UNDP COVID-19 2.0

**RAPID FINANCING FACILITY**

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**Country:** Kosovo

**Requestor:** UNDP**,** Kosovo

**Project title:** Accelerating Green Recovery in Kosovo through ecotourism and inclusive governance

**Budget:** 350,000 USD

**Gender Marker:** GEN 2

**Implementation Start Date:** 15 November 2020

**Implementation Complete Date:** 14 May 2022

**1. Situation Analysis**

The world is facing an unprecedented health, social and economic crisis with the COVID-19 pandemic. In Kosovo, the government declared a public health emergency in March 2020 and introduced movement restrictions to halt the spread of the virus. Measures were gradually lifted from early May and almost entirely removed in June. However, Kosovo saw a rapid increase in cases, and, in July 2020, the Kosovo Assembly adopted a new Law on prevention and fight against the COVID-19 pandemic.

The socio-economic shock has had a tremendous impact on the already fragile Kosovo economy; IMF forecasts 5 % economic downturn from the original 4 % growth forecast for 2020[[1]](#footnote-2). Consumption, one of the main drivers of Kosovo’s growth, has been put under unprecedented strain, whilst financial inflows from diaspora have been disrupted.

The UN Kosovo Team (UNKT) Rapid Socio-economic Impact Assessment (SEIA) conducted in May 2020 showed the pandemic’s immediate effects on the livelihoods of Kosovo households and performance of businesses. According to SEIA findings, around 40% of those who were employed before COVID were able to keep their jobs but were not working at the time of the survey, and 8% of the respondents had already lost their jobs by April. The survey with business showed that 56% had to close, at least temporarily, and 31% were working at a lower capacity, while only 13% were operating as normal. In addition, the UNKT Socio-Economic Response Plan stated that COVID-19 crisis is likely to disproportionately impact women in labour force who have been already struggling with a significantly lower employment rate than men[[2]](#footnote-3).

Travel and tourism are among the most affected sectors around the world. Current UNWTO scenarios point to declines of 58% to 78% in international tourist arrivals, 100 to 120 million direct tourism jobs at risk globally.

Kosovo is no exception to these global impacts. Tourism statistics covering a wide range of parameters are available for the period from 2010 to Q2 2020[[3]](#footnote-4). This data indicates an impressive 23% average growth of foreign visitors from 2010 to 2019. Principal source markets for this growth have been Albania, Germany and Switzerland, driven by the Kosovar diaspora. The latest published data[[4]](#footnote-5) indicate a sharp fall in the sector performance, as the number of domestic visitors has fallen in Q2 2019 by 86% in comparison to Q2 2020, and average quarterly occupancy rate of hotels has fallen from 14.73% to 2.16%. At the same time, output contraction for the accommodation sector in Q2 2020 has decreased by 65% compared to the same period in 2019. This collapse for the sector is reflected in the fact that the tourism experienced the second biggest loss of jobs in Kosovo in 2020 and its forecast outlook is not promising. Within two months of strict containment measures, it was projected that the hospitality and accommodation sector, where the share of women is normally above 50%[[5]](#footnote-6) but in Kosovo only around 14%[[6]](#footnote-7), could result in more than 12,000 employees being inactive and losing their jobs with EUR 6 million in lost wages within two months of lockdown. There are 3,683 active tourism SMEs representing over 10% of the total number of SMEs in Kosovo, and they are directly impacted with costs of EUR 13 million fall in turnover[[7]](#footnote-8).

COVID-19 has revealed the vulnerability of the tourism sector, a source of livelihood in rural areas and particularly among women entrepreneurs. The recovery during and after the pandemic is hindered by the lack of a national tourism strategy, which jeopardizes any coherent recovery interventions and coordination by all stakeholders – public, private, CSO sector and the international development community.

The Government Programme 2020-2023 identifies tourism as a key strategic response to the post-pandemic economic recovery,[[8]](#footnote-9) highlighting the vital need for supporting Kosovo institutions in ensuring an enabling governance framework that facilitates digital public services for the tourism sector, empowers gender equality and allows to rethink tourism through lenses of emergency policies, regulations and contingency planning.

*Tourism in Kosovo is largely based on its nature offer, countryside experiences and rich cultural heritage. Having in mind that the quality of life for people in Kosovo continues to be undermined by the growing environmental degradation – a consequence of accumulated industrial pollutants, a weak waste management system using outdated technologies, widespread use of fertile land for construction, low environmental awareness, and unsustainable use of natural resources[[9]](#footnote-10). This proposed intervention provides an opportunity for Kosovo to build back greener through nature-based solutions for tourism that will have a direct impact in preservation of its rich environmental and cultural heritage.*

*Accelerating green economic recovery in Kosovo is also a significant opportunity to build upon the momentum created by an increasing public awareness on the environmental degradation in Kosovo. UNDP Public Pulse data collected during the pandemic (April 2020) shows that the percentage of people who claim to be aware of the need to live in a healthy environment is (19.5%) has steadily increased from 12.8% in November 2019 and 10.6% in May 2019[[10]](#footnote-11).*

*Green recovery through sustainable tourism, including ecotourism and cultural heritage, takes into account the environmental (planet), socio-cultural (people) and economic (profit) aspects as well as international quality standards. The proposed strategy positions UNDP squarely within the nexus of building resilience among both public and private sector and accelerating economic recovery through existing and active tourism MSMEs. UNDP Kosovo is strategically positioned to act as an integrator for a coherent tourism development in Kosovo rallying traditional development partners, IFIs and potential new investors through community-based and -owned solutions and approaches, promoting inclusivity, social cohesion and gender equality.*

UNDP Kosovo has already done groundwork in supporting institutions at central and local level in tourism through various interventions including protecting and promoting of cultural heritage[[11]](#footnote-12), value chain analysis in tourism[[12]](#footnote-13), skills needs assessment for tourism, and development of tourism guides. The abundant experience and innovative approaches utilized in rethinking Kosovo’s tourism position UNDP as a strong partner in the post COVID-19 recovery of the sector.

Together with its partners in Kosovo and in the Western Balkans, as well as other UN agencies, such as UNEP, GEF, UNWTO and the World Bank Group, specialized expertise and funding can be mobilized for longer-term development of tourism in Kosovo. With the strategic RFF injection acting as the catalyst, UNDP can bring needed driving force for environmentally sustainable tourism with systematic and integrated solutions and policy expertise, multi-stakeholder partnerships, and continue to shape itself as the trusted partner of Kosovo institutions, private sector, other development partners, and local communities, strengthening their ownership and ensuring inclusive, green economic recovery towards a more resilient and equal future.

**2. Proposal Overview and Expected Outputs**

The overall goal is to bounce forward from the COVID-19 pandemic through greener recovery. The focus will be on greening Kosovo’s tourism sector through public-private partnerships, coherent policy and a resilient and agile tourism strategy based on the principles of environmental, social and economic sustainability, and through a green accelerator programme for training the tourism MSMEs and implementing pilot projects in the short-term. In the medium-term, the aim is to develop the sector as a catalytic pillar in the national green economy, creating employment, improving gender equality and increasing innovative enterprise creation in the five identified tourist regions: 1. Central region of Prishtinë/Pristina; 2. Tourist region of Albanian Alps (Bjeshkët e Menuna/Prokletije/Accursed Mountains; 3. Tourist region of Sharr/Sar; 4. Tourist region of Anamorava; and 5. Tourist region of Mitrovicë/Mitrovica as illustrated in the below map[[13]](#footnote-14).



Based on the above mission statement, the key pillars of the proposal are on developing

* **Green Economy by formulating and agreeing in a joint and tested framework for the future of sustainable tourism, including ecotourism, in Kosovo** to guide the multi-faceted, multi-layered sector as an engine for an inclusive, equal, resilient and green economic recovery path; and
* **Green Accelerator Programme to train the existing tourism MSMEs and social entrepreneurs and implement pilot project** for green recovery from COVID-19 and transition towards sustainability and tourism sector, especially in the rural areas and among women-lead MSMEs.

Green Sustainable Tourism Policy and Strategy Framework for the Future of Tourism in Kosovo will contribute to improved governance by setting up the dialogue platform for eco-tourism development for the public, private and CSO sector. The policy will set the common vision and goals for the short- and medium-term future. The strategy will provide the steps and action plans with identified roles and responsibilities and key performance indicators for evaluating and revising the strategy in regular intervals. The Green Accelerator Programme will provide the boost for the MSMEs to revise their business plans, train staff, improve gender balance at executive and operational level, and implement pilot projects for e.g. waste management, energy and water saving technologies.

**Theory of Change**

UNDP will become a key player, convener, and facilitator, as well as integrator of policy and strategy development for sustainable tourism, including ecotourism, its technical solutions and its partnerships,

IF

* Partnership between the Kosovo institutions, private sector and CSOs around ecotourism development is strategic and functional, and promotes equal participation of women in planning and decision-making;
* Design thinking and insights are used to explore issues, develop solutions to address the challenges in tourism, and rigorously test what works in the rapidly changing COVID landscape.
* Vision for the future of sustainable tourism, including ecotourism, is agreed upon by public, private and CSO sector;
* Strategic priority areas for tourism development are identified and action plans are developed to directly boost the MSME productivity and success;
* Branding of Kosovo’s sustainable tourism and its guidelines and management plans are agreed upon;
* Digital targeted marketing approach for selected green and sustainable tourism market segments are agreed upon;
* MSMEs attended the Green Accelerator Programme and cooperated with the pilot projects;

THEN

* Coherent sustainable tourism, including ecotourism, development in Kosovo is accelerated through a public-private implementation of the strategy and action plan which is based on design thinking;
* Visibility of Kosovo as a sustainable and green destination00 is increased, especially among the set target market segments;
* Tourism experiences provided by the MSMEs respond to the consumer expectations (safe during COVID-19, green, inclusive), green consumerism and sustainable consumption to accelerate a green recovery of Kosovo;
* Number of women entrepreneurs in the tourism sector increases;
* Tourists are more evenly distributed around the country;
* Public and private investments in tourism development increases;
* Funds for tourism development implementation identified and utilized as per the policy and strategy framework;

AND

* Governance processes related to tourism sector development become more transparent and inclusive;
* Private sector’s role, especially female entrepreneurs’ role, in tourism development is enhanced;
* Public-private partnerships in tourism development becomes a building block for decision making
* Enabling environment for operating tourism MSMEs are improved;
* Green solutions among the tourism MSMEs are adopted;

AND

* Sustainable tourism, including ecotourism, emerges as a catalytic pillar for economic transformation to green economy in Kosovo.

The Policy and Strategy Framework for Sustainable Tourism, including ecotourism, will be drafted and developed in close collaboration with the public, private and CSO sector in Kosovo under the platform of the working group set up by the Ministry of Trade and Industry. Other key ministries to be engaged are Ministry of Agriculture, Forestry and Rural Development; Ministry of Culture, Youth and Sports; Ministry of Economy and Finance; Ministry of Education, Science and Technology; Ministry of Environment and Spatial Planning; Ministry of Foreign Affairs; Ministry of Local Government Administration; Ministry of Regional Development; and Ministry of Transport and Telecommunication. The project will strengthen inclusive governance at all levels by improving communication and coordination among relevant central level institutions and with public and private institutions at local level.

The private sector will be represented at the dialogue platform by Kosovo Alternative Tourism Association (KATA), which is currently composed of 104 members representing hotels, travel agencies, tour operators, transport companies, and individual experts; Tourism Association of the Southern Region, which provides a forum for exchanges and advocacy to address the challenges faced by businesses; Association PRO IN, which promotes locally produced food and drinks and capacity development of the hotels’ and restaurants’ staff; Women Economic Forum which brings together women entrepreneurs and CSOs, and Kosovo Chambers of Commerce (KCC).

The female tourism entrepreneurs and politicians should be represented in the dialogue platform as to ensure strong gender perspective and targeted efforts to ensure gender equality in the policy and strategy development and implementation.

The private sector will take the lead and be the focus in Green Accelerator Programme i.e. KATA, Tourism Association of the Southern Region; Association PRO IN and Kosovo Chambers of Commerce (KCC).

**Output 1. Sustainable tourism advanced in Kosovo through coherent policy framework and strategy**

The Policy Framework will confirm the vision and the basic principles, goals and strategies for coherent development of sustainable tourism, including ecotourism, in Kosovo, inclusive of private sector and local stakeholders. The short-term strategy will support the Kosovo Government Programme 2020-2023, which identifies tourism as a key strategic response to the post-pandemic economic recovery[[14]](#footnote-15), and will cover three years due to the uncertain duration of COVID-19 pandemic and unavailability of the vaccine. The key objectives for the short-term are to improve the visibility of Kosovo, further enhance tourism development governance and stakeholder collaboration in implementing the strategy to advance sustainable tourism, including ecotourism, and attract funding for the strategy implementation including required investments.

Navigating through the pandemic and in the post-COVID-19 context, the ability of Kosovo institutions to manage the crisis, deliver services and ensure social protection in a transparent, equitable, effective accountable manner is key objective of the Sustainable Tourism Policy Framework and Strategy. Policies and strategies will be identified to ensure that Kosovo institutions, private sector, and the civil society work in a collaborative manner to ensure social cohesion, gender equality and a green and sustainable tourism sector. These governance measures may include:

* The development of contingency plans to manage future and continuing pandemic impacts
* Measures to ensure sustainable development of the tourism sector, including filling possible legislative, regulatory and enforcement gaps
* Measures to promote the enhancement of women’s participation in the sector, including the development of support and training based on the needs assessment under the Green Accelerator Programme

The policy framework and the strategy will set the key performance indicators (KPI)to evaluate the development. KPIs will be identified, including employment creation, rates of women’s participation, achievement of identified environmental goals and numbers of tourists attracted. KPIs will include:

* Increase in local and international interest in Kosovo tourism post COVID-19;
* Number of MSMEs participating the Green Accelerator Programme;
* Number of new women entrepreneurs established in the tourism sector;
* Increase in % of job opportunities for women in the tourism sector.

**Activities:**

* 1. **Create Public-Private Dialogue Platform for Sustainable Tourism, including Ecotourism, Development in Kosovo**: The dialogue platform will be set up based on the working group for strategy development by the Ministry of Trade and Industry. It is envisaged that the platform will meet minimum tree times during the course of the project: i) review of the policy framework; ii) review of the strategy; and iii) review of the action plan.
	2. **Establish Policy vision for Sustainable Tourism, including Ecotourism, Development in Kosovo:** Joint vision for the policy framework drafted based on the assessment of tourism in Kosovo considering the pre- and post COVID-19 scenarios; and agreed upon by the public, private and CSO sector by Q1/2021.
	3. **Develop Sustainable Tourism, including Ecotourism, Development Strategy for Kosovo:** Market-led strategy to reach the policy goals approved by Q2/2021. The strategy will include positioning, branding, targeted marketing and product development approach, as well as hard and soft infrastructure development. The strategy will identify priority development areas in the five tourist regions to focus on in the short- and medium-term, identify funding options for implementing the strategy, and set the evaluation framework.
	4. **Develop Action Plan for effective Implementation of the sustainable tourism, including ecotourism, development strategy:** Action plan including roles and responsibilities approved by Q3/2021. The action plan development will be based on the set and approved strategies. It will also include a prospectus for attracting investments for tourism development in Kosovo.
	5. **Develop gender responsive framework for Sustainable Tourism** including policy vision, strategy and action plan

**Output 2. Improved environmental performance through Green Accelerator Programme**

The Green Accelerator Programme is targeted for the existing tourism MSMEs for COVID-19 green recovery and transition towards environmental sustainability; and the diversification of other MSMEs into the tourism value chain in areas such as handcrafts and agriculture. Emphasis will be given to the adoption of COVID-safe and environmentally sustainable practices and at enterprise level of measures to mitigate or eliminate negative impacts and a more financially stable operating model. In addition, stress will be placed on employment creation and the empowerment of women’s enterprises to alleviate the effects of the pandemic. Women’s rural social enterprises will be specifically targeted with the aim of not only increasing female participation in tourism but also of improving seasonal revenue generation by utilizing ecotourism opportunities.

The tourism MSMEs are by and large micro and/or family enterprises, which depend on natural and cultural resources of their regions. They have been hit hard by COVID-19. The tourism MSMEs are both challenged and motivated by sustainability in different ways. Motivations of MSMEs in engaging in ecotourism can be grouped into i) cost reduction competitiveness, ii) social legitimization (MSMEs taking sustainability actions visible or expected by others i.e. targeted market segments); and iii) lifestyle-value drivers, specifically related to COVID safety and consumer preferences. Another challenge is the fact that usually green concepts, guidelines and tools are designed for bigger enterprises leaving the micro and small size tourism enterprises in void and their needs related to sustainability are largely ignored. Due to the impact of COVID-19 in the tourism sector, the target needs to be the micro and small entrepreneurs in tourism, especially female entrepreneurs, in the rural areas.

The project aims at supporting up to 50 tourism MSMEs in their recovery and acceleration process towards sustainability in order to

* recover from COVID-19 impacts
* respond to the consumer expectations (safe, environmentally sustainable, inclusive), green consumerism and sustainable consumption
* help tourism MSMEs to work with sustainability in strategic and structured way by revising their business and action plans
* contribute to the reduction of costs at the tourism establishments, for example, through lower energy and water consumption as well as better waste management
* enhance innovativeness i.e. incorporating digitalization and promoting circular economy in their operations
* build the awareness about sustainability among the tourism MSME staff and customers
* enhance women’s MSMEs engagement in the tourism sector ( both women’s businesses and women’s access to job opportunities in the sector)
* improve and increase digital marketing and promotion.

Because of the special features of sustainable entrepreneurship as a value-driven business approach and a personality-driven form of entrepreneurship, entrepreneurs need specific (business) competencies to succeed. They should be able to apply green values and principles and to take these values as an axis for entrepreneurial decision-making in recovering from the COVID-19 impacts. This means that training programmes should be framed with their worldviews and values to gain competence, confidence and tools to develop and grow their business in sustainable way using green practices.

The pilot projects of the Green Accelerator Programme aim at accelerating sustainability operations among tourism MSMEs, gain international recognition, and cross-sectoral and transnational networks. The support will include training and technical support in:

* revising their business models towards circularity, sustainability and digitalization
* greening their operations cost-effectively e.g. in reducing their energy consumption by 5-10%; decreasing their water consumption by 10-20%; reducing mixed waste streams by 10-20% i.e. reducing operational costs to recover from COVID-19
* improving the tourism product offer and quality
* communicating their sustainability to current and prospective customers, and
* supporting women’s MSMEs and social enterprises currently focusing on agricultural produce to expand to the tourism sector in the rural areas.

The selected MSMEs for the Green Accelerator Programme commit to reporting their KPIs in regular intervals. The selection criteria for the MSMEs will include preferential selection for women lead and women owned MSMEs.

**Activities**:

* 1. **Enhance understanding of the specific needs of MSMEs for improved environmental performance. Needs analysis** of existing MSMEs to identify the current capacities, training needs, and technical assistance support requirements in order to develop the Green Accelerator Programme by Q4/2020. The analysis will also develop the selection criteria and identify the potential participants to the Green Accelerator Training and Pilot Projects Programme.
	2. **Design and initiate Green Accelerator Training Programme**. Needs analysis conducted by Q1 and programme implemented as of Q2.
	3. **Design and implement Green Accelerator Pilot Projects** in close collaboration withtourism MSMEs by Q2/2022.

The result framework of the RFF project is illustrated in the following figure.



The outputs, outcomes and impact are fully in line with the new UNDP Kosovo CP 2021-2025 as they will strengthen the alignment of strategies and financing for the SDGs, improve capacities and skills, enhance green economy, support livelihood recovery post COVID-19, and increase the respect for tangible and intangible tourism assets.

**3. Management arrangements**

**Project Board.** The project will be directed by the Project Board, which will be responsible for making decisions on key strategic matters, project implementation issues, regular monitoring and evaluation etc. The Project Board will consist of five members, 2 representing the working group set up by the Ministry of Trade and Industry for developing the policy and strategy framework (e.g. chairperson of the working group), 2 private sector representatives, and one UNDP (Chair). The UNDP Project Manager will provide the outputs/deliverables for the board’s review and approval.

**Project Team**. UNDP Kosovo will nominate a Project Manager and a project associate for the project. The project manager will have a team of international and national experts to deliver the outputs. One international expert should include tourism development planner, marketing and branding expert, and capacity development expert. Other international/local experts will be contracted for specific assignments/trainings under the Green Accelerator Programme.

**4. Partnerships**

**Partnerships for Ecotourism Policy and Strategy Framework include:** (1) public sector: Ministry of Trade and Industry, Ministry of Agriculture, Forestry and Rural Development; Ministry of Culture, Youth and Sports; Ministry of Economy and Finance; Ministry of Education, Science and Technology; Ministry of Environment and Spatial Planning; Ministry of Foreign Affairs; Ministry of Local Government Administration, Ministry of Regional Development, and Ministry of Transport and Telecommunication; (2) private sector: KATA – Kosovo Alternative Tourism Association; Tourism Association of the Southern Region; Association PRO IN; and KCC - Kosovo Chambers of Commerce; (3) higher education institutions to conduct the necessary market surveys for policy and strategy development; (4) SwissContact, which has been working in developing tourism in Kosovo, especially in the western regions, for the past six years. SwissContact welcomes collaboration with UNDP in design of the development framework for the future of ecotourism in Kosovo under the stakeholder working group (dialogue platform) set up by the Ministry of Trade and Industry.

**Partnerships for Green Accelerator Programme include:** (1) SwissContact; (2) specialized UN organizations such as UN Environment Programme (UNEP) and UN World Tourism Organization (UNWTO); (3) European Bank for Reconstruction and Development (EBRD) boosts support for small businesses in Kosovo, with particular focus on environmental sustainability. UNWTO supports EBRD’s web tool for green technologies. EBRD and UNWTO are joining forces to promote sustainable tourism and make green technologies more accessible for the tourism sector through the platform [Green Technology Selector](https://techselector.com/ts-en/gtc-info-page). This complements existing UNWTO’s online resource efficiency tools such as [Hotel Energy Solutions](http://www.hes-unwto.org/HES_root_asp/index.asp?LangID=1) (HES) or [Nearly Zero Energy Hotels](http://www.nezeh.eu/etoolkit/index.html) (neZEH).

**5. Complementarity with other funds available for COVID-19**

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| --- | --- | --- |
| **Funding source**  | **Amount**  | **Purpose of / period covered by Funding** |
| UNDP Rapid Response Facility  | USD 40,000 (Total value: USD 255,000) | Rapid Socio-Economic Impact Assessment of COVID-19 on Households and Businesses is being conducted to assess how COVID-19 has impacted livelihoods and MSMEs in terms of their operations, employment, and affected sectors, which will provide data sets for evidence-based immediate and medium term measures and framework for tourism. Period: Apr – Oct 2020 |
| UNDP TRAC2 Funding | USD 95,000 | Support to socio-Economic Recovery. The project supports the drafting of an operational plan for the government recovery measures. The plan includes policies on the tourism sector along with COVID-19 impact analysis of the sector, which can support the tourism policy framework August 2020 – February 2021  |
| EU | USD 1,328,500 (Total value: USD 2,356,000) | Cultural Heritage as a Driver for Intercommunity Social Cohesion is 2-year project that is planned to be approved within this year. The project aims to enhance social cohesion and build confidence among communities through restoration and rehabilitation of cultural sites, promotion of cultural heritage, and skills development of women and youth. The project will be able to support the accelerator programme, especially for women empowerment.  |
| Kosovo institutions | Approx. USD 70,000 (Total value: USD 588,000)  | Active Labor Market Program for Internship target young unemployed jobseekers, who have graduated within the 24-month period from secondary and higher education institutions, to pursue a 6-month internship in private sector which tourism organizations, hotels and restaurants can benefit from. The candidates will gain skills through on-the-job training for sustainable employment in Kosovo. This funding represents co-financing for the implementation of the activities envisaged for the proposal in supporting tourism SMEs. Period: Oct 2020 – Dec 2021 |

The amounts under Kosovo Government (USD 70,000) represent co-financing for the implementation of the activities envisaged under this proposal. Furthermore, the incoming project for UNDP Kosovo with EU on Cultural Heritage beginning at the end of 2020, is expected to further expand the co-financing of the tourism development with an additional USD 1,328,500.

**Future potential partnerships for implementing the Ecotourism Policy and Strategy include:** bilateral donors including SDC (tourism government strategy, product development, promotion, short-term training), Italian Agency for Development Cooperation - AICS (Via Dinarica tourism product development), USAID (diaspora investments in Kosovo) and LuxDev (development of VET level training in hospitality and catering), Norway (ecotourism). EU Erasmus+ Capacity Building funding will be applied to modernize the tourism management training in higher educational institutions. To boost the visibility of Kosovo, joint marketing campaigns are envisaged with the other Balkan countries. Complementary funding for infrastructure development and collaboration for scaling up the Green Accelerator Programme will be sought from EBRD.

**6. Critical Risks and Mitigation Measures**

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| **Risks** | **Risk level (H/M/L)** | **Mitigating measures** |
| Uncertain length of the pandemic and extent of lockdowns and travel restrictions which can directly affect project implementation modalities and stakeholder engagement  | H | Digitalize operations. Market surveys, web data research, and trainings online to target the segments that focus on sustainable tourism experiences, including ecotourism |
| Political instability, incl. possible change of the government. In the past two years there have been three different governments in Kosovo, and current coalition has faced challenges in achieving consensus. Potential snap elections could impact project implementation and cooperation under Output 1.  | M | Cooperation to be initiated and continued with civil servants which will continue to be in place regardless of the political changes. Ensure coordination with institutions at the technical level, to ensure institutional cooperation independent of political cycles.  |
| Loy buy-in and participation by target beneficiaries, considering the environmental and sustainability dimensions as new concepts in the local context. | L | Sustainability Accelerator Programme builds on the successful UNDP INTERDEV2 project implemented in Feb 2017-Feb 2020; follow the model of engagement through social enterprises (former collaboratives) |

7**. BUDGET / WORKPLAN**

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| --- | --- | --- | --- | --- |
| **EXPECTED OUTPUTS**  | **PLANNED ACTIVITIES**  | **TIMEFRAME**  | **RESPON-SIBLE PARTY**  | **PLANNED BUDGET\***  |
| 2020  | 2021  | 2022  | Source of Funds  | Budget Description  | Amount (USD)  |
| Q4  | Q1  | Q2  | Q3  | Q4  | Q1  | Q2  |
| **Output 1. Policy and Strategy Framework for the Future of Tourism in Kosovo** | 1. Public-Private Dialogue Platform for Sustainable Tourism, including Ecotourism, Development in Kosovo  |   |   |   |   |   |   |   | UNDP  | RFF  | Intl/local consult, contracts and travel | 10,000 |
| 2. Policy Framework for Sustainable Tourism, including Ecotourism, Development in Kosovo  |   |   |   |   |   |   |   | UNDP  | RFF  | Intl/local consult, contracts and travel | 10,000  |
| 3. Sustainable Tourism, including Ecotourism, Development Strategy for Kosovo |   |   |   |   |   |   |   | UNDP  | RFF  | Intl/local consult, contracts | 15,000  |
| 4. Action Plan for the Implementation of the short-term Sustainable Tourism, including Ecotourism, Development Strategy |  |  |  |  |  |  |  | UNDP | RFF | Intl/local consult, contracts | 10,000 |
| 5. Develop gender responsive framework for Sustainable Tourism including policy vision, strategy and action plan |  |  |  |  |  |  |  | UNDP | RFF | Local Consultant, contract | 5,000 |
| **Output 2: Green Accelerator Programme with focus on women entrepreneurs**  | 1. Needs analysis of existing MSMEs |   |   |   |   |   |   |   | UNDP  | RFF  | Intl/local consult, contracts and travel   | 10,000  |
| 2. Green Accelerator Training Programme with focus on women entrepreneurs  |   |   |   |   |   |   |   | UNDP  | RFF, CO  | Intl/local consult, Travel, Workshops/ Trainings, Visibility,  | 30,00050 000  |
| 3. Green Accelerator Pilot Projects with special focus on women entrepreneurs  |   |   |   |   |   |   |   | UNDP  | RFF  | Intl/local consultGreen Accelerator Pilot Projects  | 40,000120,000 |
| Project management, M&E |   |   |   |   |   |   |   | UNDP  | RFF  | PO, visibility, translation, travel, operations costs | 50,000  |
| **RFF contribution**  |   |   |   |   |   |   |   | **UNDP**  | **RFF**  |   | **350,000**  |
| **CO co-funding** | **70,000**  |
| **CO expected co-financing**  | **1,328,500** |
| **Total**  | **1,398,500** |

**8. RESULTS FRAMEWORK**

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| **EXPECTED OUTPUTS**  | **OUTPUT INDICATORS**19 Which indictor linked with IRRF, please mark\*() shows linked IRRF Indicators  | **BASELINE**  | **MILESTONES AND TARGETS**  |
| **Value**  | **Year**  | **2020**  | **2021**  | **2022**  |
| **Q4**  | **Q1**  | **Q2**  | **Q3**  | **Q4**  | **Q1**  | **Q2**  |
| **Output 1: Policy and Strategy Framework for the Future of Greener Tourism in Kosovo** | Public-Private Dialogue Platform for Sustainable Tourism, including Ecotourism, Development in Kosovo set up (GO-5)  |  |  | 1 |  |  |  |  |  |  |
| Policy Framework for the Future of Tourism in Kosovo approved in Q1/2021 (GE-1) | 0 | 2020 | 1 |  |  |  |  |  |  |
| Tourism Development Strategy for Kosovo approved in Q3/2021 (GE-1) | 0 | 2020 |  |  | 1 |  |  |  |  |
| Action Plan for the Implementation of the short-term sustainable tourism, including ecotourism development, strategy approved (CH-1) | 0 | 2020 |  |  |  | 1 |  |  |  |
| Gender responsive framework for Sustainable Tourism including policy vision, strategy and action plan | 0 | 2020 |  |  |  |  |  |  |  |
| **Output 2: Green Accelerator Programme for the Tourism MSMEs with focus on women entrepreneurs**  | Needs analysis to develop the Green Accelerator Programme  | 0 | 2020 | 1 |  |  |  |  |  |  |
| Green Accelerator Programme Designed with focus on women entrepreneurs  | 0 |  |  | 1 |  |  |  |  |  |
| Number of tourism MSMEs trained in Green Accelerator Programme (SP-4)  | 0 | 2020 |  |  | 50 | 50 | 50 | 50 |  |
| Percentage of women and men beneficiaries trained | 0 | 2020 |  |  | 50% | 50% | 50% | 50% |  |
| Green accelerator pilot projects (SP-4), % of men and women-led MSMEs | 0 | 2020 |  |  |  | 10 | 15 | 15 | 10 |

1. IMF Outlook Report (2020) <https://www.imf.org/en/Countries/KOS> [↑](#footnote-ref-2)
2. United Nations Kosovo Team Socio-Economic Response Plan (24 August 2020) [↑](#footnote-ref-3)
3. ASK, Kosovo Statistics Agency (2020) [↑](#footnote-ref-4)
4. Kosovo Statistics Agency, Q2 2020 Hotel Statistics [↑](#footnote-ref-5)
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