**COVER PAGE**

Country: Montenegro

UNDAF Outcome(s)/Indicator(s): \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

*(Link to UNDAF outcome., If no UNDAF, leave blank)*

Expected Outcome(s)/Indicator (s): Efficiency and transparency of Government

*(CPAP outcomes linked to the MYFF goal and service line)*  improved in order to effectively lead policy formulation, coordination and service delivery in accordance with EU requirements

Expected Output(s)/Annual Targets: Strengthening operational, management *(CPAP outputs linked to the above CPAP outcome)* and policy-making capacity of Ministry of

Foreign Affairs, resulting in more efficient performance of the Ministry toward priority requirements of the Government’s Foreign Policy in accordance with EU requirements

Implementing partner: UNDP CO Montenegro

Responsible parties: UNDP CO Montenegro

|  |
| --- |
| **Brief Description:** This project aims to strengthen the capacities of Ministry of Foreign Affairs to efficiently plan, analyse and manage the Foreign Policy and thus support the country’s aspirations for sustainable development and EU integration. The outcome will include enhanced Ministry’s capacity, especially in terms of human resources, its existing organization and allocation of functions and its working methods and rules. |

Total Budget $585.888,87

Allocated resources: \_\_\_\_\_\_\_\_\_\_

* Government \_\_\_\_\_\_\_\_\_\_
* Regular \_\_\_\_\_\_\_\_\_\_
* Other:
	+ Donor: Government of Norway
* In kind contributions \_\_\_\_\_\_\_\_\_
* Unfunded budget: \_\_\_\_\_\_\_\_\_

Programme Period: 2010 -2013

Programme Component: Service line 2.7

Project Title: Strengthening capacities of Ministry of Foreign Affairs to efficiently address the priorities of Foreign policy of Montenegro

Project ID: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Project Duration: January 2010 – December 2012

Management Arrangement: Direct Execution (DEX)

**Agreed by (Implementing partner[[1]](#footnote-2)):**\_----------------------------------------

**Agreed by (UNDP):\_**

**Ministry of Foreign Affairs**

**and**

#### Capacity Development Programme

**Project Document (draft)**

**Strengthening capacities of Ministry of Foreign Affairs to efficiently address the priorities of foreign policy of Montenegro**

1. **Summary:**

This project aims to strengthen the capacities of Ministry of Foreign Affairs to efficiently plan, analyse and manage the Foreign Policy and thus support the country’s aspirations for sustainable development and EU integration. The outcome will include enhanced Ministry’s capacity, especially in terms of human resources, its existing organization and allocation of functions and its working methods and rules.

The project complements ongoing efforts of Ministry of Foreign Affairs in addressing the Foreign policy priorities which include the following:

1. Integration into the European Union and North Atlantic Alliance - NATO
2. Improving and maintaining neighbourly relations and regional cooperation
3. Developing bilateral and multilateral cooperation.

Montenegro submitted a request for membership in the European Union in December 2008.

This important step on European Integration road opens new tasks and obligations for Montenegro and it is necessary that Ministry of Foreign Affairs has more proactive involvement in EU issues and ways in which the Ministry and embassies can add further value to the Government’s work on EU integration.

Therefore, this project is expected to contribute to modernising the Foreign Policy system and it’s harmonization with EU requirements, improving coordination between key institutions closely involved in EU integration process, including Prime Minister and Ministry for European Integration.

1. **Situation Analysis:**

After becoming an independent state, Montenegro has been facing the major challenge of quickly building up its national institutions capable of formulating and implementing the policies in various areas, and foreign policy has been one of the highest priorities.

The efforts by the leadership of the Ministry over the past years have yielded positive results as MFA has started to grow into an institution with proven ability to develop, present and safeguard policy positions of the Republic of Montenegro on the most sensitive issues of international relations. However, in order to address emerging challenges, which Montenegro faces in its aspiration to become a full member of the European Union (EU), and also a regional partner for peace and development, there is a need to strengthen the institutional and human capacities of the MFA to effectively implement country's foreign policy.

Whilst the country's foreign policy priorities are clearly formulated, their expression in a comprehensive and timely fashion requires further strengthening of institutional capacities of MFA. This includes thoughtful policy response to EU requirements, NATO, UN, changes in the international political and economic situation, improved ability to safeguard interests of the country in organizations for regional and international cooperation, ability to clearly present the policy position of the country as well as further improvement of the image of Montenegro as an open and democratic state.

Internally, MFA is yet to tackle the number of tasks to improve its operational efficiency and build up the professional diplomatic service. This is related but not limited to setting up of new units, capturing the benefits of IT tools in the MFA's daily operations, development of the legal framework for a sustainable mechanism of selection, recruitment, promotion and professional development of diplomats.

The Capacity Development Programme (CDP)[[2]](#footnote-3) is seen as a strategic instrument of the MFA in its task of supporting the Government to achieve the Foreign Policy objectives. The CDP conducted capacity assessment of the MFA which analyses the organizational structure and decision making process, information flows and strategic management, providing clear findings and operational recommendations which are addressed by the project. The report on capacity assessment of Ministry of Foreign Affairs is attached to the project document as Annex A.

**3. Intervention Strategy:**

This project aims to assist the Government of Montenegro, in particular the Ministry of Foreign Affairs, in strengthening its institutional and administrative capacities to perform its functions as efficiently and effectively as possible, in accordance with the existing fiscal constraints and the supply of human resources with suitable qualification and experience. The project is designed as capacity development initiative that combines trainings on new policies and procedures, drafting of manuals and legal documents, development and implementation of monitoring and reporting framework. In addition, Project will specifically contribute to enhancement of the capacities of staff to help contribute towards the achievement of gender-related UN, EU, COE and OSCE requirements for gender sensitive policies, legislation and programming as well as gender balanced representation.

There are two identified broad areas which will be in focus of project’s assistance: 1) organization and allocation of functions; and 2) Working methods and rules

The project will have a three-pronged approach:

* Training of key staff of Ministry of Foreign Affairs in areas, such as human resources, mid-term foreign policy planning, public diplomacy, finances, monitoring and reporting, gender mainstreaming etc.
* Development of new organizational structure and administrative framework to ensure more integrated and long-term cohesiveness and leadership role in political aspects of EU integration process
* Improvement of institutional mechanisms to ensure more systematic information flows, introduction of strategic management and new policy and decision making mechanisms.

As such, activities would not focus only on technical assistance specific to the two identified areas, but also, at a more strategic level, in helping the Government strengthens its capacity in order to better address strategic direction of Foreign Policy. Planned activities are expected to improve the performance of Ministry of Foreign Affairs, but also quality of governance and political and administrative decision-making, while also serving the important values of openness and accountability to citizens of Montenegro.

**Expected Output:**

Operational, management and policy-making capacities of Ministry of Foreign Affairs strengthened, resulting in more efficient performance of the Ministry toward priority requirements of the Government’s Foreign Policy in accordance with EU requirements.

**Success Indicators[[3]](#footnote-4):**

* Organizational structure of the Ministry of Foreign Affairs improved, resulting in more efficient allocation of functions and overall performance of the Ministry toward priority requirements of the Government’s Foreign Policy.
* Strategic management and new policy making mechanisms introduced and implemented.
* Rules and procedures of decision making revised and operational management of the Ministry of Foreign Affairs strengthened.

**Activities within the specific area/sectors:**

1. Improvement of organization and allocation of functions

The Ministry of Foreign Affairs has been in existence as a fully functioning institution for less than three years, since independence on June 3rd, 2006. As in other parts of public administration, many aspects of personnel management are underdeveloped.

The current structure of the Ministry of Foreign Affairs provides for the Minister and five deputy ministers who cover five departments including bilateral relations, multilateral relations, EU and NATO, consular affairs and the Diaspora and the Secretary, as well as many directorates and units[[4]](#footnote-5). Although deputy ministries and other employees of the Ministry are carefully selected individuals, they are hampered by many existing practices, including lack of detailed job description, no personal training plan, existing rules on daily decision making, weak human resource management, lack of proper delegation of tasks, etc. Also, management of finances within the Ministry is important issue that needs to be addressed. Therefore it is essential that there is adequate framework of procedures and best practice as well as an effective human resource management, in order to strengthen capacities of the Ministry and improve its performance.

In that regard, project’s support will be focused on the following:

* Provide expertise (regional and international) for improvement of the existing organizational structure with clear and written job descriptions;
* Establish modern Human Resource Management system applying longer-term strategy, with improved system of selecting new entrants, career planning mechanisms with general and specific training plan and performance assessment with specific attention to equal opportunities;
* Provide expertise and training for development of public diplomacy and improvement of consular work;
* Review all financial procedures and provide expertise and training for development and implementation of the new finance and budgetary control system
* Establish coordination mechanisms and interdependency between the structural reforms with the accent on the quantification of it’s effects on foreign policy of Montenegro
* Development of the Foreign Policy Strategy of Montenegro
1. Working Methods and Rules

Although Ministry functions and produces the results, its working practices are not well designed and largely reflect an inheritance from the “old system”, giving emphasis on a “top down” decision making and not enough delegation. The need for proper delegation is the most important issue in this area and efforts should be put in making delegation integral in the working procedures of the Ministry.

Also, the existing process of information flow, including handling income letters, reports and papers is labour-intensive and unsuited to the opportunities provided by IT, which lead to unnecessary delays. There is no standardized format of political, briefs and other reporting from embassies, neither there is a guidance on what and how different sorts of reports should be structured.

There is no practice on producing “policy paper” that would contain analysis of issues and policy options that could be invaluable for “policy meetings” within the Ministry, but also in coordination on higher level, with President, Prime Minister, etc. On the same course, the exchange of relevant information between ministries is not automatic, and very often it causes that MoFA is not informed about external policy issues, initiatives, visits, etc., which prevent Ministry to maintain consistency of foreign policy.

In light of the serious aspirations of Montenegro to position itself high within the international community, it must ensure the necessary technical and IT preconditions, in order that the country is able to keep up with the growing intensify and quick pace of operations and communication worldwide. Following world trends and standards, the Ministry of Foreign Affairs of Montenegro, being the key channel facilitating communication and business with the rest of the world, need to start in a timely fashion modernizing its operative environment. Therefore it is necessary to create IT platform that ensures maximum security and quality of information/documents flow.

There are many changes that can be made to improve the efficiency of the Ministry and improve the delivery of foreign policy objectives and responsiveness of the Ministry and embassies and consular offices to the needs of the Government and citizens of Montenegro.

Project will support the following:

- Provide expertise on how delegation should work in practice in the ministry and embassies with development of the operational instructions

- Provide expert assistance on information/document flow and development of new procedures in accordance with standard practice of EU foreign ministries

- Establish IT platform ensuring high level security of operative processes, document flow and electronic archive

- Introduce and implement standard format for political and other reports, containing instructions

- Introduce new system of the archive and registry, fully using tools of IT technology

- Review the existing system of communication and provide recommendations for development of the new communication system (between the Ministry and Embassies) with the appropriate level of security

- Provide assistance for improved coordination system and regular information sharing on foreign policy with President, Prime Minister and Speaker, as well as with other Ministries

- Provide assistance for development of Diplomatic Service Regulations - handbook with best practice for the Ministry and embassies

These specific technical areas are strategic and Project support will be focused on strengthening capacities of MoFA that are essential for successful design and implementation of foreign policy that will contribute to sustainable economic growth of Montenegro. The assistance will be in line with the recommendations form EU Annual Progress reports, NPI and SAA implementation obligations.

The Project will be run in a most flexible manner to allow meeting of priority emerging needs of the government within the reform process and participation of key stakeholders, within the human development focus and mandate.

**4. Management Arrangements**

The project will be self-contained for funding purposes, with its own budget and results-based management framework, but will form an integrated part of the Capacity Development Programme (CDP)[[5]](#footnote-6), complementing related activities of that programme.

The CDP *Executive Committee*[[6]](#footnote-7) will have ultimate responsibility for management, assisted by the CDP's managing authority - *Capacity Development* *Unit (CDU)***,** and answerable to the *Steering Committee* composed from the representatives of the Government and donors and chaired by the Minister for European Integration.

The overall project activities will be implemented by *Technical Working Group* established by the Ministry of Foreign Affairs to assist management of the CDP. Also, for the purpose of this Project, the Project Board consisted of representatives of UNDP and Ministry of Foreign Affairs and/or donor representative will be established with the role to monitor and evaluate implementation of the Project.

**UNDP Backstopping Team:** The UNDP Country Office in Podgorica staff will provide strategic advice and administrative support and is responsible for financial disbursements, controlling and reporting. The Backstopping Team will ensure that the project is informed by the lessons of UNDP's prior project experience and is integrated into the ongoing project activities within the CDP portfolio.

**Monitoring and Evaluation:** The purpose of monitoring and evaluation will be to monitor progress towards the key outputs, identify, in good time, where improvements are necessary to enable the project to achieve its objectives, and to make preliminary assessments about further training needs of the target groups.

*Monitoring responsibilities and events:* A detailed schedule of project review meetings will be developed by the project management team, in consultation with project implementation partners. Such schedule will include: (i) tentative time frames for Project Board Meetings and (ii) project related Monitoring and Evaluation activities. Day-to-day monitoring of implementation progresswill be the responsibility of the Project Manager based on the project's Annual Work Plan and its indicators. The Project Manager will inform the Project Board of any delays or difficulties faced during implementation so that the appropriate support or corrective measures can be adopted in a timely and remedial fashion. The Project Manager will fine-tune the progress and performance/impact indicators of the project in consultation with the full project team and specific targets for the first year implementation progress indicators together with their means of verification will be developed at the beginning of the Project implementation. These will be used to assess whether implementation is proceeding at the intended pace and in the right direction and will form part of the Annual Work Plan. Targets and indicators for subsequent years would be defined annually as part of the internal evaluation and planning processes undertaken by the project team.

Annual Monitoring will occur through the Project Board meetings, which will be held at least two times a year. The first such meeting will be held within the first six months of the start of full implementation.

*Project Reporting:* The Project Manager in conjunction with the Technical Working Group will be responsible for the preparation and submission of the following reports that form part of the monitoring process.

An Annual Review Report (ARR) shall be prepared by the Project Manager and shared with the Project Board. As a self-assessment by the project management, it does not require a cumbersome preparatory process. As minimum requirement, the Annual Review Report shall consist of the Atlas standard format for the Project Progress Report (PPR) covering the whole year with updated information for each element of the PPR as well as a summary of results achieved against pre-defined annual targets at the project level. The ARR should consist of the following sections: (i) project risks and issues; (ii) project progress against pre-defined indicators and targets and (iii) outcome performance.

Quarterly progress reports: Short reportsoutlining main updates in project progress will be provided quarterly by the project team.

UNDP ATLAS Monitoring Reports: A Combined Delivery Report (CDR) summarizing all project expenditures,is mandatory and should be part of the Quarterly progress reports. The following logs should be prepared: (i) the Issues Log is used to capture and track the status of all project issues throughout the implementation of the project. It will be the responsibility of the Project Manager to track, capture and assign issues, and to ensure that all project issues are appropriately addressed; (ii) the Risk Log is maintained throughout the project to capture potential risks to the project and associated measures to manage risks. It will be the responsibility of the Project Manager to maintain and update the Risk Log, using Atlas; and (iii) the Lessons Learned Log is maintained throughout the project to capture insights and lessons based on good and bad experiences and behaviours. It is the responsibility of the Project Manager to maintain and update the Lessons Learned Log.

**5. Risks and Mitigation Measures**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Type | Description | Mitigation Measure | Status | Owner |
| Operational  | Staff flow from the Ministry of Foreign Affairs | Project Manager will be in daily communication with Technical Working Group, ensuring successful implementation of the Project  | Medium | Project Manager |
| Financial  | Limited financial resources may, in the long run, lead to a standstill of the reforms/capacity development of the Ministry of Foreign Affairs. | It is important that project management develops financing plan with identification of future resources of finance, during the implementation of the project. | Medium | Project Board |
| Operational | High expectations from the beneficiary and the donor community from the project may exceed the actual capacity of the project. Quality changes in the institutions require time to take effect.  | Therefore, it is essential that project management run a pro-active continuous reporting and advocacy strategy to ensure that outputs produced are sustainable and find adequate recognition by institution | Low | Project Manager |
| Political | Commitment and willingness of the Ministry for Foreign Affairs to implement the Project  | It is important to regularly review the progress of project implementation in order to avoid potential problems caused by lack of commitment of the Ministry | Medium | Project Board |

|  |
| --- |
| **Intended Outcome as stated in the Country/ Regional/ Global Programme Results and Resource Framework:** Consolidation of efficiency, accountability and transparency in public administration(Efficiency and transparency of Government improved in order to effective lead policy formulation, coordination and service delivery in accordance with EU requirements) |
| **Outcome indicators as stated in the Country/ Regional/ Global Programme Results and Resources Framework, including baseline and targets.**Indicators: EC Annual Reports onStablilization and Association process in MontenegroBaseline: progress report 2008: In order to prepare fully for implementation of the SAA, Montenegro needs to continue upgrading its administrative capacity in the areas covered by the agreement, which is a key European Partnership priority |
| **Applicable MYFF Service Line:** Service line 2.7-Public Administration reform |
| **Partnership Strategy**:The project will contribute towards building partnership with the Government of Montenegro and CDP as a partner in strengthening operational and institutional capacities of Ministry of Foreign Affairs |
| **Project title and ID (ATLAS Award ID):** “Strengthening capacities of Ministry of Foreign Affairs to efficiently address the priorities of Foreign Policy of Montenegro” |
| Intended Outputs | Output Targets for (years) | Indicative Activities | Responsible parties | Inputs |
| Output: Operational, management and policy-making capacities of Ministry of Foreign Affairs (MoFA) strengthened, resulting in more efficient performance of the Ministry toward priority requirements of the Government’s Foreign Policy in accordance with EU requirements. *Baseline*: MoFA does not have sufficient capacities to formulate and implement the policies relevant for improvement of its organizational structure, strategic management and working methods and rules. *Indicators*: Specific policies/ recommendations for identified areas developed and implemented; At least 20 staff of MoFA trained systematically on skills required for supporting successful implementation of the Foreign Policy priorities; Rules and procedures for decision making and operational management revised | *Target for 1st year:*Establish the mechanisms for improvement of organization and allocation of functions as well as working methods and rules within the Ministry Of foreign Affairs*Target for 2nd year*Provide expertise and trainings for ensuring sustainability of the established mechanisms and procedures in the targeted area | 1.1 Improvement of organization and allocation of functions Actions:- Provide expertise (regional and international) for improvement of the existing organizational structure with clear and written job descriptions;* Establish modern Human Resource Management system applying longer-term strategy, with improved system of selecting new entrants, career planning mechanisms with general and specific training plan and performance assessment with specific attention to equal opportunities;
* - Provide expertise and training for development of public diplomacy and improvement of consular work;
* - Review all financial procedures and provide expertise and training for development and implementation of the new finance and budgetary control system
* Establish coordination mechanisms and interdependency between the structural reforms with the accent on the quantification of it’s effects on foreign policy of Montenegro
* Development of the Foreign Policy Strategy of Montenegro
 | UNDP | International expertsCoordination meetingsRoundtables/ trainingsPrinting publications |
| 1.2 Working Methods and Rules Actions: - Provide expertise on how delegation should work in practice in the ministry and embassies with development of the operational instructions- Provide expert assistance on information/document flow and development of new procedures in accordance with standard practice of EU foreign ministries- - Establish IT platform ensuring high level security of operative processes, document flow and electronic archive- - Introduce and implement standard format for political and other reports, containing instructions - Introduce new system of the archive and registry, fully using tools of IT technology- Review the existing system of communication and provide recommendations for development of the new communication system (between the Ministry and Embassies) with the appropriate level of security - Provide assistance for improved coordination system and regular information sharing on foreign policy with President, Prime Minister and Speaker, as well as with other Ministries- Provide assistance for development of Diplomatic Service Regulations - handbook with best practice for the Ministry and embassies | UNDP | International consultantsLocal consultantsCoordination meetingsWorkshops/ trainingsIT equipment |

1. If an NGO is the Executing entity, it would not sign this page, but rather the Project Cooperation Agreement with UNDP [↑](#footnote-ref-2)
2. The Capacity Development Programme (CDP) is joint initiative of the Government of Montenegro, Foundation Open Society Institute and UNDP. CDP has been established in 2003 to assist the Government with administrative reform andEU accession. Second Phase of CDP started in February 2007 with strong governmental ownership: management unit of CDP is placed in the premises of the Ministry for European Integration and overall management of the programme is conducted by Minister for European integration. The activities proposed under CDP Phase II will, consequently, focus on supporting government’s efforts to improve its capacity to manage and coordinate the process of EU integration [↑](#footnote-ref-3)
3. Gender equality perspectives will be integral part of the Project intervention specifically in regard to human resources and capacity development [↑](#footnote-ref-4)
4. The organizational structure (organogram) can be downloaded at: www.gov.me/eng [↑](#footnote-ref-5)
5. The Capacity Development Programme (CDP)has successfully operated sinceSeptember 2003 as a partnership between the Government of Montenegro (GoM), the Foundation Open Society Institute in Montenegro (FOSI-ROM), and the United Nations Development Programme (UNDP). [↑](#footnote-ref-6)
6. The Executive Committee is chaired by the Assistant Minister for European Integration and composed of representatives of CDU, UNDP and FOSI-ROM. [↑](#footnote-ref-7)