

# Montenegrin NGO files claim against President Djukanovic over EPCG privatization

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MANS, an NGO in Montenegro that works actively to fight against corruption, said it has filed a claim against President Milo Djukanovic and several other businessmen and politicians who it accused of abusing their positions to gain illegal profit from the privatisation of power firm EPCG.

A majority stake in EPCG was sold to Italy's A2A in 2009. Following the Italian company's disagreement with the government, which was the other major shareholder, A2A decided to exit EPCG in July 2017.

According to MANS, in 2009 a criminal group, organised and managed by Djukanovic and Branimir Gvozdenovic, current parliament deputy speaker, arranged the sale of a stake in EPCG at a lower price to A2A. At the time, Djukanovic was prime minister and Gvozdenovic was in charge of the privatisation.

MANS claims that EPCG's shareholders lost €170mn from the sale of the stake. It provided no details on the exact involvement of Djukanovic in its press release.

The claim was filed at a time when Djukanovic is under pressure from a series of thousands-strong opposition protests, with demonstrators accusing the government of corruption and abuse of power. They follow accusations of corruption levelled at Djukanovic by the owner of two local banks, claims that have been denied by the president and ruling party.

This is not the first time MANS has pushed for an investigation related to EPCG and A2A.

Previously, the prosecution launched an investigation following a case initiated by MANS over EPCG's plans to buy stakes held by A2A and Aco Djukanovic, the president's brother, in the Rudnik Uglja coal mine. The NGO accused A2A of bribing EPCG managers to present and defend a proposal for the sale of A2A's stake in the coal mine to EPCG.

In 2016, the special prosecution launched an investigation into several managers of EPCG in connection to the consultancy contracts with A2A. The contracts allegedly led to excessive costs for the power monopoly and were signed in violation of its procedures and of Montenegro's laws. The contracts were worth more than €11mn.

In November 2017, A2A returned the €4.34mn it had been paid on the contracts and dropped plans to file a complaint against Montenegro over the remaining €7.75mn.

Among those investigated were EPCG's former financial directors, Flavio Bianco and Massimo Sala, as well as a former executive director - all of them A2A's representatives on the power firm's management board. The special prosecution was also investigating Goran Rodic, a local lawyer it suspected of organising a criminal group along with top managers of A2A with

the aim of instigating bribery. It added no details. However, in January 2018 the investigation was ended and no charges were filed.

Source: intellinews