



Annual Report

Project number: 00047440

Project title: Restoration of Golema Reka

Period covered: 01 January 2008 – 31 December 2008

Source of Funds: Swiss Development Cooperation Agency (SDC)

Execution Modality: DEX

Currency: US\$

Project Performance - Implementation issues:

Financial Report

Budget Revision:

Source of Funds: 30000

Currency: USD

Financial status as per Date/Month/Year (in U.S. Dollars)

		Period Amount:	Total Budget+ Advance Received 16 07 2008:	Exp 01 01 2008 31-12 2008:	Availa Budge
(a) Opening Balance:		0,00	1.158.597,19	837.474,52	32
(b1) Advance Received:	20.10.2005	210.053,91			
(b2) Advance Received:	15.11.2006	236.045,31			
(b3) Advance Received:	20.12.2006	178.750,00			
(b4) Advance Received:	22.10.2007	160.134,84			
(b5) Advance Received:	20.12.2007	432.152,11			
(b6) Advance Received:	16.07 2008	473.606,31			
Total Budget 01.12 2005-30.09 2008		1.690.742,48			
(C) Expenditures 01.12 2005-01.01 2008		-454.618,40			
(d) Expenditures for period reported 01.07 2008-30.09 2008		-837.474,52			

	01/01/ 2008 31/12/2008 Budget	01/01/ 2008 31/12/2008 Expenditures	01/0 31/1. Ava
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Expenditures by Sub-line:	CMBL				
Description					
Intl Consultants Sht Term Tech	71205			1.923,28	
Local Consult Short Term Tech	71305			5.584,92	
Local Consult Short Term Supp	71310			4.948,63	
Service Contracts Individuals	71405			20.604,65	
Travel Tickets Local	71610			103,22	
Daily Subsistance Allowance Intl	71615			0,00	
Daily Subsistance Allowance Local	71620			1.757,53	
Svc Co Construction & Engineering	72105			768.591,46	
SVC Co Natural Resources & Environ	72115			0,00	
Svc Co Studies & Research Serv	72125			0,00	
Svc Co Communications Service	72135			1.676,43	
Furniture	72220			0,00	
Agri & Forestry Products	72305			0,00	
Chemical, Glass Non Metallic Prd	72325			0,00	
Other Materials and Goods	72399			12.258,23	
Acquistion of Communic Equip	72405			0,00	
Land Telephone Charges	72420			2.081,57	
Mobile Telephone Charges	72425			560,90	

Connectivity Charges	72440				248,00
Common Services Communications	72445				0,00
Stationery	72505				0,00
Hospitality Special Events	72705				0,00
Acquis of Comp Hardware	72805				0,00
Acquis of Comp Software	72810				0,00
Inform Technology Supplies	72815				230,81
Maint Oper of Transport Equipment	73410				1 91,39
Promotional Materials and Dist	74215				0,00
Translation Costs	74220				5 01,85
Other Media Costs	74225				1.6 12,27
Audio & Visual Equipment	74230				1 02,47
Bank Charges	74510				0,00
Sundry	74525				3.2 50,30
Facilities & Administration	75105				11.246,61
Total Expenditures 01.12 2008-30.09 2008		-1.292.092,92			837.474,52
(e) Available Budget 30 09 2008:		398.649,56			
(f) Planned Expenditures:					
(g) Total Requirements:					
* Less Closing Balance:					
(h) Advance Requested:		0,00			

Description on project status:

In 2008 regarding the task of Golema Reka riverbed restoration as one of the project tasks the company was contracted to carry out the planned construction work and by the end of reporting period they finished majority of planned works. A contract was also signed with a national company to play the role of a Supervisor of the construction works as required by the national legislation.

Immediately after the project was successfully teamed up with the Contractor, the Supervisor and the Technical Advisor, and after the roles and responsibilities of all involved parties were defined, full attention was paid to the finalization of all preliminary activities required for timely commencement and efficient execution of the planned works. In July having the contract of the Supervising company expired the Technical advisor was officially appointed as Supervision under the UNDP selection procedure and relevant domestic law.

Following the requirements of the national legislation, a request for obtaining water permit was submitted to the Ministry of Agriculture, Forestry and Water Economy. By issuing the permit, the authorities have confirmed the adequacy of the prepared technical documentation with the planned level of works, as well as the overall compliance of the riverbed regulation/restoration project with the existing legal requirements.

Since these administrative procedures required strong involvement of the Municipality of Resen as a main beneficiary of the project, a Memorandum of Understanding (MoU) was signed between the Municipality and UNDP in order to clearly define the responsibilities of the two parties in the process of preparation for and actual execution of the construction works. The MoU was signed between the Mayor of Resen and the UNDP Resident Representative.

The Contractor commenced with the construction works immediately after the required permits were obtained, and all the organizational and practical issues, were sorted out (for example access roads, temporary dumpsite for construction waste, electricity etc.). All the issues arising from the work on the site are being resolved by adequate involvement of the Contractor, the Supervisor, the Technical Advisor, the Municipal authorities, as well as the project management unit.

Because of the limited financial resources the scope of works for the second tender for selection of the main Contractor was reduced to the essential elements of the required work compared to the first tender which was unsuccessful.

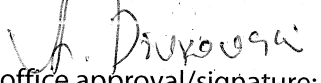
It is to be stated that although majority of the construction works are finished, yet regulation of the minor riverbe with natural stones has to be completed and coverage of the retaining walls with granite stones has to be accomplished.

The sewage network system is not finished too and additional works are to be done.

Such situation will demand additional time of at least two months of 2009, in order construction works on riverbe and waste water sewage network to be fully accomplished.

Fluctuations of the USA Dollar and appreciation of almost 7 % against the Macedonian Denar in the period of November and December 2008 caused extra leftover in the budget. Namely, payments under the contract for construction works are made in Macedonian denars and according to the works accomplished significant amount of instalments were executed in period mentioned. If the exchange rate of dollar persists on high level the budget leftover due to exchange rate gain can be used for various activities under the project main design in the early months of 2009.

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Country office approval/signature:
Anita Kodzoman

Title: Environment Practice Coordinator

Date: January 2009