

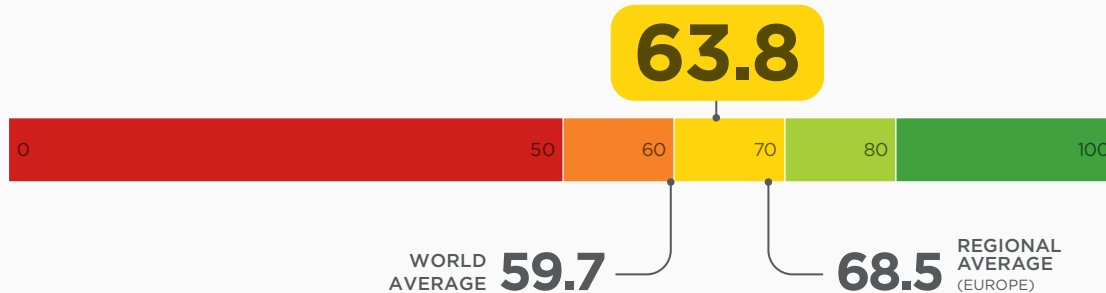
WORLD RANK:	REGIONAL RANK:
<b>67</b>	<b>33</b>
ECONOMIC FREEDOM STATUS: <b>MODERATELY FREE</b>	

# MONTENEGRO

Montenegro's economic freedom score is 63.8, making its economy the 67th freest in the 2025 *Index of Economic Freedom*. Its rating has increased by 4.1 points from last year, and Montenegro is ranked 33rd out of 44 countries in the Europe region. The country's economic freedom score is higher than the world average and lower than the regional average. Montenegro's economy is considered "moderately free" according to the 2025 *Index*.

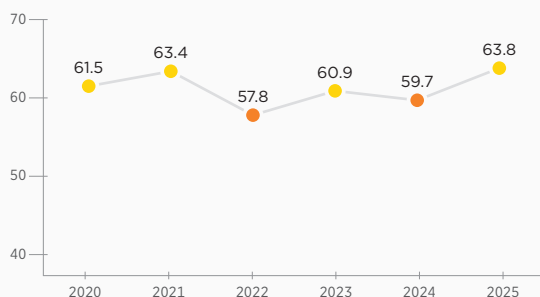
Montenegro's prospects for long-term economic growth are limited by ineffectiveness in fighting corruption and a lack of institutional commitment to the strong protection of property rights. The judicial framework remains vulnerable to political interference. Major challenges include political instability, corruption, and a lack of more sustainable investment. The number of licensing requirements has been reduced, but the pace of reform has slowed. Inflexible labor regulations discourage more dynamic job creation. Inflationary pressures persist, and overall price levels have increased.

## ECONOMIC FREEDOM SCORE



HISTORICAL INDEX SCORE CHANGE (SINCE 2002): +17.2

## RECENT FREEDOM TREND



## QUICK FACTS

**POPULATION:**  
0.6 million

**GDP (PPP):**  
\$19.0 billion  
6.0% growth in 2023  
3-year average growth rate: 8.5%  
\$30,007 per capita

**UNEMPLOYMENT:**  
15.3%

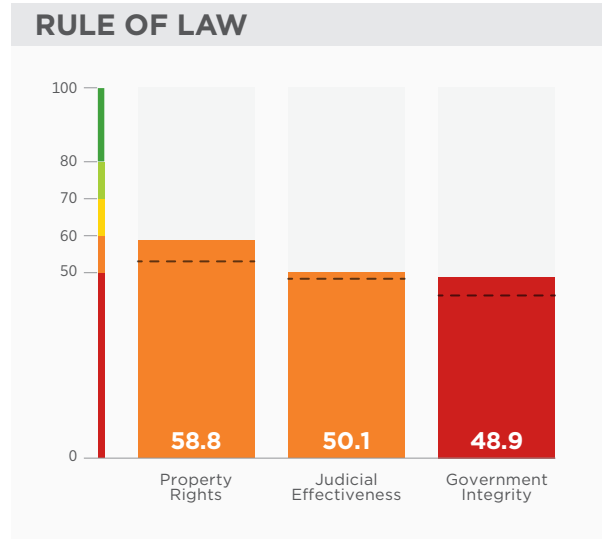
**INFLATION (CPI):**  
8.6%

**FDI INFLOW:**  
\$877.0 million

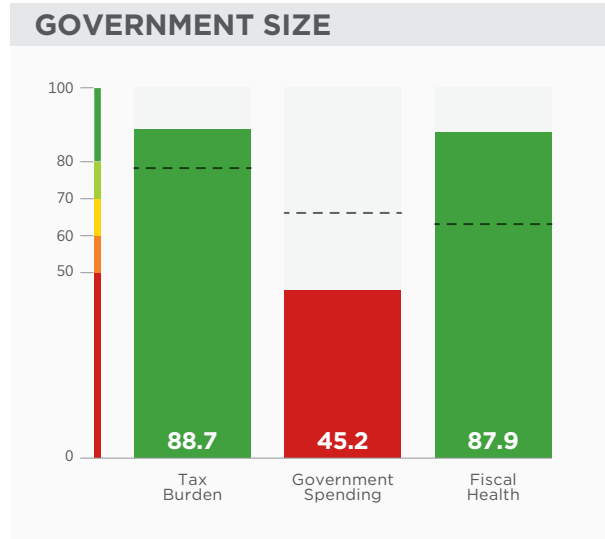
**PUBLIC DEBT:**  
61.5% of GDP

2023 data unless otherwise noted. Data compiled as of November 2024.

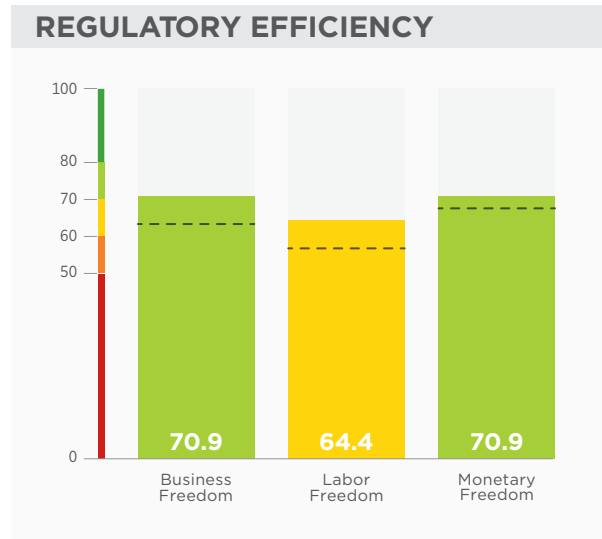
# 12 ECONOMIC FREEDOMS | MONTENEGRO



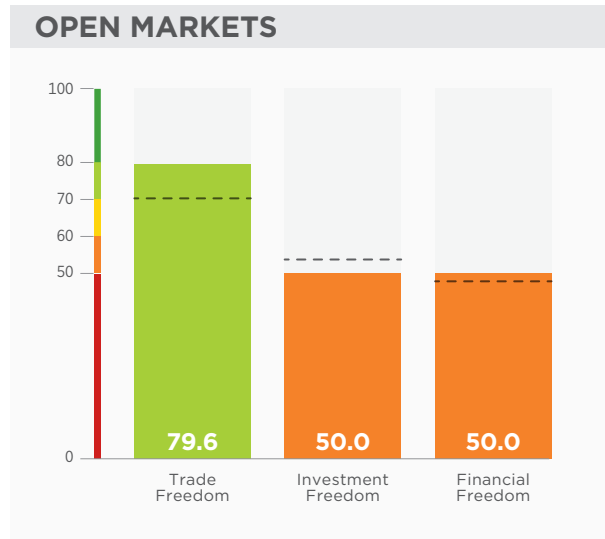
The overall rule of law is relatively well respected in Montenegro. The country's property rights score is above the world average; its judicial effectiveness score is slightly above the world average; and its government integrity score is above the world average.



The top individual income tax rate is 15 percent, and the top corporate tax rate is 15 percent. The tax burden equals 26.1 percent of GDP. Three-year government spending and budget balance averages are, respectively, 42.7 percent and -1.7 percent of GDP. Public debt amounts to 61.5 percent of GDP.



Montenegro's overall regulatory environment is relatively well institutionalized but lacks efficiency. The country's business freedom score is above the world average; its labor freedom score is above the world average; and its monetary freedom score is above the world average.



The trade-weighted average tariff rate is 5.2 percent. The regulatory and legal frameworks that govern foreign investment generally facilitate the development of a growing private sector. The financial sector is small, but the level of participation and investment by foreign banks is significant.