



## Annex III - Enhancing Systemic Support for Innovations and MSMEs Development Norway for You - Montenegro (Phase 2) Results Framework

OBJECTIVELY VERIFIABLE INDICATORS						
IMPACT (OVERALL OBJECTIVE)	OBJECTIVELY VERIFIABLE INDICATORS <sup>1</sup>	BASELINE	Y1	FINAL TARGET Y2	SOURCES OF VERIFICATION	
To contribute to diversification and competitive growth of Montenegro's economy.	The performance of the national innovation system	Montenegro - emerging innovator (2021)	--	Montenegro - moderate innovator (2023)	European Innovation Scoreboard	
	Financing of SMEs	Rank 51	--	Rank 48	Global Competitiveness Index of the World Economic Forum (Annual Reports)	
OUTCOMES (SPECIFIC OBJECTIVE)	OBJECTIVELY VERIFIABLE INDICATORS	BASELINE	Y1	FINAL TARGET Y2	SOURCES OF VERIFICATION	ASSUMPTIONS
SO1 To enhance efficiency and effectiveness of support provided for the development and	The number of MED supported competitiveness programmes and projects that benefit MSMEs.	10 Programmes/161 Projects	--	17 Programmes/220 Projects	MED documentation	The Government of Montenegro remains committed to supporting and

<sup>1</sup> Indicators at the level of impact (overall objective) and outcomes (specific objective) are aligned with the targets set in the Action Document or other relevant national policies. This Project, however, was developed at the time of the COVID-19 pandemic, which will have significant and predominantly negative effects on the development of countries, especially if the duration of this unprecedented crisis is prolonged. Modifications of these indicators, in consultation with the donor and key national beneficiary, should not be excluded, in order to more realistically project the Project's contribution to overall and regional country development.



transformation of MSMEs sector	The number of new or improved LSGs': administrative services (including e-services) targeting businesses; 2) programmes supporting entrepreneurship; 3) local tax schemes; 4) mechanisms for cooperation with local businesses.	0 (2021)	--	At least 6 (2023)	MED documentation	promoting MSME sector transformation and growth.
SO2 Strengthening innovation ecosystem in Montenegro to support diversification of economy and growth of innovative MSMEs sector	The number of MSMEs supported within new programmes of the Innovation Fund	0 0 (2021)	--	At least 30 (2023)	Innovation Fund annual report	Innovation is an essential driver of Montenegro socio-economic development that benefits consumers, businesses, and the society as a whole
<b>RESULTS</b>	<b>OBJECTIVELY VERIFIABLE INDICATORS (*)</b>	<b>BASELINE</b>	<b>Y1</b>	<b>FINAL TARGET Y2</b>	<b>SOURCES OF VERIFICATION</b>	<b>ASSUMPTIONS</b>
<b>Result 1: Enhanced capacity of the Ministry of Economic Development to design, implement, monitor and</b>	Operational Guidelines for Managing State Aid Programmes developed and integrated into the MoED operations, and implemented. The Guidelines presented to other relevant institutions of the Government and, where feasible, applied.	Not in place (2021)	In place and implemented by the MED(2022)	Implemented by MED and there are examples of other institutions/organisations applying Guidelines or	Regulations, processes, tools provided MoED documentation Project reports	The Ministry of Economic Development is committed to enhancing its approach to the implementation of MSME aid programmes.



<b>evaluate State Aid Programmes supporting MSMEs</b>				relevant parts (2023)		The business community in Montenegro is receptive and able to absorb the offered support.
	Number of MSMEs that enhanced performance through BSEs' grants (productivity, sales, export, environmental protection)	0 (2021)		At least 25 (2023)	Grants related reports and documentation	
	Information system for monitoring and assessing State Aid Programmes designed and operational, provides inputs for assessment, reporting, and programming	Not in place (2021)	In place (2022)	System facilitates programming and reporting (2023)	Information system provided MoED documentation Project reports	

2.



	Number of MoED users underwent and positively assessed training on the information system	0 (2021)	At least ten (2022)	--	Project documentation Training participation logs	
<b>Result 2: Enhanced business environment and support to MSMEs at the local level</b>	Guidelines for collaboration with the LSGs on issues related to development of MSMEs produced. The Guidelines are being implemented by municipalities.	Not in place (2021)	In place(2022)	In place and at least ten municipalities apply Guidelines (2023)	Guidelines provided	Local self-governments in Montenegro are willing and able to invest efforts in enhancing the local business environment.
	Number of LSGs and BSEs staff that benefited from workshops/functions related to enhancement of support to MSMEs	0 (2021)	At least 30 (2022)	At least 60 (2023)	Project reports and documentation Event attendance sheets	



	Number of LSGs receiving tailor made support packages related to creation of a friendly business environment	0 (2021)	At least three (2022)	--	Local self-government records Project reports	
<b>Result 3: Smart specialization implementation framework strengthened and newly established Secretariat of the Innovation Council fully functional</b>	Innovation Working Groups (WGs) for agriculture, energy-environment, tourism and ICT established and operational.	0 (2021)	4 WGs established, 8 WG sessions held (2022)	12 WG sessions held (2023)	Smart Specialisation Strategy of Montenegro Action plan;  Innovation WGs Reports/Documentation	Government committed to implement and monitor implementation of the S3 strategy
	White Paper for the next policy cycle of smart specialisation developed and presented	Not developed (2021)	--	Developed and presented (2023)		
	Number of sessions of the Council for Innovation and Smart Specialisation	0 (2021)	3 (2022)	4 (2023)		
	% of Innovation Council's Work programme fulfilled	0% (2021)	80% (2022)	100% (2023)		

22.



<b>Result 4: Institutional setting of the innovation system improved and capacities for governing it strengthened.</b>	Number of IF and MoED full-time employees with permanent contracts enabled to implement innovation programmes according to EU and international good practices	0 (2021)	15 (2022)	25 (2023)	Innovation Fund web page and annual reports	Innovation Fund plays a key role in developing and implementing government innovation policy based on the smart specialisation concept
	Number of IF Board of Directors enabled to implement innovation policies and programmes according to EU and international good practices	0 (2021)	5 (2022)	5 (2023)		
	Number IF Programs developed  Government (national and municipal) support to innovation is harmonised and implemented according to best-practice and EU acquis	0 (2021)  Not harmonised	4 funding programs and at least 6 different guidelines for implementation of programs developed (2022)  --	Calls for proposals published by IF and projects selected for support (2023)  Harmonised (2023)		



<b>Result 5: Capacities of the newly established Science and Technology Park of Montenegro (STP) strengthened for provision of high quality services for its tenants</b>	Number of services for supporting knowledge-based start-ups and SMEs with growth potential	0 (2021)	6 (2022)	8 (2023)	STP Annual Report	Montenegro developed Innovation ecosystem in accordance with the key national strategic documents
	Number of trainings for the STP personnel including the transfer of know-how	0 (2021)	8 (2022)	10 (2023)		
	Feasibility Study on the establishment and operation of the STP Laboratory Centre developed	Not developed (2021)	--	Developed (2023)		
	STP has established cooperation with similar institutions in neighbouring economies	Not established	--	Cooperation established (2023)		
Number of companies that are tenants and have made use of the STP premises	0	5	10			

Dr.



<b>Result 6: National Technology Transfer Office established in accordance with the scientific community capacities and market needs</b>	Feasibility Study on organisational structure of the TOO developed	Not developed (2021)	--	Developed (2023)	MED Annual Report	Montenegro developed Innovation ecosystem in accordance with the key national strategic documents
	Number of services provided by TOO	0 (2021)	10 (2022)	15 (2023)		
	Number of the trainings to the TTO staff provided	0 (2021)	7 (2022)	13 (2023)		
	TTO is operational and implements policies according to best-practice and EU acquis	Not operational	--	TTO operational and implements policies (2023)		
<b>Result 7: Efficiency of administrative procedures for innovation and control of its effectiveness improved</b>	e-Register (IT system) for innovation activities developed, operational, and facilitates control and planning of innovation support schemes and is being used by all relevant authorities at all levels	Not developed (2021)	--	Developed, operations, and provides inputs for control and planning (2023)	MED Annual Report	