



# Assessing Montenegro's digital maturity

February 2022

## Overview

The Covid-19 crisis has increased demand for and use of digital services. This note describes how the EBRD is supporting Montenegro's digital transformation. Its policy engagement centred on an assessment of Montenegro's digital maturity and ability to offer digital public services. The assessment took a comprehensive view of all relevant elements, resulting in a set of recommendations, categorised by importance, to enhance the country's digital transformation. The study and its findings served as a basis for the recently adopted national strategy and action plan for the digital transformation of Montenegro, which will further guide policy-making in this area.

## What was the context of the policy engagement?

The Covid-19 crisis has increased demand for digital services from the businesses and citizens of Montenegro. The government has prioritised digitalisation and decided to take a strategic approach to digital transformation. In February 2021 the Ministry for Public Administration, Digital Society and Media

approached the European Bank for Reconstruction and Development (EBRD), requesting support for a detailed assessment of Montenegro's digital maturity, with a focus on business-relevant e-services.

## What was the objective of the assignment?

The engagement was multi-faceted, to serve as a basis for future digitalisation reforms. The project aimed to assess the level of Montenegro's digital maturity and preparedness to implement e-governance reforms. The project team also provided key recommendations on the overall digital transformation process and proposed an optimal governance model that would facilitate implementation. In addition, the project looked at e-

government services that are particularly relevant to businesses. The findings served as a basis for developing a four-year strategy and action plan for Montenegro's digital transformation. The government adopted the strategy in December 2021, including the findings and recommendations of this study.

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## What did the digital maturity assessment involve and what were the key findings?

The assignment was entrusted to the e-Governance Academy, an Estonian think-tank with extensive experience in enabling digital transformation. The assessment focused primarily on extensive desk research and interviews with relevant stakeholders. The assessment took into account 12 dimensions of digital transformation, from political will, coordination and financing to the regulatory framework, databases, digital ID, skills and infrastructure. The team evaluated each element, then categorised it as “basic”, “useful” or “sustainable”.

Montenegro was found to have a “basic” level of digital maturity in seven dimensions, meaning organisations entered into sporadic e-government

activities as part of reactive processes, with no clear strategy or coordination in five areas. These included financing digitalisation, level of digital skill and access to services.

Seven dimensions were classified as “useful”. The right conditions had been created for digitalisation, but fell short when it came to implementation. These included political will and support, the legal framework, digital infrastructure and interoperability, digital identity/signature and security.

No element was considered “sustainable”, in other words, a fully developed e-government service with smoothly implemented digital processes.

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## What were the key recommendations?

The project team came up with three key categories of recommendation – critical, important and useful – to enable a smooth digital transformation.

The critical actions were to:

- compile key medium-term policy documents, such as a digital transformation strategy and public administration strategy
- implement organisational adjustments to improve the coordination of technology, financing, the regulatory framework, implementation and skills development
- formulate planning and budgetary principles, including key indicators such as share of information technology (IT) personnel and IT budget
- establish a catalogue of databases and standards to guarantee interoperability and to share data with private entities that need them to provide services.

The important actions were to:

- improve digital skills in a systematic manner, including in curricula at all levels of education, and introduce testing and certification of civil servants who use digital systems
- improve existing e-services by making them bidirectional or intuitive and, thus, available as needed to end users
- implement digital ID and digital signatures through joint engagement with the private sector
- introduce cybersecurity requirements for all digital service providers (not just the public

sector) and ensure close coordination on security controls and practices.

Useful interventions would be to:

- encourage public-private partnerships for e-governance
- support the development of the information and communications technology (ICT) sector, an important partner for government in the digital transformation of the economy
- involve end-users (businesses and citizens) in the digital transformation
- develop and implement a communications plan for the country’s digital transformation.

**The team also highlighted business-related e-services that needed more attention.** These included electronic company registration, healthcare services, geo-information services, an electronic procurement system and an electronic notary system. It also recommended involving the local ICT business sector in digitalising these services.

**Still, there are certain prerequisites to developing business-relevant e-services.** The authorities were advised to (i) implement digital identification (unified e-ID and digital signature); (ii) introduce national ID cards (using them as digital identification across the country); and (iii) roll out a government service bus (GSB) as a single information system for electronic data exchange, while ensuring that essential government web services were available and accessible to anybody who legally needed them. Meeting these preconditions and carefully monitoring the digital transformation process are seen as crucial enablers of a business-relevant digital transformation.

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