

Trade and Competitiveness Monitoring Note

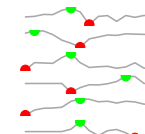


Montenegro

GDP (US\$ billions) (2016)	Population (millions) (2016)	Income per capita (current US\$) (2016)	Poverty rate (2013)	Unemployment rate (2014)
4.20	0.62	6,748.25	1.69	19.10

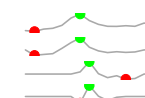
Macro Indicators

	Avg 2002-2011	2012	2013	2014	2015	2016
GDP growth (annual %)	3.661.4	-2.545.8	3.337.5	1.525.2	3.374.7	2.868.3
Current account balance	-20.327.2	-18.662.2	-14.627.3	-15.374.3	-15.981.0	-16.418.1
Fiscal balance (% of GDP)	-2.205.4	-5.890.7	-4.822.5	-1.362.1	-5.853.4	-5.466.1
Remittances, received (% of GDP) [1]	6.820.9	8.136.8	9.484.2	9.400.1	—	—
Real Effective Exchange Rate (2010=100)	87.195.4	97.438.4	101.054.1	99.700.3	95.241.2	95.760.1
Consumer Price Index, annual percent change	3.933.7	4.145.2	2.205.9	-0.710.5	-0.002.4	—



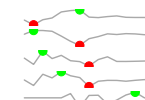
Investment indicators

	Avg 2002-2011	2012	2013	2014	2015	2016
Gross domestic investment (% GDP)	27	26	27	26	33	31
Gross domestic investment, of w: Private investment (% GDP) [1]	24	21	20	20	—	—
Inward FDI (% of GDP) [2]	22	15	10	11	—	—
Inward FDI, % of private investment [2]	87	83	NA	—	—	—



Trade Indicators

	Avg 2002-2011	2012	2013	2014	2015	2016
Total Trade in Goods and Services (% of GDP, real terms)	146.94	159.46	150.58	149.45	149.43	144.48
Trade balance (% GDP, real terms)	-39.38	-36.83	-33.46	-34.59	-37.58	-34.06
Exports, Goods and Services, annual percent change (real terms)	9.93	-1.21	-1.30	-0.44	0.67	1.55
Imports, Goods and Services, annual percent change (real terms)	12.84	0.94	-3.11	1.52	5.04	-1.79
Total reserves in months of imports [1]	1.98	1.89	2.39	2.65	—	—

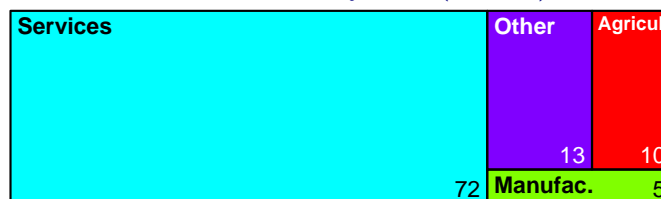


Sources: MFM note, [1] World Development Indicators (WDI), [2] UNCTADSTAT, [3] World Economic Outlook (WEO)

Goods Export and Import volume growth, 2012-2015

Data not available

Gross Value Added by Economic Activity 2013 (% GDP)



Source: Development Prospects Group (DECPG)

Source: World Development Indicators (WDI)

Top 5 Exports by % of Total Value, NA

Data not available

Doing Business 2015 Ranks (among all countries)

	DB 2015 Rank	DB 2016 Rank	Change in Rank
Dealing with Construction Permits	102	91	11
Ease of Doing Business Rank	47	46	1
Enforcing Contracts	43	43	0
Getting Credit	6	7	-1
Getting Electricity	162	163	-1
Paying Taxes	97	64	33
Protecting Minority Investors	33	36	-3
Registering Property	77	79	-2
Resolving Insolvency	33	36	-3
Starting a Business	55	59	-4
Trading Across Borders	42	42	0

Imports Categories by % of Total Value, NA

Data not available

Source: World Integrated Trade Solution (WITS)

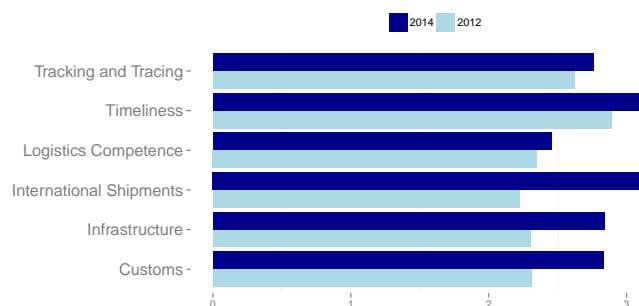
Source: Doing Business Report 2015

WEF Competitiveness Indicators (Scale 1-5, 5=best)



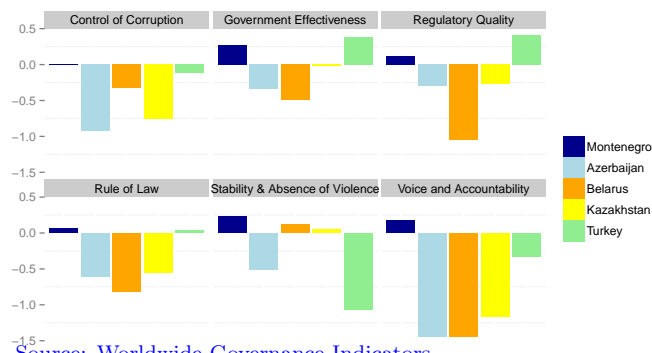
Source: WEF Global Competitiveness Report 2015

Logistics Performance Index (Scale 1-5, 5=best)



Source: Logistics Performance Index (World Bank)

World Governance indicators (Std. score, High=best)



Source: Worldwide Governance Indicators

Trade Policy

	2010	2014
Applied Tariff (Incl. Prefers. and Trade-Weighted)	3.4	2
Dispersion (Standard Deviation)	16.8	7.6
Import duties collected [1]	—	—
MFN Tariff (Agriculture)	13.3	10
MFN Tariff (Non-Agriculture)	3.9	2.8
MFN Tariff (Simple Average)	5.2	3.9
Services sectors with GATS commitments [1]	—	132

Sources: WITS, [1] WTO Trade Profiles

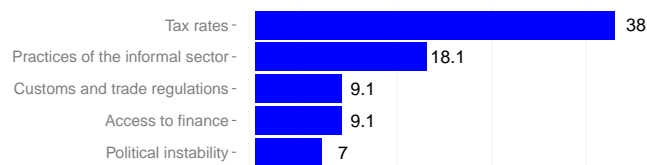
Private Sector's Views

Enterprise Survey 2013

	Montenegro	Europe and Central Asia	All Countries
Number of electrical outages in a typical month	2.60	2	6.30
Percent of firms with a bank loan/line of credit	54.90	—	34.30
Proportion of investment financed by banks (%)	16.60	—	14.30
Proportion of investment financed internally (%)	54.80	—	71.80
Senior management time spent dealing with the requirements of government regulation (%)	9.60	—	9.90

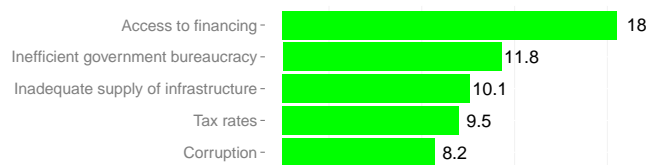
Source: Enterprise Survey 2013

Top 5 constraints according to ES 2013 (% respondents)



Source: Enterprise Survey 2013

Top 5 constraints according to WEF 2015 survey (% respondents among 88 executives)



Source: WEF Global Competitiveness Report 2015