an interview, a customs officer referred to a businessman who is suspected of transporting cash between Albania and North Macedonia as he has investments in both countries. The

officer said: ‘No one dares to check the trunk of his car because of how powerful he is. Nobody would stop him and [inspect] his car.’<sup>6</sup>

In short, this is an issue that requires greater scrutiny from law enforcement. Governments should train and encourage border personnel, including police and customs workers, to prioritize addressing cash smuggling instead of limiting their focus on drugs and goods. To accommodate this reprioritization, it may be necessary to increase the number of agents and provide additional technical capacity for detecting cash smuggling (such as cash-detection dogs and X-ray-scanning technology). Furthermore, detection is insufficient. Deterrence would be enhanced by launching investigations into the origins of the detected cash. Dealing with cash transfer is an illicit practice that also requires a change in attitude, both by those who are smuggling cash and those who too often turn a blind eye.

## Notes

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# The Balkan Route and COVID-19: More restrictions, more misery.

Five years ago, tens of thousands of refugees and migrants moved through South Eastern Europe trying to head West. Today, the Balkan Route is largely closed: borders have been securitized, and desperate migrants and asylum-seekers are being pushed back. The humanitarian crisis has deepened as vulnerable groups are unable to move but have limited access to healthcare. Some of the few winners in this crisis are migrant smugglers.

While the number of migrants and asylum-seekers trying to move through the Balkans is significantly lower than during the peak of 2015, there are still people willing to take the risk. As the border between North Macedonia and Greece has become more difficult to cross, it appears that a major migrant flow has shifted to the west through Greece across its green border with Albania and then into Montenegro. In 2019, around 12 000 foreign nationals were intercepted in Albania, and around half of them applied for asylum (6 678), which is almost 11 times higher than in 2017.<sup>1</sup> The vast majority of these asylum-seekers and migrants are from Syria, followed by Iraq, Pakistan, Morocco, Algeria, Libya, Palestine and Afghanistan. This is creating an attractive market for smugglers. For example, in June 2019, Albanian police broke up a criminal group (led by a Turkish ringleader) trying to smuggle Syrians, Turks and Iraqis from Greece to Western Europe.<sup>2</sup> The following month, a smuggling network was busted trying to transfer eight Pakistanis from Greece via Albania to Montenegro. In 10 September 2020, Albanian police broke up a smuggling ring that was trying to transfer 16 migrants to the EU.<sup>3</sup>

To counteract this shift, Frontex – the EU's border and coast guard agency – began patrolling Albania's border with Greece in 2019. This was the first Frontex mission in the Western Balkans. In December 2019, the Montenegrin Defence and Security Council decided to deploy the army to assist border police. The outgoing Montenegrin government considered erecting a fence along its border with Albania, using wire that it received from the Hungarian administration. It will be up to the new government to decide if the fence will be built.

Today, the number of people on the move is relatively limited due to the securitization of borders and

COVID-related lockdowns. For example, in February 2020, the UN High Commissioner for Refugees recorded 2 633 newly arrived migrants in Serbia. In March, there were 1 669 new arrivals. By April, when the pandemic hit, only 270 new arrivals were recorded.<sup>4</sup>

The pandemic resulted in considerable restrictions within, and not only between, countries. In Serbia, a strict restraining order and curfew were put in place at 20 reception centres and centres for asylum-seekers. Refugees and migrants caught by police outside the camps were transferred back to one of those centres. In Bosnia and Herzegovina, migrants entering Republika Srpska are being encouraged to move on into the Federation of Bosnia and Herzegovina.<sup>5</sup> This is building up pressure in the north-east of the country in the area around Bihac in the Federation of Bosnia and Herzegovina, close to the border with Croatia.<sup>6</sup> As a result, entry to the Una-Sana Canton close to the Croatian border has been tightened to stem the influx of migrants.<sup>7</sup>

Most migrants and asylum-seekers are trying to transit the region. In Montenegro, for example, the people passing through are usually young men from Morocco, Algeria, Afghanistan, Iraq and Syria. The vast majority of those who apply for international protection leave Montenegro voluntarily – even before the decision on their application is made.

However, because of COVID-19 and the closure of the Balkan Route, it is becoming increasingly difficult for migrants and asylum-seekers to exit the region into Western Europe. This is creating a humanitarian crisis and a pool of increasingly desperate people who are vulnerable to smugglers.

The problem is most acute in the north-west of Bosnia and Herzegovina close to the border with Croatia (and therefore the entry point to the EU). An overflow of the existing camps in the Una-Sana Canton caused many people to sleep rough on the streets. This was rectified in the spring of 2020 with the opening of a new camp in Lipa. Currently, about 1 100 migrants are staying in the camp, which has capacity for 1 000.<sup>8</sup> However, eyewitnesses told our researchers that there are still several hundred migrants in the forest around the camp.



**FIGURE 4** Main routes for smuggling migrants in the Western Balkans.





**Asylum-seekers keep warm in an abandoned building at Bira camp in Bihac.**

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Frustrations among migrants seem to be increasing: there have been reports of fights among different ethnic groups within the camp in Sarajevo,<sup>9</sup> for example, related to access to key locations for begging in the capital. Local residents in Bihac and Velika Kladuša are also becoming frustrated and concerned not only about the rising numbers of migrants and refugees in their communities, but also about incidents of petty crime and fears of the spread of COVID.<sup>10</sup> Others are profiting from the situation by renting out their apartments or providing transportation to the migrants, for example moving people from the Una-Sana Canton in the direction of Tuzla, or on to Sarajevo. The price from Velika Kladuša to Sarajevo is said to be around €100 per person.

The bottleneck in the north-west seems to be causing some asylum-seekers and migrants, who are entering Bosnia from the south, to look east rather than west: there are recent reports of migrants trying to move

from around the Klobuk border crossing in southern Bosnia across the Montenegrin border in the direction of Niksic. According to sources from the Bosnian border police, more than 400 people a month try to take this route, and smugglers are charging from €200 to €1 000 per crossing (depending on where they are dropped off).

While the prices for smuggling reportedly increased after the lifting of the lockdown in early May – due to increased demand – they have since stabilized. Indeed, the price for crossing the Drina River, on the border between Serbia and Bosnia, has even reportedly been reduced (to approximately €200 per person), which suggests that business may be slow.<sup>11</sup>

It is unclear how organized this local smuggling economy actually is. In some cases, migrants attempt to cross the border without intermediaries. In others, the activity seems to be driven by opportunistic locals, or small-time



operators who know the ins and outs of the local terrain. Many of the people on the move are poor. Therefore, profits from smuggling depend on volume: either in the case of large groups moving at once, or a steady stream of small groups converging at the same crossing. Most of the people in these flows are moving from point to point, relying on tips from smugglers, friends or locals. Police are sometimes paid off to look the other way.

To travel longer distances safely, migrants turn to smugglers – if they can afford them. The longer the

distance, the higher the cost. The biggest profits are being made by those who can facilitate travel through the Western Balkans, for example from Turkey and Greece, via North Macedonia or Albania, Montenegro and Serbia, into Hungary or via Bosnia and Herzegovina into Croatia or Slovenia. There is evidence to suggest that there are networks involved in transnational organized crime.<sup>12</sup> For example, in early September 2020, five people were arrested by the Bosnian police,<sup>13</sup> including two Serbian citizens wanted by INTERPOL for smuggling and human trafficking.

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# Under the gun: Investigative reporting in Montenegro.

Vladimir Otašević, award-winning investigative journalist in Montenegro and editor of the crime and corruption reporting network LUPA, explains why being a journalist investigating crime and corruption in Montenegro is a risky business.



## How would you describe the media landscape in Montenegro? What is the role of public and independent media outlets, and those supported by international donors?

The media landscape in Montenegro is highly polarized. The media outlets are divided between those that support the outgoing government and those that try to do their job in a professional way. The latter have higher readerships, and enjoy financial support from the international community. However, independent media houses are struggling with low revenue streams. In this country, the influence of government has been so powerful that companies, many of which are connected with the state, do not want to place their advertising spend with media outlets that are critical of those in power. Journalists are also poorly paid, making it difficult for them to earn a decent living. The average salary for a journalist is a paltry 500 euros a month.

The public broadcaster in Montenegro has, for decades, been controlled by the ruling political group. In fact, it would be more appropriate to call it a *party* broadcaster. Its lack of objectivity has been noted by NGOs lobbying for freedom of the media and in international reports. We all agree that it is far from what the citizens of this country deserve from a public broadcaster.

## To what extent are journalists in Montenegro independent in their reporting?

Generally speaking, journalists in Montenegro, especially those who work for the pro-government media, are strongly influenced by the political regime. And in the independent media there is sometimes pressure from the big advertisers. Lack of media freedom here is a big problem, as evidenced by the numerous attacks on journalists for speaking the truth. In the last 18 years, there have been 70 reported attacks on journalists in Montenegro, including one murder.

## What kinds of stories does LUPA cover?

We publish stories mainly about organized crime and the involvement of politics in criminal markets. Our stories also cover corruption and abuse of power by public officials. We also focus on issues related to poverty and social injustice in Montenegro. All investigative journalism is of interest to us, but our main focus is to shine a light on the connection between organized crime and political elites in this country.

Last summer, we published a piece about how property owned by the President of the Parliament of Montenegro – whose party has been ruling the country for decades – was sold as part of a corruption deal. In the story, we also uncovered money-laundering activity. As a result of this story, the public prosecuting authority launched an investigation into the President of the Parliament's assets and the transactions around the property sale.

### **What are the main challenges that LUPA faces?**

Our primary concern is security because we write about some of the most powerful and dangerous people in the country. We try to mitigate the risks by using security applications on our mobile phones and devices. We suspect that we are under surveillance by the Montenegrin national security agency. Here, it is not unusual to draw this kind of attention – after all, it is alleged that even foreign diplomats face the same treatment. Another challenge is the need for sustainable financial support.

### **What are the main risks that journalists in Montenegro face when they investigate issues related to organized crime and corruption?**

To give you one stark example, 16 years ago Dusko Jovanovic, the editor of Dan newspaper, was killed in a drive-by shooting. The incident is still a chilling reminder to this day for journalists of the risks they face. In 2018, Olivera Lakic, a journalist from Vijesti newspaper was shot, but luckily survived. These and many other incidents that have occurred in this country, such as the death threat that I received in 2017 from the outgoing prime minister's brother, are daily reminders of the real dangers faced by journalists who investigate organized crime and corruption in Montenegro.

Smuggling of cigarettes and weapons, and drug trafficking are some of the most dangerous topics that you can cover as a journalist. People fear for their lives. And you put not only your own life at risk, but also those of people near to you. Take the example of Olivera Lakic. Before she was shot, she received threats that her daughter would be raped. This happened after she had written a series of investigative pieces about cigarette smuggling in Montenegro. Under these kinds of conditions, families, understandably, often try to deter journalists from their work.

### **What can be done to change the situation?**

There could be a major breakthrough with the new government in Montenegro. Montenegro is the only country in Europe that has had the same government since the fall of the Berlin Wall – the same people in power for three decades. The closer the connections between organized crime and people in decision-making positions in the state, the stronger the roots of organized crime grow and the harder it is to fight it. In countries where democracy is strong, organized crime is weaker. After 30 years of one-party rule, a strong democracy is unfortunately far from the case in Montenegro.

We hope that the new government is going to change the situation for good, and allow freedom of the media and a better environment for journalists. We also hope that the new government will take concrete steps to fight corruption. We expect transparency about the deals of the previous government and any new agreements that this new government enters into. Transparency is an important concern for journalists, as it has been so lacking for so long. For example, the outgoing government considers budget expenses to be a secret. This has got to end. Moreover, we really hope that this new government will amend the law on freedom of information, so that we can have greater access to state information.

We also look forward to reforms of the justice system. We would like to see the case of Dusko Jovanovic reopened, along with other unsolved cases in which violence has been deployed against journalists. This way, journalists would feel more supported and secure, and it might act as a deterrent against future intimidatory incidents of this nature.

### **What steps could help to build resilience to organized crime in Montenegro, and more generally the Western Balkans?**

An important first step is to have a better, more transparent government. The economic and social situation also needs to be improved with a drive for lower unemployment and better job prospects. It's very important to give communities affected by crime and corruption better economic and social opportunities, in order to avoid situations where poverty and lack of alternatives drive people into organized crime.

It is also vital that state law-enforcement bodies in Montenegro, such as the police and the prosecution service, tackle the criminal clans from Kotor that have been engaged in a bloody conflict since 2014. The failure to bring criminal prosecutions has led to the enormous enrichment of these two criminal groups and their collaborators. This should not have happened: such criminal groups should have been taken down at the very beginning, but there was clearly no political will on the part of the authorities. Perhaps a new government can tackle the problem more vigorously, with new brave people, political will and the necessary resources.

As journalists, we are going to follow closely the efforts of the new government and we will always be critical when things go wrong. It is important that the new government works in the best interests of the citizens of the country. If they don't, we will go after them. That is the job of the journalist.

The crime and corruption reporting network – LUPA – is a non-profit organization promoting and developing investigative journalism in Montenegro. It was founded in 2016 by a group of independent journalists. One of the main areas of LUPA's work is researching and reporting on organized crime and corruption in Montenegro and abroad. Specific objectives of LUPA are

assisting citizens and government bodies in the fight against organized crime; the promotion and protection of human rights; monitoring the work of government institutions; promoting regional cooperation among media and groups that advocate for anti-corruption and fight against organized crime. Since 2019, LUPA has been supported by the GI-TOC Resilience Fund.

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governance, development, inter-ethnic relations, security and the rule of law. SEE-Obs supports civil society in their monitoring of national dynamics and wider regional and international organized-crime trends. SEE-Obs was launched as an outcome of the 2018 Western Balkans Summit in London, a part of the Berlin Process.

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