



United Nations Development Programme

Country: Montenegro

PROJECT DOCUMENT

Project Title: "Capacity building for integration of global environment commitments in investment/development decisions"

UNDAF Outcome(s):

No UNDAF for the period until 2011 (for 2012-2016, environmental indicators are recognized as a major priority within the Sustainable Economic Development and Environmental Protection Program Pillar within the Integrated UN program Montenegro)

UNDP Strategic Plan Environment and Sustainable Development Primary Outcome:

UNDP Strategic Plan Secondary Outcome:

Expected CP Outcome(s): Environmentally sustainable economic development

Expected CPAP Output (s): Sustainable planning and management of natural resources in close partnership with the private sector.

Executing Entity/Implementing Partner: UNDP

Implementing Entity/Responsible Partners: Ministry for Sustainable Development and Tourism, Agency for Environmental Protection

Brief Description

The immediate objective of this project is to analyze, identify, and pilot advanced tools and practices for environmental information management and compliance monitoring of the national implementation of the Rio Conventions. Specifically, the project would develop national capacities collect and analyze data and information against the metrics of global environmental indicators, and integrate these within national sustainable development and environmental decision-making processes. The expected outcome of this project is that a systematic and sustainable approach to assessing global environmental achievements through the implementation of national policies, programmes and plans has been initiated. This project will also be an important contribution to the national experiences in developing and implementing tools and practices for measuring, reporting, and verifying the cost-effectiveness of official development assistance to implementing multilateral environmental agreements, in particular the Rio Conventions.

Table with 2 columns: Resource Category and Amount. Includes Programme Period (2011-2014), Atlas Award ID (00061738), Project ID (00078478), PIMS # (4378), Start date (May 2011), End Date (May 2014), Management Arrangements (DIM), PAC Meeting Date (11 July 2011), Total resources required (\$1,185,550), Total allocated resources (\$1,185,550), Regular (\$25,000), Other: GEF (\$502,700), In-kind (\$94,000), Other (\$563,850), In-kind contributions (\$94,000).

Agreed by (Government):

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Acronyms and Abbreviations

CBD	Convention on Biological Diversity
CCD	Convention to Combat Desertification and Drought
CETI	Centre for Ecotoxicological Research
CO	Country Office
CPAP	Country Programme Action Plan
CSD	Council for Sustainable Development
EPA	Environmental Protection Agency
EMIS	Environmental Management Information System
ESTM	Environmental Sustainability Theme Manager
FCCC	Framework Convention on Climate Change
GEF	Global Environment Facility
GIS	Geographic Information System
GTZ	Gesellschaft für Technische Zusammenarbeit
HMI	Hydrometeorological Institute
LECRDS	Low-Emission, Climate-Resilient Development Strategies
MAFF	Ministry of Agriculture, Forestry and Foods
MDG	Millennium Development Goal
MRV	Measurement, Verification, and Reporting, and Verification
MSDT	Ministry for Sustainable Development and Tourism
MSPEP	Ministry of Spatial Planning and Environmental Protection
NBSAP	National Biodiversity Strategy and Action Plan
NCSA	National Capacity Self-Assessment
NSSD	National Strategy of Sustainable Development
OSD	Office for Sustainable Development
PMU	Project Management Unit
RCU	Regional Coordination Unit
SEDEP	Sustainable Economic Development and Environmental Protection
UNDP	United Nations Development Programme

I. SITUATION ANALYSIS

Context and global significance: Environmental, policy and institutional

1. In 1991, the Parliament committed Montenegro to develop into an “ecological state”, and this vision was reinforced in 2007 through Constitutional provisions on ecological priorities, thus confirming a high level of commitment to preservation of the natural environment and sustainable development.
2. In 2007, the Government adopted the National Strategy of Sustainable Development (NSSD) as the most important document that sets out the goals and priorities for guiding future development in all areas. The strategy seeks to: (i) advance economic growth and development, and reduce regional development disparity; (ii) alleviate poverty; (iii) provide equal access to services and resources, (iv) ensure efficient control and reduced pollution, and sustainable management of natural resources, (v) improve the system of administration and public involvement; mobilize all the actors, with capacity building at all levels, and (vi) maintain cultural diversity and identities. In October 2008, the Government established the Council for Sustainable Development (CSD), accepting the reform defined and proposed by the Office for Sustainable Development (OSD) in cooperation with numerous local and international actors. The NSSD defines a set of 28 core sustainable development indicators that are intended to assess the direction and the general alignment of the development trends of Montenegro with the standards and principles of sustainable development. The core set of indicators also includes indicators on environment to ensure efficient pollution control and reduction, and sustainable management of natural resources. However, these indicators do not adequately reflect criteria and indicators that measure global environmental outcomes. Together, the CSD and NSSD are the key means for ensuring that the sustainable development principles are adequately streamlined in the major strategic documents and plans.
3. In Montenegro, there exists a considerable fragmentation of mandates and responsibilities within and among many institutions in the field of environment. The Ministry for Sustainable Development and Tourism (MSDT) is the focal institution within the Government mandated with the policy-making, legislative and supervisory functions in the areas of urban planning and spatial information systems, environmental protection and sustainable use of natural resources, housing policy and development, tourism development, and public infrastructure and other public utilities, among others.
4. However, the MSDT is not the only ministry responsible for aspects of environmental protection. The largest area of environmental policy that is not within the mandate of the Ministry of Spatial Planning and Environmental Protection (MSPEP) is water, which instead falls under the Ministry of Agriculture, Forestry and Foods (MAFF). A number of other ministries are responsible for certain aspects of environmental protection, such as the Ministry of Health, which is responsible for the management and treatment of medical waste and the Ministry of Transport, Maritime Affairs and Telecommunications, which is responsible for addressing the causes and impacts of marine pollution.
5. There are a number of other national administrative institutions that serve to implement and enforce environment-related provisions of national policies, programmes and plans. These administrative institutions, or agencies, include the Environmental Protection Agency, the Real Estate Administration, the Water Administration, the Maritime Safety Administration, the Hydrometeorological Institute, the Seismological Institute, the Forestry Administration, and the Office of Public Works. The supervision over the legality and quality of work of these institutions is performed by their respective ministries: the Ministry of Agriculture, Forestry and Water management is responsible for supervision of the Water Administration and the Forestry Administration; the Ministry of Finance is responsible for supervision of the Real Estate Administration; and the Ministry of Transport, Maritime Affairs and Telecommunications is responsible for the supervision of the Maritime Safety Administration. The MSDT is responsible for

supervision of the Environmental Protection Agency, the Hydrometeorological Institute, the Seismological Institute and the Office of Public Works.

6. The EPA was established in order to effectively perform professional activities related to environmental monitoring, collection and dissemination of data and coordination and management of the national information system of environmental protection. The main mission of the Environmental Protection Agency is to provide reliable and timely data and information on the state of the environment, necessary for the effective implementation of environmental policy in the state. EPA responsibilities include: revision and improvement of the programme of environmental monitoring; establishment of an information system; establishment of reference centres for environmental monitoring; enhancement of the reporting system; development of environmental and sustainable development indicators; enhancement of data and information; contribution to environmental protection; and strengthening of awareness about the importance of environmental protection.

7. In addition to the administrative institutions, there are a number of other public institutions that play a role in environmental management, including: (i) the Nature Protection Institute, which is a public institute that was established under the Nature Protection Act; (ii) the public enterprise National Parks of Montenegro established in 1993 under the National Parks Act; (iii) the Public Enterprise for the Management of Marine Commons established in 2006 under the Marine Commons Act; and (iv) the Centre for Ecotoxicological Research (CETI) of Montenegro, a state owned public institution that carries out ecological research and monitoring.

Threats, root causes

8. Despite these important national policies and institutional structures and mechanisms, significant barriers remain for effective environmental management, in particular:

- Fragmented institutional mandates and responsibilities for environmental protection
- Undefined institutional obligations as they relate to the collection, management, and sharing of data and information relevant to environmental protection, including the centralization of data and information
- Lack of unique databases and informational system within each institution/agencies
- Weak compliance of existing legislation, e.g., obligation of the polluters to monitor and report their emissions
- Data collection does not follow universally accepted statistical methodologies that meet legislated requirements
- Inadequate analytical skills to apply global environmental indicators
- Lack of institutional capacities in terms of technical knowledge, personnel, financial resources to create and manage an indicator based environment management system centrally (say at EPA).
- Absence of legislation that mandates the creation of a centrally managed environment management system based on globally accepted set of indicators, relevant for meeting the obligations of Montenegro under the commitments to Rio Conventions and also its integration with European Union (EU).

9. Exacerbating these national sustainable development barriers is the state of the current global financial crisis and the associated decrease of official development assistance and foreign investment, which has placed significant pressure on the Government to opt for investment and development decisions with high financial returns in the short-term perspective, often without full consideration of environmental factors or impacts. For these reasons, the short-term goal is to ensure that investment and development decisions in key economic sectors adequately integrate obligations and commitments of Montenegro vis-à-vis Rio Conventions, and that they are fully in line with the NSSD. This calls for an

immediate action in ensuring that the key obligations Montenegro has undertaken through adoption of the Rio Conventions are adequately integrated and considered in investment and development decisions.

Long-term solution and barriers to achieving the solution

10. The proposed project represents an important contribution to the international environmental regimes, as governed by the Rio Conventions, given the absence of harmonized indicators to measure achievements. This project will represent an important test case for how indicators for global environmental management can be effectively developed and integrated within national environmental management systems to achieve both global and national environmental objectives.

11. Montenegro has made significant progress in establishing a legal and strategic framework for effective environmental management. The National Strategy for Sustainable Development adopted in 2007 serves as a key framework for ensuring that every sectoral strategy is in line with sustainable development principles. However, serious gaps remain between the legal and strategic framework on the one hand and their implementation on the other side. Neither do they specifically target an assessment of global environmental indicators.

12. Moreover, the environment in Montenegro remains under pressure from: (i) Continued urbanization along the coastline, across the central lowland plain and around the natural lake systems; (ii) Unsustainable levels of tourism development; (iii) Illegal harvesting of forests and other natural resources; and (iv) Illegal construction and effects of hot and dry periods on forest habitats susceptible to fires.

Stakeholder and baseline analysis

13. The project will be implemented through the UNDP Country Office in Montenegro, in partnership with the Ministry of Sustainable Development and Tourism and the Environmental Protection Agency.

14. Taking into account that the data and information roles, responsibilities, and needs of various other key ministries, institutions, and agencies, other project partners include the Office for Sustainable Development, Statistical Office of Montenegro, Hydrometeorological Institute, Ministry of Economy, Ministry of Agriculture and Rural Development, Institute of Marine Biology, Institute for Nature Conservation, Public Enterprise for Coastal Zone Management, Ministry of Health, Ministry of Interior, Ministry of Transport and Maritime Affairs, Institute for Human Health, and the Centre for Ecotoxicological Research.

15. The above-mentioned institutions will collaborate and coordinate the structural reform of their databases and MIS through this project, in particular the identification and key sustainable development and global environmental indicators, the development of a networked indicator-based EMIS. Partner agency staff will be trained on best practice methodologies for data gathering and analysis, and the technical maintenance of the EMIS. Other important stakeholders are regional institutions who play an important role in data gathering and the sharing of information through field extension offices. Civil society is also an important stakeholder to the extent that they are users of EMIS data and information (indicators), such as farmers. The private sector is a key project stakeholder, in that they bear a role and responsibility to collect and report data on the level of their resource extraction and pollution.

16. The Ministry of Sustainable Development and Tourism, by the Decree on the organization and the manner of work of the state administration (Official Gazette of Montenegro, No. 59/09 from 04.09.2009) is responsible for everything what the institutions under her umbrella do, including carrying out activities related to monitoring of the environment, proposing measures for improvement of the environment to the Government of Montenegro as well as analyzing their impact, which is prepared for the Ministry for the Environmental Protection Agency (EPA). The Department of Tourism in the

Ministry of Sustainable Development and Tourism is responsible for nature protection, including establishment of Natura 2000 network, environment protection and tourism development in Montenegro. The department has developed a core set of sustainable development indicators for tourism that includes indicators on energy & environment.

17. Moreover, according to the Environmental Law (Official Gazette No. 48/08), the Environmental Protection Agency of Montenegro has the obligation to create an annual report on the environmental situation in Montenegro. The EPA was established on 12 November 2008 by the Decree on Amendments to the Decree on the organization of the State Administration (Official Gazette of Montenegro No. 68/08).

18. The EPA has been established in order to effectively perform professional activities related to environmental monitoring, collection and dissemination of data and coordination and management of the national information system of environmental protection. The main mission of the Environmental Protection Agency is to provide reliable and timely data and information on the state of the environment, necessary for the effective implementation of environmental policy in the state.

19. In future, the EPA has the following priorities:

- Revision and improvement of the Programme of environmental monitoring;
- Establishment of an information system;
- Establishment of reference centres for environmental monitoring;
- Enhancement of the reporting system;
- Development of environmental & sustainable development indicators;
- Enhancement of data and information;
- Contribution to Environmental Protection;
- Strengthening of awareness about the importance of environmental protection.

20. The Government of Montenegro has also defined the making of national list of sustainable development indicators as one of the most priority activities in this area by the program of work for 2010 (end of fourth quarter).

21. In April 2007, the Government adopted the National Strategy of Sustainable Development (NSSD) as the most important document which sets the goals and priorities for guiding the future development in all areas. The overall goals of the Strategy are:

- Advance economic growth and development, and reduce regional development disparity,
- Alleviate poverty; provide equal access to services and resources,
- Ensure efficient control and reduced pollution, and sustainable management of natural resources,
- Improve the system of administration and public involvement; mobilize all the actors, with capacity building at all levels,
- Maintain cultural diversity and identities.

22. In October 2008, the Government passed a Decision on the establishment of the National Council for Sustainable Development, accepting the reform defined and proposed by the Office for Sustainable Development (OSD) in cooperation with numerous local and international actors. The Government included in its Program of Work for 2009 the adoption of the Sustainable Development Communication Strategy, for which the Office for Sustainable Development in cooperation with the Ministry of Spatial Planning and Environmental Protection is in charge.

23. The National Strategy of Sustainable Development of Montenegro defines a set of 28 core sustainable development indicators, which ought to evaluate the direction and the general alignment of

the development trends of Montenegro with the standards and principles of sustainable development. The core set of indicators also includes indicators on Environment to ensure efficient pollution control and reduction, and sustainable management of natural resources.

24. The Ministry of Agriculture, Forestry and Water Management is the Government authority that has the leading role in the process of forest resource management, and in development of economic and other sectoral policies, which it accomplishes by proposing to the Government of Montenegro, and by implementation of the corresponding policies. In organizational terms, forestry sector in the Ministry is divided into three departments: Strategic Planning Unit, Planning and Monitoring Unit, and Inspection. The Forest Administration is the state administration body responsible for forest management, and according to the Law, its responsibilities include the following:

- Improvement of silviculture, protection and forest utilisation;
- Adequate tending, reforestation, establishment and improvement of forests (biological reproduction), selection of seed stands – health status examination and provision of seed and planting material;
- Conservation of natural and created forest values, prevention and elimination of harmful impacts of all biotic and abiotic factors, which put those values at risk, and recovery of the current condition;
- Protection of forests and forest land from usurpation and illegal utilisation, fires, etc.;
- Managing the reporting and prognostic unit;
- Forest management planning, which is implemented through development of general and operational management plans, programmes and forest management plans, implementation projects and afforestation plans and programmes for bare land;
- Development of forest roads programmes, tree marking, measurement and stamping trees and issuing certificates of origin for forest assortments; and
- Releasing state forests for utilisation through contracts, and monitoring tenders, keeping records and forestry databases (informational system), professional development (counselling, courses, etc.).

25. According to authorizations given by the Forest Law, the Forest Administration manages state forests and executes professional activities related to private forests management (planning, tree marking, protection, etc.). The Forest Administration is divided into 15 regional units and the Headquarters in Pljevlja. While execution of works in forests and processing of forest products is left to private sector and the market, the Forest Administration will have a key role in environment management.

II. STRATEGY

Project rationale and policy conformity

26. Montenegro's (NCSA) identified a number of common weaknesses in the national implementation of the Rio Conventions. As a result, the NCSA Action Plan prioritized a suite of national cross-cutting capacity development actions. The top priority action identified was to harmonize the country's environmental legislative framework so that it becomes fully compliant with Rio Convention commitments. This project will be an important contribution to this objective by developing and piloting the application of global environmental management indicators that will help Montenegro assess the extent to which policy interventions are achieving global environmental benefits.

Weaknesses and Threats	CBD	CCD	FCCC
Weak inter-agency cooperation	X	X	X
Gaps, imprecision and need to revise legal framework	X	X	X
National programmes, policies, plans or strategies required by Conventions not prepared	X	X	X
Inefficient enforcement of existing Convention-related laws and plans	X	X	
Low political priority of, and inadequate political and social support to Convention-related issues	X		X
Lack of or insufficient capacity (qualified staff, and administrative, financial, technical and data resources) to implement Convention requirements	X	X	X

Country ownership: Country eligibility and country drivenness

27. Montenegro's National Strategy for Sustainable Development (NSSD) is based on the globally accepted principles of sustainable development, defined through the Rio Declaration and Agenda 21, Johannesburg Declaration and Implementation Plan, as well as on the principles of the UN Millennium Declaration from which the Millennium Development Goals (MDGs) were derived. These include taking a precautionary approach to development, internalizing environmental costs, and reconciling local and global priorities. The application of global environmental management indicators represent an important set towards helping Montenegro implement their NSSD by providing checkpoints for tracking progress to meeting and sustaining global environmental objectives.

28. Montenegro's 2010-2015 National Biodiversity Strategy and Action Plan (NBSAP) represents an important strategic framework to meeting Convention on Biological Diversity (CBD) commitments. The NBSAP calls for an increase in protected area coverage, as well as the protection of endangered and endemic fauna and flora. The NBSAP is an important tool for guiding the conservation and sustainable use of biological resources in a way that reconciles protection for national benefit with protection to meet global environmental obligations. The NBSAP is complemented by Montenegro's National Forest Policy and Strategy, which also provides long-term benefits under the FCCC through its position to increase forest protection, and thus increase carbon sequestration.

29. Montenegro has approved a number of strategies and plans to address the causes and impacts of climate change. This includes the Framework Strategy on Climate Change, Energy Efficiency Strategy of the Republic of Montenegro (2006), Strategy for Development of Small Hydro Power Plants (2006), Spatial Plan of Montenegro, and Energy Sector Development Strategy. Montenegro recently prepared its Initial National Communication to the FCCC, which called for the reporting of a suite of indicators that serve to assess the country's contribution to meeting FCCC obligations. This includes the preparation of inventories of greenhouse gas emissions, as well as reporting on the progress made to implement Clean Development Mechanism projects.

30. The project also aligns closely with priority activities identified in the National Integrated Coastal Zone Management Strategy (2008), the National Strategic Action Programme for the Conservation of Biological Diversity in the Mediterranean, and the Spatial Plan on the Maritime Public Domain (2007). Each of these has important implications for delivering global environmental benefits, and to the extent that their associated policy interventions can be measured in these terms will demonstrate that Montenegro is making a contribution to meeting Rio Convention obligations.

Design principles and strategic considerations

31. As a priority objective of the three Rio Conventions, donors and the GEF, the strategic approach of capacity development is directed towards facilitating cross-sectoral and participatory approaches to

natural resource management planning and implementation. Guided by the GEF “Strategic Approach to Enhance Capacity Building”, approved by the GEF Council in November 2003, this Multi-Focal Area project is guided by the principle of targeting capacity development activities across focal areas (cross-cutting) in order to create synergies. Adaptive collaborative management will be used as an approach to engage stakeholders as collaborators in the design and implementation of project activities that take into account consequences arising from policy interventions.

32. This project is specifically structured to meet Capacity Development Objectives 4 and 5 of the GEF-5 Capacity Development Results Framework. Component 1 of the project focuses on developing national capacities for improved management and implementation of the three Rio Conventions by developing global environmental management indicators as part of the Montenegro's environmental governance regime. Component 2 of the project is a complementary capacity building set of activities, developing individual and institutional capacities to use global environmental management indicators as a monitoring tool to assess the intervention performance and institutional sustainability.

33. The project is also consistent with the programmatic objectives of the three GEF thematic focal areas of biodiversity, climate change and land degradation, the achievement and sustainability of which is dependent on the critical development of capacities (individual, organizational and societal). Through the successful implementation of this project, a more integrated and cost-effective approach to developing and applying global environmental management indicators across the focal areas will be demonstrated.

34. The capacity building activities of the project are in line with several articles under the Rio Conventions, in addition to other international environmental treaties, as indicated in the table below. For example, Article 4 of the FCCC calls for Parties to "Promote and cooperate in ... systematic observation and development of data ... to reduce or eliminate the remaining uncertainties regarding the causes, effects, magnitude and timing of climate change and the economic and social consequences of various response strategies". Article 7 of the CBD similarly calls for Parties to "Maintain and organize, by any mechanism data ... of activities which have or are likely to have significant adverse impacts on the conservation and sustainable use of biological diversity". Article 16 of the CCD calls for Parties to "to integrate and coordinate the collection, analysis and exchange of ... data and information ... to combating desertification and mitigating the effects of drought".

Type of Capacity	FCCC	Montreal Protocol	CBD	CCD	POPs
Information Management and Knowledge	Article 4 Article 5	Article 3 Article 7 Article 9	Article 7 Article 12 Article 14 Article 17	Article 10 Article 16	Article 7 Article 9 Article 15

Project Objective

35. The immediate objective of this project is to analyze, identify, and pilot advanced tools and practices for environmental information management and compliance monitoring of the national implementation of the Rio Conventions. Specifically, the project would develop national capacities collect and analyze data and information against the metrics of global environmental indicators, and integrate these within national sustainable development and environmental decision-making processes.

Expected Outcome

36. The expected outcome of this project is that a systematic and sustainable approach to assessing global environmental achievements through the implementation of national policies, programmes and plans has been initiated. This project will also be an important contribution to the national experiences in developing and implementing tools and practices for measuring, reporting, and verifying the cost-effectiveness of official development assistance to implementing multilateral environmental agreements, in particular the Rio Conventions.

Expected Outputs and Activities

37. The project will be implemented through two complementary components:

Component 1: Global Environmental Management Indicators.

38. This component sets out to develop and pilot an indicator-based Environmental Management Information System (EMIS) for measuring, reporting, and verifying (MRV) environmental management in Montenegro. In particular, this component will identify and develop a set of internationally-recognized criteria and indicators to assess policies, programmes and plans within the context of global environmental obligations as framed by the three Rio Conventions.

39. The project will target the use and mainstreaming of global environmental indicators within the construct of regional development and spatial planning with a view to meeting the objectives of global environmental conventions at the national, regional, district and municipal levels. The EMIS will also help the EPA to monitor and evaluate the effectiveness of policies, programmes, and plans structured to meet environment and development objectives under the overall rubric of the NSSD.

40. A Data Flow System (with specific protocols regarding the collection, storage, analysis and dissemination of the data based on indicators) will be designed for EPA and Hydrometeorological Institute, as well as other institutions concerned with CBD, CCD, and FCCC implementation. The project will also reconcile these global environmental indicators with other target indicators used to assess the implementation of the National Spatial Plan 2020 and Tourism Master Plan 2020 at the regional level, with special attention to assessing low-emission, climate resilient development strategies (LECRDS).

Component 2: Institutional strengthening for improved monitoring of the global environment and capacity to replicate successful environmental information management and integration practices.

31. Under this component the project will support the institutional capacity building to enable the mainstreaming of global environmental commitments into planning and compliance monitoring processes. Based on the test integration of the EMIS in the monitoring of the National Spatial Plan 2020 and Tourism Master Plan 2020, this component will help to integrate the EMIS into broader, national decision-making processes, with the aim of institutionalizing a systematic approach to the use of global environmental indicators for MRV.

32. This component will address institutional bottlenecks that constrain the mainstreaming of global environmental issues into regional development and spatial planning. These bottlenecks primarily relate to the lack of institutional incentives that promote such integration and the capacity within the Ministry of Spatial Planning and Environmental Protection, Environment Protection Agency and Hydrometeorological Institute to monitor, evaluate, adapt, replicate and learn from the project results.

33. This component will also address the need to establish the relevant functions or tasks within the relevant organizations that will ensure the systematic mainstreaming of environment management best practices and adaptive collaborative management based on the compliance monitoring through

environmental indicators. The project will also help to institutionalize the use of the Data Flow System for EMIS in institutions charged with environmental monitoring (EPA, Hydrometeorological Institute, among others).

34. The project will develop and impart a training-of-trainers programme on advanced planning tools, environmental information management systems based on GIS, environmental indicators and methods of trend analyses. The training programme will also cover mainstreaming of global environment criteria and indicators into urban and rural development planning and will provide the trainees with the methodology on how to adequately assess and report on achievement of obligations of CBD, CCD, and FCCC in regional development or spatial planning, as well as how to practically utilize that analysis in respect to planning documents.

35. The project will support the MSDT and EPA in customizing an Environmental Sustainability Theme Manager (ESTM) system. Managers would be identified in each stakeholder organization as Focal Points that have the responsibility to input and edit environmental data into the EMIS. The introduction of the Focal Point role and providing them with the necessary skills and knowledge that will enhance the efforts of the EPA in mainstreaming global environmental considerations in implementation of key development plans such as the National Spatial Plan and Tourism Master Plan.

36. A knowledge management network will be established to catalyze the proper management and dissemination of the best practices and project results. The project will develop and implement a communication strategy that will enable the dissemination of project results and lessons to a wider audience of environmental managers and practitioners, among other stakeholders. The communication strategy is not a knowledge management strategy, but rather a set of directed project activities to raise awareness among stakeholders about the importance of developing and using global environmental indicators as part of decision-making and planning processes. This includes raising and ensuring the on-going support and legitimacy of the project objectives, results, and outcomes beyond the life of the project to ensure their sustainability.

37. At the international level, this project will also help meet global environmental objectives by improving the capacities to conserve biodiversity, mitigate and adapt to climatic changes, and reduce land degradation. This project will initiate and demonstrate the cost-effective and efficient reform of policy measures for environmental protection and management.

Strategic fit with UNDP Country Programme

38. The Government of Montenegro recently adopted the Integrated UN Programme 2012-2016, which includes the Sustainable Economic Development and Environmental Protection (SEDEP) programme. The strategic objective of SEDEP is to achieve balanced and equitable regional economic development based on sustainable planning and use of natural resources that will provide high quality of life and long-term economic opportunities for its inhabitants.

39. Three outcomes that contribute to this objective are expected: (i) climate change adaptation and mitigation measures are designed and implemented to accelerate the use of renewable, clean energy, carbon trading and energy efficiency, thereby achieving low carbon emissions, climate-resilient development, and better management of human health impacts; (ii) established system for conservation and sustainable management of natural resources, effective prevention, control and reduction of environmental risks, and enhanced environmental awareness and participation by children, young people and adults; and (iii) established system for strengthening entrepreneurial capacities and facilitating private sector partnerships to develop green jobs, rural livelihoods and supporting medium-, small-, and micro-enterprises. These outcomes are intended to improve economic choices and achieve balanced regional development, as well as to address gender specific concerns and interests. Strengthening capacities for environmental monitoring is an agreed top priority for both the UN system and the Government of

Montenegro for the 2012-2016 period.

40. The Economy and Environment Cluster within UNDP is in charge of policy advice, programme design, and project implementation in the area of environmental protection. Over the last five years, UNDP has played a pivotal role in the country in translating a constitutional commitment to the ecological state into reality on the ground through facilitating the development of major national strategic documents (i.e., the National Strategy for Sustainable Development, National Spatial Plan to the year 2020, Tourism Master Plan to the year 2020, Regional Development Strategy, Biodiversity Strategy and Action Plan, and the Strategy for Development of Small Hydro Power Plant Sector) and strengthening national and local capacities for transition to low carbon economy and strengthening resilience of ecosystems and communities to climate change. At the same time, the Team Leader of the Economy and Environment Cluster is a Pillar Convener for the SEDEP Pillar of the Integrated UN Programme, thereby ensuring adequate coordination of the programme work of the UN agencies in the field of environment in Montenegro.

Coordination with other related initiatives

41. The project will be closely coordinated with the GTZ project on land management monitoring and energy efficiency monitoring. Moreover, the project will be in line with the LUX Development project on forestry monitoring and GIS establishment for the forestry sector.

42. Implementation of the National Strategy for Sustainable Development represents the overarching framework for sustainable development in Montenegro, and with which this project will be closely coordinated. The National Spatial Plan to the year 2020 is another important initiative (and the companion Spatial Planning Support Project), with the goal of integrating sustainable development principles into planning process and improving legislative enforcement. Montenegro's Tourism Master Plan to the year 2020 is another key initiative that lays out future development that has major sustainable development and environment implications. This project's development of global environmental indicators will be reconciled and integrated, as appropriate, with sustainable development indicators that are to be part of these three strategies and plans, ensuring that their implementation does not work against Montenegro's commitments to meet and sustain Rio Convention obligations.

43. This project will also be closely coordinated with the various GEF-funded national reporting projects to ensure non-duplication of GEF resources, such as the future preparation of the Second National Communication to the FCCC, the Biodiversity Strategy and Action Plan, Power Sector Policy Reform to Promote Small Hydroelectric Power Development, and Strengthening the Sustainability of Montenegro's Protected Area System.

Key indicators, risks and assumptions

Root Cause	Threat/Risk	Barrier/Assumption	Proposed Action
1. Lack of specific legislative mandate and coordination amongst reporting institutions and agencies for reporting of environmental data to a central agency such as the EPA	Multiplicity of institutions and agencies, collecting and collating same or conflicting environmental data, thus wasting time and resources	Undefined obligations of national institutions and agencies that refer to the responsibility, manner and time frame of collecting, collating and submitting of data to a central institution such as the EPA	A legislative mandate to EPA to be officially supported by various institutions and agencies on the collection, collation and analysis of data for reporting to the Rio Convention Secretariats
2. Lack of institutional and technical capacities to develop databases and	Development of individual EMIS that neither meet departmental needs nor have	Existing databases within key institutions and agencies do not share the	Build capacities of key institutions to develop harmonized databases

management information systems (MIS) that can pool data to help meet various local, regional, national and international commitments	the capacities to feed into a national EMIS that fulfils commitments at the national and international levels	same protocols of collecting, managing or sharing data	and EMIS that are capable of meeting commitments at the local, regional, national and international levels
3. Ineffective monitoring system to ensure the compliance by industry on the reporting of pollution and environmental data to the designated agency or institution.	The designated agency or institution is unable to collect and collate data in a cost-effective manner for feeding into the EMIS, resulting in lots of unvalidated data and data gaps, contributing to non-compliance and ineffective policy decisions	Existing legislation contains weak compliance provisions, compounding weak institutional enforcement mechanisms	Strengthening institutional capacities to enforce legislative compliance on reporting requirements to the appropriate agencies or institutions
4. Lack of consensus on data collection needs, format and methodology to collect, collate, and analyze data to meet compliance at the national level	The collected data may not be sufficient or valid for analytical purposes and reporting requirements	Weak protocols for data collection according to a universally accepted statistical methodology, which meet legislative requirements, and for the development of environmental indicators	Development of an indicator-based EMIS, reinforced by peer-reviewed consensus on data collection, collation and analytical methodologies
5. Although the EPA is mandated to create an indicator-based EMIS by the end of year 2010, its institutional capacities to build, operate and manage such a system are lacking.	EPA may be able to structure an indicator-based system, but the lack of capacities and inadequate financing do not bode well for its expert design, management, or institutional sustainability	Insufficient institutional capacities and inadequate funding to access the needed technical knowledge, personnel, financial resources to create and manage an indicator-based EMIS	Strengthening EPA capacities to build, operate and manage an indicator-based EMIS

Financial modality and Cost-Effectiveness

44. The GEF Request amount of US\$ 502,700 has resulted in a leveraged co-financing amount of US\$ 682,850, for a total project cost of US\$ 1,185,550. This comes to an approximate leveraging power of 135%. Additional co-financing was raised by the project in the form of parallel co-financing to the order of US\$ 248,000 for activities that are indirectly related to the project outputs and project outcomes. These include the implementation of the NSSD and the implementation of the Technical Needs Assessment Handbook through a learn-by-doing approach (US\$ 221,000).

Incremental Cost Matrix			
Outcome 1. Environmental management information system (EMIS) and indicator framework for global environmental management developed and applied on a pilot basis			
Outputs	Baseline	Alternative	GEF Increment
1.1 Set of uniform indicators and guidance for measuring the contribution of regional development policy and spatial planning to meeting global environmental objectives,	A number of indicators exist, but these are structured according to standard environmental, social and economic criteria and metrics. These indicators are not consistently interpreted against global	Set of environment indicators developed and agreed amongst various stakeholders	Development of global environmental indicators and their reconciliation with other sustainable development indicators.

including LECRDS	environmental criteria, nor are they uniformly accepted as valid metrics of sustainability		
1.2 Data Flow System designed and introduced for institutions concerned with CBD, CCD, FCCC and issues	Although there are multiple agencies managing environmental data, coordination between and among these to reconcile their data collection methodologies and standards are weak	An integrated Data Flow System developed and agreed amongst various stakeholders to report clear and consistent indicators relevant to assessing CBD, CCD, and FCCC targets	Existing data management protocols are strengthened to catalyze the harmonized collection, storage and accessibility of globally relevant environmental data and information. Clear roles, responsibilities, and accountabilities among partner agencies relevant to the CBD, CCD, and FCCC have been agreed to.
1.3 An advanced web-based tools for environmental data and metadata analysis for environmental policy formulation tested and adopted, with particular attention to measuring global environmental indicators	There is limited availability of web-based tools for analyzing environmental data, with these limited to closed network sharing within particular agencies, and not structured to sharing across agencies and key user-stakeholders	Development and adoption of advanced web-based tools for environmental data/meta analysis by stakeholders.	Good practice tools and methodologies for analyzing data and information to measure global environmental indicators are identified and institutionalized within a web-based system (see 2.5 below) for shared access by key stakeholders
1.4 Testing the application of an integrated environmental management information system (EMIS) to assess global and sustainable development outcomes of the National Spatial Plan and Tourism Master Plan at the regional level and consistent with LECRDS	Montenegro has recently begun reporting national indicators relevant to Rio Conventions, e.g., the Initial National Communication. However, individual policies, programmes, strategies, and plans are not individually assessed in terms of their unique contribution to Rio Convention obligations	Pilot application of EMIS in relation to National Spatial Plan and Tourism Master Plan at the regional level, with special attention to assessing LECRDS	Testing of global environmental indicators through an EMIS to assess regional development policies and plans
Component 1 Total		US\$ 582,850	US\$ 242,000

Outcome 2. Institutional capacity of the Environmental Protection Agency strengthened to perform compliance monitoring in relation to global environmental conventions and a system of knowledge management established

Outputs	Baseline	Alternative	GEF Increment
2.1 Institutional reforms (based on a functional analysis performed through a consultative process) undertaken to enable integration of global environment commitments into planning and monitoring processes	Indicator-based information is not effectively used to formulate environmental policies and monitoring of variables for reporting	Scientifically valid and relevant indicators are a critical part of the policy formulation and decision-making processes, including in the monitoring and reporting of key environmental and sustainable development indicators	Global environmental indicators are systematically integrated and institutionalized within planning, monitoring, and decision-making processes across all key stakeholder institutions.

2.2 Accredited training programme developed and delivered for the Environmental Protection Agency staff and other relevant organizations (on advanced planning tools, information systems for global and national environmental management, indicators and trend analysis methods)	EPA staff and stakeholder organizations are not trained on the use of advanced planning and information management tools (which are to be developed under the project)	A comprehensive training programme is developed and delivered to EPA and other project stakeholders in such a way as to build up a critical mass of targeted local and national capacities.	Capacities of EPA and stakeholders are strengthened to effectively collect and manage key global environmental data.
2.3 The 'Environmental Sustainability Theme Manager Office' system for integrating global environmental objectives is customized and introduced at the Environmental Protection Agency	There is very limited to no coordination amongst EPA and other stakeholders on data collection, management, and sharing, which exacerbates the use of different metrics for assessing environmental indicators	Focal Points in stakeholder institutions are identified with the roles and responsibilities to coordinate data collection, management, and sharing among key networked agencies, in particular the those required to meet report on a range of sustainable development commitments	Clearly defined roles, responsibilities, and accountabilities of focal points in all key stakeholder agencies to managing data and information needed to measure, report and verify on Rio Convention achievements.
2.4 M&E and risk management system established targeted to compliance monitoring of national development policies, programmes, and plans	M&E protocols targeted to assessing environment and development policies, programmes, and plans are not available	A key set of M&E and risk management protocols are developed and tested to assess environmental and sustainable development outcomes	Global environmental criteria and indicators are institutionalized within compliance monitoring systems, including risk assessment and risk mitigation processes
2.5 A web-based environmental database for improved coordination and output analysis established, building on 1.3 above	Data and information is currently managed on a case-by-case basis, with limited sharing among project stakeholders. Data and information is not web-based.	Web-based environmental database established with networked access for all stakeholder institutions.	Creation of a database that builds upon best practices for the management of globally-relevant environmental information. Synergies created by linking databases and knowledge experts across Rio Convention focal areas
Component 2 Total		US\$ 469,000	US\$ 215,000
Project Management		US\$ 133,700	US\$ 45,700
Project Total		US\$ 1,185,550	US\$ 502,700

45. The co-financing amounts identified below are confirmed in the respective co-financing letters that are appended to the present project document.

Sources of Co-financing	Name of Co-financier	Type of Co-financing	Amount (US\$)
Government of Montenegro	Environment Protection Agency (EPA)	Grant	325,850
Government of Montenegro	Hydrometeorological Institute	Grant	50,000
Government of Montenegro	Office of Sustainable Development	Grant	188,000*
Bilateral donor	GTZ	In-kind	94,000
Multilateral donor	UNDP Montenegro	Grant	25,000
Total Co-financing			682,850

*Of the US\$311,279 identified in the Government of Montenegro's Office for Sustainable Development's co-financing letter, US\$ 188,000 represents that amount of co-financed project activities.

Sustainability

Expected Outputs	Sustainability Score (Scale 1-5)	Remarks / Proposed Action Plan
1.1 Set of uniform indicators and guidance for measuring the contribution of regional development policy and spatial planning to meeting global environmental objectives, including LECRDS	4	The project will develop the indicators in the phased manner based on VED (Vital, Essential, and Desirable) analysis. Indicators would need dynamic constant updating to be sustainable in the long-term.
1.2 Data Flow System designed and introduced for institutions concerned with CBD, CCD, FCCC and issues	3	There is a need for regulation in favour of EPA to manage the data centrally for reporting under the Rio Conventions and for the data flow system to work sustainably. The capacities of the partner organizations will be built and flows maintained
1.3 An advanced web-based tools for environmental data and metadata analysis for environmental policy formulation tested and adopted, with particular attention to measuring global environmental indicators	5	Based on the tools and data storage systems available globally and the enthusiasm of the various project stakeholders, there is a strong possibility of success.
1.4 Testing the application of an integrated environmental management information system (EMIS) to assess global and sustainable development outcomes of the National Spatial Plan and Tourism Master Plan at the regional level and consistent with LECRDS	4	The indicator system will be updated on the basis of its regular monitoring and assessment.
2.1 Institutional reforms (based on a functional analysis performed through a consultative process) undertaken to enable integration of global environment commitments into planning and monitoring processes	3	Development and operation of the web-based indicator system under the project would need to be institutionalized as part of broader reforms (e.g., the strengthening of agency mandates and reporting requirements). Integration of global environmental commitments into planning and monitoring processes will need additional studies, capacity building activities and financial commitments beyond the project to sustain.
2.2 Accredited training programme developed and delivered for the Environmental	5	Strong possibility of success as the project would build capacities of EPA and other relevant

Protection Agency staff and other relevant organizations (on advanced planning tools, information systems for global and national environmental management, indicators and trend analysis methods)		organizations.
2.3 The 'Environmental Sustainability Theme Manager Office' system for integrating global environmental objectives is customized and introduced at the Environmental Protection Agency	4	The focal points selected in the key participating organizations and EPA would need continued capacity building activities beyond the project duration to ensure the system sustains itself
2.4 M&E and risk management system established targeted to compliance monitoring of national development policies, programmes, and plans	5	Very strong possibility of success as the project design inherently incorporates principles and approaches of institutional sustainability, in particular adaptive collaborative management.
2.5 A web-based environmental database for improved coordination and output analysis established, building on 1.3 above	4	The database would need dynamic updating to sustain itself beyond project funding.

Socio-economic benefits, including gender issues

46. The central outcomes of Montenegro's national development policies are to derive important socio-economic benefits through policies, strategies and plans such as the NSSD, National Spatial Plan and National Tourism Plan. These outcomes will be delivered within a more holistic approach of environmentally sound and sustainable development, taking advantage of the opportunity to ensure that sustainable development is enhanced to coincide with the achievement of global environmental targets under the Rio Convention obligations. However, this approach requires that national development policies, strategies, programmes, and plans be monitored against a robust rubric of global environmental indicators alongside those metrics being used to measure socio-economic benefits.

47. In the absence of this project, national development may pursue and deliver socio-economic benefits. However, with the widely accepted paradigm of the dependence and sustainability of socio-economic benefits resting on the need to preserve important global environmental resources, socio-economic benefits may not be cost-effective or sustainable. For example, without minimizing greenhouse gas emissions that contribute to extreme and unpredictable variances in global climate patterns, tourism and land development may suffer from uncontrollable beach erosion, floods, protracted periods of drought and ensuing desertification.

48. The project's development and integration of global environmental indicators within the construct of an Environmental Management Information System (EMIS) will represent an important new set of capacities to measure and track the state of the environment from both a national sustainable development and global environmental obligation perspective. In the absence of such a system, development plans will continue to be pursued, albeit along their own more narrow trajectories, and greater risk from a lack of built-in resilience that is afforded by a more holistic approach to planning, implementation, and monitoring.

49. The EMIS will also make a valuable contribution to creating more reliable and consistent data for national and international reporting purposes, and better inform policy formulation and other decision-making processes. This includes using EMIS data to assess the cost-effectiveness of NSSD implementation, and identifying unanticipated impacts that may arise through policy interventions. For example, by linking global environmental with socio-economic indicators, policy formulation processes can be better informed in a way that targets the causes of flooding that leads to increased incidence of water-borne diseases.

50. The project would also create employment opportunities at various levels (national and regional) for people involved in creation and implementation of EMIS. The project would also help reduce brain-drain that is caused by under-employment in Montenegro, creating an opportunity for trained nationals to use their recently acquired skills in information technology and natural resource management. The gender dimension may be addressed through this ancillary project benefit. Notwithstanding, the project will endeavour to ensure a gender balance in the various trainings.

51. The successful implementation of sustainable environmental policies and regulations is also dependent upon the empowerment of the vulnerable groups and a full understanding of gender roles within a society. Project implementation arrangements will take these important criteria into consideration when addressing stakeholder issues, such as participation in consultations and trainings, as well as in the strategic design of targeted management approaches, such as looking at local women who play a role in local development activities that impact on global environmental resources. Gender issues will be a key consideration in the adaptive collaborative management of the project.

III. PROJECT RESULTS FRAMEWORK:

This project will contribute to achieving the following Country Programme Outcome as defined in CPAP or CPD: Environmentally sustainable economic development					
Country Programme Outcome Indicators:					
Primary applicable Key Environment and Sustainable Development Key Result Area: Mainstreaming environment and energy					
Applicable GEF Strategic Objective and Programme: Cross-cutting capacity development: Strengthening capacities to implement and manage global convention guidelines and Enhancing capacities to monitor and evaluate environmental impacts and trends					
Applicable GEF Expected Outcomes: a) Enhanced institutional capacities to manage environmental issues and implement global conventions; b) Good environment management standards defined and adopted; c) Enhanced skills of national institutions to monitor environmental changes; d) Evaluation of programmes and projects strengthened and improved against expected results; e) Increased capacity for evaluation					
Applicable GEF Outcome Indicators: Environmental Management Information System (EMIS) and indicator framework for global environmental management developed and applied on a pilot basis; Institutional capacity of the Environmental Protection Agency strengthened to perform compliance monitoring in relation to global environmental conventions and a system of knowledge management established					
	Indicator	Baseline	Targets End of Project	Source of verification	Risks and Assumptions
Project Objective¹ To analyze, identify and pilot advanced tools and practices for environmental information management and compliance monitoring and to develop capacity of institutions for global environmental management by institutionalizing identified tools and practices.					
Outcome 1: Environmental Management Information System (EMIS) and indicator framework for global environmental management developed	Set of environment indicators developed and agreed amongst various stakeholders	A number of indicators exist, but these are structured according to standard environmental, social and economic criteria and metrics. These indicators are not consistently interpreted against global environmental	Beginning of the project – Four weeks from Project Inception	EPA published set of environmental indicators that are agreed with various stakeholders (Peer-reviewed)	Various stakeholder organizations will agree to follow a universal set of indicators

¹ Objective (Atlas output) monitored quarterly ERBM and annually in APR/PIR

and applied on a pilot basis		criteria, nor are they uniformly accepted as valid metrics of sustainability		report)	
	Data Flow System developed and agreed amongst various stakeholders reporting data on CBD, CCD, FCCC and issues	Although there are multiple agencies managing environmental data, coordination between and among these to reconcile their data collection methodologies and standards are weak	Beginning of the project – Ten weeks from project Inception	Government Notification on submission of environmental data centrally to EPA by various stakeholders (Gazette of new/revised agency mandates)	The stakeholder organizations will agree to provide data to a central organization (EPA) for reporting on CBD, CCD and FCCC commitments at the national level
	Development and adoption of web-based advanced tools for environmental data and metadata storage by stakeholders.	There is limited availability of web-based tools for analyzing environmental data, with these limited to closed network sharing within particular agencies, and not structured to sharing across agencies and key user-stakeholders	Mid-term goal of the project 60 weeks from project inception	EPA managed and operated web-based advanced tools for environmental data and metadata storage (Peer-reviewed report)	EPA will be able to maintain and operate web-based advanced tools for environmental data and metadata storage
	Pilot application of EMIS in relation to National Spatial Plan-2020 and Tourism Master Plan-2020	Montenegro has recently begun reporting national indicators relevant to Rio Conventions, e.g., the Initial National Communication. However, individual policies, programmes, strategies, and plans are not individually assessed in terms of their unique contribution to Rio Convention obligations	Mid-term Project Goal- 70 weeks from project Inception	Indicator based environment management system piloted in relation to National Spatial Plan-2020 and Tourism Master Plan-2020 (Peer-reviewed report)	EPA and stakeholder organizations will be able to manage and operate indicator and web-based EMIS
Outcome 2: Institutional capacity of the Environmental Protection Agency strengthened to	Utilization of indicators for formulation of environmental	Indicator-based information is not effectively used to formulate environmental policies and monitoring of	End Term Project Goal-140 weeks from project inception	Environmental Policy formulations and reporting is	Policy makers would be willing to utilize indicator based EMIS to formulate policies and monitor environment and

perform compliance monitoring in relation to global environmental conventions and a system of knowledge management established	policies and monitoring of variables for reporting environmental commitments	variables for reporting		indicator based (Peer-reviewed report)	stakeholder organizations willing to participate in capacity building activities under the project
	Training programme developed and delivered to EPA and other project stakeholders	EPA staff and stakeholder organizations are not trained on the use of advanced planning and information management tools (which are to be developed under the project)	Mid-term Goal – 70 weeks from project Inception	Capacities of EPA and project stakeholders enhanced (Training tests; surveys)	EPA and project stakeholders would participate in the capacity building activities under the project
	Identification of focal points in stakeholder Institutions that would coordinate the inputting of data and informational requirements in the indicator and web-based EMIS to foster environment sustainability as theme managers	There is very limited to no coordination amongst EPA and other stakeholders on data collection, management, and sharing, which exacerbates the use of different metrics for assessing environmental indicators	Beginning of the project – Four weeks from project Inception	List of designated focal points and notification on EPA to act as a central organization to operate and manage EMIS (Formally approved Terms of References and agency mandates)	Stakeholder organizations will accept EPA as a central authority to manage the EMIS and nominate official representatives as Focal Points' to input relevant data into EMIS
	M&E and risk management protocol developed	M&E protocols targeted to assessing environment and development policies, programmes, and plans are not available	Beginning of the Project: Ten weeks from project inception	M& E protocol (Peer-reviewed and government-approved report)	Project participants will agree on the establishment of a M&E Protocol and report data on project progress
	Web-based environmental project database established	Data and information is currently managed on a case-by-case basis, with limited sharing among project stakeholders. Data and information is not web-based.	End goal of the project: 140 weeks from the project inception	Existence of a web-based environmental project database	Stakeholder organizations will input data to establish database

IV. TOTAL BUDGET AND WORK PLAN

Award ID:	00061738	Project ID(s):	00078478
Award Title:	PIMS 4378 MFA MSP Montenegro “Capacity building for integration of global environment commitments in investment/development decisions”		
Business Unit:	MNE10		
Project Title:	PIMS 4378 MFA MSP Montenegro “Capacity building for integration of global environment commitments in investment/development decisions”		
PIMS No.	4378		
Implementing Partner (Executing Agency)	UNDP & Ministry for Sustainable Development and Tourism and Agency for Environmental Protection		

GEF Outcome/Atlas Activity	Responsible Party/ Implementing Agent	Fund ID	Donor Name	Atlas Budgetary Account Code	ATLAS Budget Description	Amount Year 1 (USD)	Amount Year 2 (USD)	Amount Year 3 (USD)	Total (USD)
Outcome 1: Global Environmental Management Indicators	MSPEP	62000	GEF	71200	International Consultants	15,000	15,000	15,000	45,000
				71300	Local Consultants	58,000	59,000	59,000	176,000
				72100	Contractual services	2,000	2,000	2,000	6,000
				71600	Travel	5,000	5,000	5,000	15,000
					sub-total GEF	80,000	81,000	81,000	242,000
	04000	UNDP	71200	International Consultants	7,500	-	-	7,500	
			71600	Travel	2,500	-	-	2,500	
				sub-total UNDP	10,000	-	-	10,000	
					Total Outcome 1	90,000	81,000	81,000	252,000
	Outcome 2: Institutional strengthening for improved monitoring of the global environment and capacity to replicate successful environmental information management and integration practices	MSPEP	62000	GEF	71200	International Consultants	15,000	15,000	15,000
71300					Local Consultants	54,000	55,000	55,000	164,000
72100					Contractual services	2,000	2,000	2,000	6,000
					sub-total GEF	71,000	72,000	72,000	215,000
04000		UNDP	71200	International Consultants	-	10,000	-	10,000	
			71600	Travel	-	5,000	-	5,000	
				sub-total UNDP	-	15,000	-	15,000	

					Total Outcome 2	71,000	87,000	72,000	230,000
OUTCOME 3: Monitoring, Learning, Adaptive feedback and Evaluation	MSPEP	62000	GEF	71200	International Consultants	-	7,500	7,500	15,000
					sub-total GEF	-	7,500	7,500	15,000
					Total Outcome 3	-	7,500	7,500	15,000
Project Management		62000	GEF	71300	Local Consultants	10,200	9,000	8,500	27,700
				71600	Travel		1,500	1,500	3,000
					sub-total	10,200	10,500	10,000	30,700
					Total Management	10,200	10,500	10,000	30,700
					PROJECT TOTAL	171,200	186,000	170,500	527,700

Summary of Funds: ²	Amount (Year 1)	Amount (Year 2)	Amount (Year 3)	Total
GEF	161,200	171,000	170,500	502,700
UNDP	10,000	15,000	-	25,000
GTZ	30,000	32,000	32,000	94,000
EPA	125,850	100,000	100,000	325,850
OSD	100,000	44,000	44,000	188,000
HMI	10,000	20,000	20,000	50,000
Total	437,050	382,000	366,500	1,185,550

* Local consultants under the technical assistance components includes local information technology (IT) experts that will be sub-contracted through a local IT firm, per UNDP standard procedures.

² Summary table should include all financing of all kinds: GEF financing, co-financing, cash, in-kind, etc...

V. MANAGEMENT ARRANGEMENTS

52. The project would be executed by a Project Management Unit (PMU) established by the EPA with the support of UNDP Montenegro. A Project Steering Committee will be created to provide policy and programme oversight and guidance to the project implementation, chaired by a senior official from the MSDT, with representation by the EPA, HMI, OSD, UNDP, and a non-state representative. The latter will be selected on the basis their representation of a larger constituent of non-state stakeholders.

53. An inception workshop will serve to kick off project activities, and will serve to strengthen the championing and legitimacy of the project with stakeholders. The project log frame will be discussed in detail to ensure that it takes into account any recent events subsequent to project document signature, and any other changes necessary as part of the project's adaptive collaborative management approach to ensure institutional sustainability.

54. The PMU will comprise a Project Manager that is supported by a Project Assistant. The Project Manager will be responsible for the overall execution of project activities, including the preparation of progress reporting requirements. With the support of the PSC, the Project Manager will organize the coordinating partner agencies towards the execution of project activities. Partner agencies will remain responsible for the execution of their co-financed project activities, but coordinated with the present project through the Project Manager. The Project Manager will also be responsible for liaising with project stakeholders and their representatives.

55. An international consultant and three national consultants will be contracted under the project to execute and deliver specific project activities and outputs. An information technology company will also be contracted, through a competitive bidding process to be managed by UNDP, to develop and implement the web-based database and EMIS at the pilot scale, with the guidance of the international consultant and the EPA.

56. Monitoring and evaluation of the project will follow standard UNDP practices, including the preparation of quarterly progress reports and annual project performance evaluations, the latter per the GEF Project Implementation Report (PIR). An independent evaluation of the project will take place at both the mid-term and final phase of project implementation. Audit on project will follow UNDP Financial Regulations and Rules and applicable Audit policies. All 15 indicators of the Capacity Development Scorecard will be rated at three intervals: During the project inception workshop through a survey of all stakeholder participants, complemented by other ratings from project stakeholders not in attendance; and as part of the mid-term and final evaluations by the independent consultant.

57. **The Project Steering Committee** is responsible for making management decisions for a project in particular when guidance is required by the Project Manager. The Project Steering Committee plays a critical role in project monitoring and evaluations by quality assuring these processes and products, and using evaluations for performance improvement, accountability and learning. It ensures that required resources are committed and arbitrates on any conflicts within the project or negotiates a solution to any problems with external bodies. In addition, it approves the appointment and responsibilities of the Project Manager and any delegation of its Project Assurance responsibilities. Based on the approved Annual Work Plan, the Project Steering Committee can also consider and approve the quarterly plans (if applicable) and also approve any essential deviations from the original plans

58. In order to ensure UNDP's ultimate accountability for the project results, Project Steering Committee decisions will be made in accordance to standards that shall ensure management for

development results, best value money, fairness, integrity, transparency and effective international competition. In case consensus cannot be reached within the Steering Committee, the final decision shall rest with the UNDP Project Manager.

59. Potential members of the Project Steering Committee are reviewed and recommended for approval during the PAC meeting. Representatives of other stakeholders can be included in the Steering Committee as appropriate.
60. The Steering Committee contains three distinct roles, including:
- 1) **An Executive:** individual representing the project ownership to chair the group.
 - *e.g., Representative of the Government Cooperating Agency or UNDP*
 - 2) **Senior Supplier:** individual or group representing the interests of the parties concerned which provide funding for specific cost sharing projects and/or technical expertise to the project. The Senior Supplier's primary function within the Steering Committee is to provide guidance regarding the technical feasibility of the project.
 - *e.g., Representative of the Implementing Partner and/or UNDP*
 - 3) **Senior Beneficiary:** individual or group of individuals representing the interests of those who will ultimately benefit from the project. The Senior Beneficiary's primary function within the Steering Committee is to ensure the realization of project results from the perspective of project beneficiaries.
 - *e.g., Representative of the Government or Civil Society.*
 - 4) The **Project Assurance** role supports the Project Steering Committee Executive by carrying out objective and independent project oversight and monitoring functions. The Project Manager and Project Assurance roles should never be held by the same individual for the same project.
 - *e.g., A UNDP Staff member typically holds the Project Assurance role.*

61. **Project Manager:** The Project Manager has the authority to run the project on a day-to-day basis on behalf of the Implementing Partner within the constraints laid down by the Steering Committee. The Project Manager's prime responsibility is to ensure that the project produces the results specified in the project document, to the required standard of quality and within the specified constraints of time and cost.

62. **Project Support:** The Project Support role provides project administration, management and technical support to the Project Manager as required by the needs of the individual project or Project Manager.

VI. MONITORING FRAMEWORK AND EVALUATION

63. The project will be monitored through the following M& E activities. The M& E budget is provided in the table below.

Project start:

64. A Project Inception Workshop will be held within the first 2 months of project start with those with assigned roles in the project organization structure, UNDP country office and where appropriate/feasible regional technical policy and programme advisors as well as other stakeholders. The Inception Workshop is crucial to building ownership for the project results and to plan the first year annual work plan.

65. The Inception Workshop should address a number of key issues including:
- a. Assist all partners to fully understand and take ownership of the project. Detail the roles, support services and complementary responsibilities of UNDP CO and RCU staff vis à vis the project team. Discuss the roles, functions, and responsibilities within the project's decision-making structures, including reporting and communication lines, and conflict resolution mechanisms. The Terms of Reference for project staff will be discussed again as needed.
 - b. Based on the project results framework and the relevant GEF Tracking Tool if appropriate, finalize the first annual work plan. Review and agree on the indicators, targets and their means of verification, and recheck assumptions and risks.
 - c. Provide a detailed overview of reporting, monitoring and evaluation (M&E) requirements. The Monitoring and Evaluation work plan and budget should be agreed and scheduled.
 - d. Discuss financial reporting procedures and obligations, and arrangements for annual audit.
 - e. Plan and schedule Project Steering Committee meetings. Roles and responsibilities of all project organisation structures should be clarified and meetings planned. The first Project Steering Committee meeting should be held within the first 12 months following the inception workshop.
66. An Inception Workshop report is a key reference document and must be prepared and shared with participants to formalize various agreements and plans decided during the meeting.

GEF Capacity Development Scorecard:

67. This tool will be implemented as a time-series evaluation, assessing the cross-cutting capacity development to meet global environmental benefits at time 0, project mid-point, and project conclusion. Indicators would be rated to quantify the change achieved and to provide information needed for higher reporting purposes at program level. The scorecard will serve as a valuable tool to make some inferences about the project's contribution to strengthening Montenegro's foundational capacities to meeting global environmental commitments. The scorecard will be first used during the inception workshop as a survey among participants to assess the baseline of relevant capacities, followed by ratings performed by the independent consultant as part of the mid-term and final evaluation.

Quarterly:

68. Progress made shall be monitored in the UNDP Enhanced Results Based Management Platform. Based on the initial risk analysis submitted, the risk log shall be regularly updated in ATLAS. Risks become critical when the impact and probability are high. Note that for UNDP GEF projects, all financial risks associated with financial instruments such as revolving funds, microfinance schemes, or capitalization of ESCOs are automatically classified as critical on the basis of their innovative nature (high impact and uncertainty due to no previous experience justifies classification as critical).

69. Based on the information recorded in Atlas, a Project Progress Reports (PPR) can be generated in the Executive Snapshot.

70. Other ATLAS logs can be used to monitor issues, lessons learned, among others. The use of these functions is a key indicator in the UNDP Executive Balanced Scorecard.

Annually:

71. Annual Project Review/Project Implementation Reports (APR/PIR): This key report is prepared to monitor progress made since project start and in particular for the previous reporting period (30 June to 1 July). The APR/PIR combines both UNDP and GEF reporting requirements.

72. The APR/PIR includes, but is not limited to, reporting on the following:

- Progress made toward project objective and project outcomes - each with indicators, baseline data and end-of-project targets (cumulative)
- Project outputs delivered per project outcome (annual).
- Lesson learned/good practice.
- AWP and other expenditure reports
- Risk and adaptive management
- ATLAS QPR
- Portfolio level indicators (i.e., GEF focal area tracking tools) are used by most focal areas on an annual basis as well.

Periodic Monitoring through site visits:

73. UNDP CO and the UNDP RCU will conduct visits to project sites based on the agreed schedule in the project's Inception Report/Annual Work Plan to assess first hand project progress. Other members of the Project Steering Committee may also join these visits. A Field Visit Report/BTOR will be prepared by the CO and UNDP RCU and will be circulated no less than one month after the visit to the project team and Project Steering Committee members.

Mid-term of project cycle:

74. The project will undergo an independent Mid-Term Evaluation at the mid-point of project implementation (insert date). The Mid-Term Evaluation will determine progress being made toward the achievement of outcomes and will identify course correction if needed. It will focus on the effectiveness, efficiency and timeliness of project implementation; will highlight issues requiring decisions and actions; and will present initial lessons learned about project design, implementation and management. Findings of this review will be incorporated as recommendations for enhanced implementation during the final half of the project's term. The organization, terms of reference and timing of the mid-term evaluation will be decided after consultation between the parties to the project document. The Terms of Reference for this Mid-term evaluation will be prepared by the UNDP CO based on guidance from the Regional Coordinating Unit and UNDP-GEF. The management response and the evaluation will be uploaded to UNDP corporate systems, in particular the [UNDP Evaluation Office Evaluation Resource Center \(ERC\)](#).

75. The relevant GEF Focal Area Tracking Tools will also be completed during the mid-term evaluation cycle, in particular the GEF Capacity Development Scorecard.

End of Project:

76. An independent Final Evaluation will take place three months prior to the final Project Steering Committee meeting and will be undertaken in accordance with UNDP and GEF guidance. The final evaluation will focus on the delivery of the project's results as initially planned (and as corrected after the mid-term evaluation, if any such correction took place). The final evaluation will

look at impact and sustainability of results, including the contribution to capacity development and the achievement of global environmental benefits/goals. The Terms of Reference for this evaluation will be prepared by the UNDP CO based on guidance from the Regional Coordinating Unit and UNDP-GEF.

77. The Terminal Evaluation should also provide recommendations for follow-up activities and requires a management response which should be uploaded to PIMS and to the [UNDP Evaluation Office Evaluation Resource Center \(ERC\)](#).

78. The relevant GEF Focal Area Tracking Tools will also be completed during the final evaluation, in particular the GEF Capacity Development Scorecard.

79. During the last three months, the project team will prepare the [Project Terminal Report](#). This comprehensive report will summarize the results achieved (objectives, outcomes, outputs), lessons learned, problems met and areas where results may not have been achieved. It will also lay out recommendations for any further steps that may need to be taken to ensure sustainability and replicability of the project's results.

Learning and knowledge sharing:

80. Results from the project will be disseminated within and beyond the project intervention zone through existing information sharing networks and fora.

81. The project will identify and participate, as relevant and appropriate, in scientific, policy-based and/or any other networks, which may be of benefit to project implementation though lessons learned. The project will identify, analyze, and share lessons learned that might be beneficial in the design and implementation of similar future projects.

82. Finally, there will be a two-way flow of information between this project and other projects of a similar focus.

Communications and visibility requirements:

83. Full compliance is required with UNDP's Branding Guidelines. These can be accessed at <http://intra.undp.org/coa/branding.shtml>, and specific guidelines on UNDP logo use can be accessed at: <http://intra.undp.org/branding/useOfLogo.html>. Amongst other things, these guidelines describe when and how the UNDP logo needs to be used, as well as how the logos of donors to UNDP projects needs to be used. For the avoidance of any doubt, when logo use is required, the UNDP logo needs to be used alongside the GEF logo. The GEF logo can be accessed at: http://www.thegef.org/gef/GEF_logo. The UNDP logo can be accessed at <http://intra.undp.org/coa/branding.shtml>.

84. Full compliance is also required with the GEF's Communication and Visibility Guidelines (the "GEF Guidelines"). The GEF Guidelines can be accessed at: http://www.thegef.org/gef/sites/thegef.org/files/documents/C.40.08_Branding_the_GEF%20final_0.pdf. Amongst other things, the GEF Guidelines describe when and how the GEF logo needs to be used in project publications, vehicles, supplies and other project equipment. The GEF Guidelines also describe other GEF promotional requirements regarding press releases, press conferences, press visits, visits by Government officials, productions and other promotional items.

85. Where other agencies and project partners have provided support through co-financing, their branding policies and requirements should be similarly applied.

M&E Work Plan and Budget

Type of M&E activity	Responsible Parties	Budget US\$ <i>Excluding project team staff time</i>	Time frame
Inception Workshop and Report	<ul style="list-style-type: none"> ▪ Project Manager ▪ UNDP CO, UNDP GEF 	4,000	Within first two months of project start up
Capacity Development Scorecard	<ul style="list-style-type: none"> ▪ Project Manager and team ▪ UNDP CO, UNDP/GEF 	None.	As part of the Inception Workshop, Mid-Term Evaluation, and Final Evaluation
Measurement of Means of Verification of project results.	<ul style="list-style-type: none"> ▪ UNDP GEF RTA/Project Manager will oversee the hiring of specific studies and institutions, and delegate responsibilities to relevant team members. 	To be finalized in Inception Phase and Workshop.	Start, mid- and end of project (during evaluation cycle) and annually when required.
Measurement of Means of Verification for Project Progress on <i>output and implementation</i>	<ul style="list-style-type: none"> ▪ Oversight by Project Manager ▪ Project team 	To be determined as part of the Annual Work Plan's preparation.	Annually prior to APR/PIR and to the definition of annual work plans
APR/PIR	<ul style="list-style-type: none"> ▪ Project Manager and team ▪ UNDP CO ▪ UNDP RTA ▪ UNDP EEG 	None	Annually
Periodic status/ progress reports	<ul style="list-style-type: none"> ▪ Project Manager and team 	None	Quarterly
Mid-Term Evaluation	<ul style="list-style-type: none"> ▪ Project Manager and team ▪ UNDP CO ▪ UNDP RCU ▪ External Consultants (i.e., evaluation team) 	Indicative cost: 7,500	At the mid-point of project implementation.
Final Evaluation	<ul style="list-style-type: none"> ▪ Project Manager and team, ▪ UNDP CO ▪ UNDP RCU ▪ External Consultants (i.e., evaluation team) 	Indicative cost : 7,500	At least three months before the end of project implementation
Terminal Workshop and Report	<ul style="list-style-type: none"> ▪ Project Manager ▪ UNDP CO, UNDP GEF 	4,000	No more than two months before operational closure
Project Terminal Report	<ul style="list-style-type: none"> ▪ Project Manager and team ▪ UNDP CO ▪ Local consultant 	0	At least three months before the end of the project
Audit	<ul style="list-style-type: none"> ▪ UNDP CO ▪ Project Manager and team 	2,000	Yearly
Visits to field sites	<ul style="list-style-type: none"> ▪ UNDP CO ▪ UNDP RCU (as appropriate) ▪ Government representatives 	For GEF supported projects, paid from IA fees and operational budget	Yearly
TOTAL Indicative COST Excluding project team staff time and UNDP staff and travel expenses		US\$ 25,000	

VII. LEGAL CONTEXT

86. This document together with the Country Programme Action Plan (CPAP) signed by the Government and UNDP which is incorporated by reference constitute together a Project Document as referred to in the Standard Basic Assistance Agreement and all CPAP provisions apply to this document.

87. Consistent with the Article III of the Standard Basic Assistance Agreement, the responsibility for the safety and security of the implementing partner and its personnel and property, and of UNDP's property in the implementing partner's custody, rests with the implementing partner.

88. The implementing partner shall:

- a. Put in place an appropriate security plan and maintain the security plan, taking into account the security situation in the country where the project is being carried;
- b. Assume all risks and liabilities related to the implementing partner's security, and the full implementation of the security plan.

89. UNDP reserves the right to verify whether such a plan is in place, and to suggest modifications to the plan when necessary. Failure to maintain and implement an appropriate security plan as required hereunder shall be deemed a breach of this agreement.

83. The implementing partner agrees to undertake all reasonable efforts to ensure that none of the UNDP funds received pursuant to the Project Document are used to provide support to individuals or entities associated with terrorism and that the recipients of any amounts provided by UNDP hereunder do not appear on the list maintained by the Security Council Committee established pursuant to resolution 1267 (1999). The list can be accessed via <http://www.un.org/Docs/sc/committees/1267/1267ListEng.htm>. This provision must be included in all sub-contracts or sub-agreements entered into under this Project Document.

VIII. ANNEXES

Annex A: Capacity Development Scorecard

Project: Capacity building for integration of global environment commitments in investment/development decisions.

Capacity Result / Indicator	Staged Indicators	Rating	Comments	Next Steps	Contribution to which Outcome
CR 1: Capacities for engagement					
Indicator 1 – Degree of legitimacy/mandate of lead project stakeholder organizations	Authority and legitimacy of all lead organizations responsible for environmental management are partially recognized by stakeholders	2	The major challenge of the environmental sector in Montenegro is fragmentation of mandates and authorities among and within institutions.	Through an issue-based process, clarifying and strengthening authority and legitimacy of lead organization responsible for environmental	2

Capacity Result / Indicator	Staged Indicators	Rating	Comments	Next Steps	Contribution to which Outcome
				management	
Indicator 2 – Existence of operational co-management mechanisms	Some co-management mechanisms are in place and operational	1	There are some co-management and coordination mechanism on mainly ad-hoc basis but fragmentation of mandates and overlapping of authorities among institutions remains a major challenge.	Development of technical and institutions co-management mechanisms that will improve the coordination among and within institutions in charge of environmental management	2
Indicator 3 – Existence of cooperation with stakeholder groups	Stakeholders are identified but their participation in decision-making is limited	1	Fragmentation of mandates and overlapping of authorities is a significant barrier to consultative and consensus-based decision making	Institutional reform based on a functional review will provide concrete steps in improving the decision making process and ensuring inclusive and transparent cooperation with all stakeholder groups	2
CR 2: Capacities to generate, access and use information and knowledge					
Indicator 4 – Degree of environmental awareness of stakeholders	Stakeholders are aware about global environmental issues but not about the possible solutions (MEAs)	1	While the environmental awareness of the stakeholders is relatively high, a high turnover coupled with the lack of an up-to-date continued education on the major issues results in a lack of institutional memory and adequate problem solving	Development of an accredited training program for EPA staff and other relevant institutions	2
Indicator 5 – Access and sharing of environmental information by stakeholders	The environmental information needs are not identified and the information management infrastructure is inadequate	0	The information management infrastructure is continually improving but remains inadequate, and the environmental information needs are in the process of being fully identified	Capacity building on web based information management tools and on measuring contribution of development policies to meeting global environmental commitments	1

Capacity Result / Indicator	Staged Indicators	Rating	Comments	Next Steps	Contribution to which Outcome
Indicator 6 – Existence of environmental capacity building programs	No environmental capacity building in place	0	There is no systemic approach to building capacity for environmental management	Identifying needs and developing a training program	2
Indicator 7 – Extend of the linkage between environmental research/science and policy development	Research needs for environmental policy development are identified but are not translated into relevant research strategies and programs	1	Certain research needs for environmental policy development are identifying but not in a systemic manner and on permanent basis	Establish a wide consultative forum that will engage and participate in the process of development and rolling out of environmental indicators, analysis and feedback into policy making through, among other means, research	1, 2
Indicator 8 – Extend of inclusion/use of traditional knowledge in environmental decision-making	Traditional knowledge is identified and recognized as important but is not collected and used in relevant participative decision-making processes	1	While the traditional knowledge exists and is identified, a comprehensive environmental management system would allow for a more effective usage of it for decision-making	Social data on the use of resources by communities, including traditional knowledge that frames behaviour will be included in the EMIS	1, 2
CR 3: Capacities for strategy, policy and legislation development					
Indicator 9 – Extend of the environmental planning and strategy development process	The environmental planning and strategy development process is not coordinated and does not produce adequate environmental plans and strategies	0	Primarily due to inadequate capacities and fragmented mandates, environmental planning and strategy development is not adequately coordinated	The establishment of a successful system of global environmental management indicators will hinge on effective coordination	1, 2
Indicator 10 – Existence of an adequate environmental policy and regulatory frameworks	Adequate environmental policy and legislation frameworks exist but there are problems in implementing and enforcing them	2	There are insufficient capacities for implementation, enforcement and monitoring	This aspect will be considered strongly when developing an accredited training program	1, 2

Capacity Result / Indicator	Staged Indicators	Rating	Comments	Next Steps	Contribution to which Outcome
Indicator 11 – Adequacy of the environmental information available for decision-making	Some environmental information exists but it is not sufficient to support environmental decision-making processes	1	Some information exists but the systems for effective collection, analysis, and feedback-mechanisms into policy making are lacking	Functional analysis to address this aspect	1, 2
CR 4: Capacities for management and implementation					
Indicator 12 – Existence and mobilization of resources	The resource requirements are known but are not being addressed	1	There is a solid knowledge of the resource requirements but inadequate capacities to address these	Through piloting the initiative, the intention is to stimulate a systemic approach to identification of resource needs and effective, fact-based mobilization of resources	1, 2
Indicator 13 – Availability of required technical skills and technology transfer	The required skills and technologies needs are identified as well as their sources	1	Being a pilot, new initiative and approach, there is a fair but still inadequate knowledge of needs and requirements and certainly inadequate capacities	Capacity building needs to address technical skills and adequate usage of technology as well as systemic identification of needs and priorities in terms of technology	1, 2
CR 5: Capacities to monitor and evaluate					
Indicator 14 – Adequacy of the project/programme monitoring process	An adequate resourced monitoring framework is in place but project monitoring is irregularly conducted	1	Due to limited resources, monitoring conducted irregularly with very few if any feedback mechanism from monitoring that strengthen further implementation and policy making	Develop and regularly use monitoring plan	1, 2
Indicator 15 – Adequacy of the project/program evaluation process	An adequate evaluation plan is in place but evaluation activities are irregularly conducted	1	Evaluation plan is in place but its use is often inadequate, often without constructive usage for policy making and improvement of implementation	Practice regular evaluation of ongoing activities in order to feedback the analysis into proceeding work	1, 2

Annex B: Letters of Endorsement and Co-Financing

GEF OFP LETTER OF ENDORSEMENT (5 NOV. 2009)

LETTER FROM EPA (13 MAY 2011)

LETTER FROM OSD (16 MAY 2011)

LETTER FROM HMI (16 MAY 2011)

LETTER FROM GTZ (15 DEC. 2010)

LETTER FROM UNDP (12 APR. 2011)

MONIQUE BARBUT
Chief Executive Officer and Chairperson

1818 H Street, NW
Washington, DC 20433 USA
Tel: 202.473.3202
Fax: 202.522.3240/3245
E-mail: mbarbut@TheGEF.org

June 29, 2011

Mr. Yannick Glemarec
GEF Executive Coordinator
United Nations Development Programme
New York, NY 10017

Subject: CEO Approval

Dear Mr. Glemarec:

I am pleased to inform you that the following submission is approved and will be funded by the GEF Trust Fund:

Approval Stage:	CEO Approval
GEFSEC ID:	4187
Agency ID:	4378
Agency:	UNDP
Project Type:	Medium Size Project
Country	Montenegro
Name of Project:	Capacity Building For Environmental Policy Institutions For Integration Of Global Environment Commitments In The Investment And Development Decisions/Projects
GEF Grant:	\$502,700
Agency Fee:	\$50,270

This approval is subject to the comments made by the GEF Secretariat in the attached project review document. It is also based on the understanding that the project is in conformity with GEF focal areas strategies and in line with GEF policies and procedures.

Sincerely,



Attachment: GEFSEC Review Sheet

cc: Country Operational Focal Point, GEF Agencies, STAP, Trustee

Montenegro
Government of Montenegro
Agency for Environmental Protection
01 No D-
Podgorica, 13.05.2011
MB

United Nations Development Program (UNDP)
UNDP Country office Montenegro
Mr Alexander Avanessov, Resident Representative

Subject: Confirmation of the co-financing of the Environmental Protection Agency for the project 'Capacity building for integration of global environmental commitments in investment/development decisions'

Dear Mr Avanessov,

The Environmental Protection Agency has the pleasure to confirm the co-financing for the above project in the amount of 325,850 U.S. dollars. The resources will be managed through the Environmental Protection Agency for the following activities being implemented in the period from 2011 until 2013:

- Making of the Decree on the national list of indicators
- Defining of responsibilities of all institutions individually which refer to responsibilities, manner and time frame of collecting and submitting of data under certain indicators. In this regard, making of the proposal of organizational scheme of institutions which are involved in data flow for each indicator individually as well as determination of focal point from each institution that will in the name of the institution be responsible for meeting the legal obligations of data submitting.
- Trainings which refer to:
 - (i) Developing methodology for the each of the core environmental indicators
 - (ii) Data processing and making the report on the basis of indicators
- Raise awareness of all institutions in the system on the significance and meaning of indicators view and data processing
- Analysis and recommendations for reform of the existing system, methodology and dynamics of data collection which refer to the environment and to the implementation of the Statistical Institute of Montenegro.
- Establishing unique data basis and informational systems i.e. uniformed system/form of collection, exchange and data processing among institutions which are involved in the process of data exchange.
- Realization of the Monitoring Program of the State of the Environment

The amount of 325,850.00 U.S. dollars will be used to support and complement project implementation according to the approved budgets and work plans.

Sincerely

DIRECTOR
Daliborka Pejovic



Daliborka Pejovic



**Government of Montenegro
Office for Sustainable Development**

Podgorica, May 16th 2011

**United Nations Development Programme (UNDP)
UNDP Country Office Montenegro
Mr. Alexander Avanesov
Resident Representative**

Subject: Confirmation of complementary co-financing of Office for Sustainable Development for the project 'Capacity building for integration of global environmental commitments in investment/development decisions'

Dear Mr Avanesov,

The Office for Sustainable Development has the pleasure to confirm the co-financing for the above project in the amount of US\$ 311,279.00. The resources will be managed through the Office for Sustainable Development for the following activities being implemented in the period from 2011 until 2013:

- Revision of the core indicators of sustainable development (\$8,000)
- Preparation of the Third Annual Report on the Implementation of the National Strategy of Sustainable Development (\$12,000)
- Implementation of the National Communication Strategy of Sustainable Development 2011-2013 (\$15,000)
- Revision of the National Strategy for Sustainable Development (\$100,000)
- Setting up ON-LINE monitoring system for the implementation of the National Strategy for Sustainable Development of Montenegro (\$55,000)
- Implementing the Technology Needs Assessment Handbook approach through learning-by-doing in Montenegro (\$96,279) (in cooperation with the Dutch Government)
- Preparation of the Fourth (2012) and Fifth Annual Report (2013) on the Implementation of the National Strategy of Sustainable Development (\$25,000)

The amount of \$311,279 will be used to support and complement project implementation according to the approved budgets and work plans.

Sincerely,

Bosiljka Vukovic

Acting Head of the Office

Jovana Tomaševića b.b. 81000 Podgorica
Phone: (+382) 20 243 156; (+382) 20 482 594; Fax: (+382) 20 241 392
Web: www.kor.gov.me/kancelarija



**MONTENEGRO
HYDROMETEOROLOGICAL INSTITUTE**



**United Nations Development Program (UNDP)
UNDP Country office Montenegro
Mr Alexander Avanesov, Resident Representative**

Podgorica, May 16th 2011
Ref: 01-1275

Subject: Confirmation of complementary co-financing of the Hydrometeorological Institute of Montenegro to the UNDP/GEF project 'Capacity building for integration of global environmental commitments in investment/development decisions'

Dear Sir,

This is to certify that Hydrometeorological Institute of Montenegro/HMI will commit US\$50,000 co-financing to the implementation of the GEF-funded project 'Capacity building for integration of global environmental commitments in investment/development decisions.' This amount that will be managed through the HMI will be used to support and complement project implementation according to the approved budget and work plans of Hydrometeorological Institute of Montenegro.

This commitment is subject to standard HMI budget cycles and financial procedures.

Sincerely yours,

Luka Mitrović
DIRECTOR



gtz

**United Nations Development Programme (UNDP)
UNDP Country office Montenegro
Mr. Alexander Avanesov
Resident Representative**

German Technical Cooperation

Municipal Land Management Project
Belvederska 5
81000 Podgorica
Montenegro

T +382 20 208 295
F +382 20 208 296
I www.gtz.de

Podgorica, 15.12.2010

Subject: Confirmation of complementary in-kind contribution of GTZ to the UNDP/GEF Project "Capacity building for integration of global environment commitments in investment/development decisions"

Dear Sir/Madam,

This is to certify that GTZ projects "Municipal Land Management" and "Cross-border economic development, Montenegro / Bosnia and Herzegovina" will provide complementary in-kind co-financing to the implementation of the GEF-funded project "Capacity building for integration of global environment commitments in investment/development decisions" in the amount of approx. 65.000 EUR.

This amount, in the form of salaries, operations and capital costs, will be used to support and complement project implementation according to the approved budgets and work plans of GTZ.

This commitment is subject to standard GTZ budget cycles and financial procedures.

Sincerely,



Yvonne Müller
Project Manager

Deutsche Gesellschaft für
Technische Zusammenarbeit (GTZ) GmbH

Registered Office Eschborn/Taunus
Germany

Registered at
Local Court (Amtsgericht)
Frankfurt am Main, Germany
Registration no. HRB 12334

Chairman of the Supervisory Board
Hans-Jürgen Beerfeltz, State Secretary

Managing Directors
Dr Bernd Eisenblätter (Chairman)
Dr Christoph Beier
Dr Hans-Joachim Preuß



Montenegro

12th April, 2011

2011/UNDP/001

Dear Mr. Glemarec,

On behalf of the UNDP Country Office Montenegro and in my capacity as the Resident Representative of UNDP, I am confirming the grant co-financing for the project *"Capacity building for integration of global environment commitments in investment/development decisions"* in the amount of \$25,000. This amount will be managed through UNDP and will be utilized to complement the project implementation according to the approved budget and work plan.

Thank you in advance for your kind consideration.

Sincerely,



Alexander Avanesov,
UNDP Resident Representative

Mr. Yannick Glemarec
UNDP/GEF Executive Coordinator
304 East, 45th Street, 9th Floor, New York
NY 10017 USA

• UNDP in Montenegro promotes sustainable development, which is economically viable, socially inclusive and environmentally friendly •

Beogradska 24b, 81000 Podgorica, Montenegro, Tel: +382 81 231 251; Fax: +382 81 231 644
e-mail: registry.me@undp.org; web: www.undp.org.yu/montenegro

Annex C: Terms of References

- A. Job Title:** Project Manager
- B. Post Reference:** MNE10/070
- C. Type of position:** National
- D. Duty Station:** Podgorica, Montenegro
- E. Contract Type:** Service Contract (SB4/1)
- F. Duration of Appointment:** 12 months with possible extension
- G. Date: To be determined**

H. Background:

In an effort to raise awareness on one of the most pressing development challenges of our times, UNDP is providing technical assistance to the Government of Montenegro in adequately addressing climate change mitigation and adaptation, transition toward low carbon development and strengthening resilience of economies, ecosystems and communities. This support is in line with the major national strategic documents. In the forthcoming period, this support will include the partnership and collaboration in the field of environmental monitoring and reporting with the specific focus on the Rio Conventions. Specifically UNDP Montenegro and the Government will collaborate on strengthening capacities and piloting advanced tools and practices for environmental management and compliance monitoring of the national implementation of the Rio Conventions. The focus will be on national capacities to collect and analyze data and information against the metrics of global environmental indicators, and integrate these within national sustainable development and environmental decision-making processes. This work will contribute to the mission of both UNDP and the UN system in Montenegro (Integrated UN program) in so far as it will initiate the systematic and sustainable approach to assessing global environmental achievements through the implementation of national policies, programmes and plans and strengthen national experience in developing and implementing tools and practices for measuring, reporting, and verifying the cost-effectiveness of official development assistance to implementing multilateral environmental agreements, in particular the Rio Conventions.

I. Job content:

Under the direct supervision of the Economy and Environment team leader, the Project Manager will be responsible for ensuring that the project is efficiently managed to fulfill its mission and objectives as set out in the Project Document, and in accordance with the UNDP standards and best practices. In performing this general responsibility, the incumbent will be required to carry out the following main tasks on a regular basis:

1) Ensure overall implementation/delivery of different aspects of the projects

- Coordinate, systemize, codify and integrate successful approaches, methodologies and tools developed in the relevant area, into a cohesive UNDP framework for supporting the environmental monitoring in Montenegro;
- Coordinate activities with the national partners, ensuring timely and successful capacity strengthening interventions, promotion of networking and experience/information sharing between stakeholders;
- Conduct regular consultations with other donors that provide assistance in the area of environmental monitoring and support UNDP's partnerships with key development actors and stakeholders;
- Advise UNDP on strategic matters related to environmental monitoring in Montenegro;
- Assist in identifying relevant sources of expertise for project/activity implementation; and
- Recommend approaches to donors in terms of resource mobilization.

2) Manage day-to-day project activities:

- Prepare implementation action plans, organize project team and assign tasks, monitor progress on a regular basis.
- Assist in identifying relevant sources of expertise for project/activity implementation;
- Review official documents and communications;
- Advise respective Team Leader on potential adjustments of actions and procedures in light of changing requirements and needs; and
- Regular monitoring of the relevant events and/or subject in the local media.

3) Supervise delivery of inputs provided by the project and ensure quality and timelines of reporting and data production:

- Ensure that work plans are prepared and updated on time and reflect project objectives and outputs;
- Ensure timely coordination and implementation of recruitment and deployment of experts to support project implementation;
- Manage procurement of goods and services under the project, and ensure on-time delivery to recipient institutions; and
- Monitor implementation progress and ensure quality and timely reporting to project partners;
- Promote project visibility.

J. Competencies:

Corporate Competencies:

- Demonstrates integrity by modeling the UN's values and ethical standards;
- Promotes the vision, mission and strategic goals of UNDP; and
- Displays cultural, gender, religion, race, nationality, age sensitivity and adaptability.

Functional Competencies:

Knowledge Management and Learning

- Promotes knowledge management in UNDP and a learning environment in the office through leadership and personal example;
- Actively works towards continuing personal learning and development in one or more Practice Areas related to governance, acts on learning plan and applied newly acquired skills; and
- Seeks and applies knowledge, information and best practices from within and outside of UNDP.

Development and Operational Effectiveness

- Ability to lead strategic planning, results-based management and reporting;
- Ability to lead formulation, implementation, monitoring and evaluation of development programmes and projects, mobilize resources; and
- Ability to formulate and manage budgets, manage contributions and investments, manage transactions, conduct financial analysis and reporting.

Management and Leadership

- Builds strong relationships with clients, focuses on impact and result for the client and responds positively to feedback;
- Consistently approaches work with energy and a positive, constructive attitude;
- Demonstrates good oral and written communication skills; and
- Demonstrates ability to manage complexities and work under pressure, as well as conflict resolution skills.

K. Qualifications and Experience:

- University Degree, preferably in Environmental Management, Economics or a related field
- A minimum 4 years of relevant management experience with progressively increasing responsibilities, preferably with an International Organization, University, government institution, a donor agency, or an NGO;
- Previous experience in communicating with ministries, private sector, NGOs, etc.
- Self-starting, independent and responsible personality;
- Demonstrated ability to manage and motivate people in a complex environment and achieve set goals under time pressure;
- Proven ability to think strategically, express ideas clearly and concisely, work both independently and in teams, and demonstrate self-confidence combined with sensitivity to gender and culture.
- Strong resource mobilization, communication and negotiation skills;
- Knowledge of change management and institutions at republic and municipality levels would be an advantage;
- Fluency in English and local language; Excellent writing and advocacy skills; and
- Computer proficiency (MS Office package, Internet).

Applicants are kindly requested to send completed and signed **Personal History - P11 form** along with a **cover letter** by e-mail to **vacancy.me@undp.org** by **XXXXX**. **Please indicate in the cover letter the post reference clearly**, otherwise your application may not be considered. Applicants will be short-listed on the basis of their qualifications and work experience. Only short-listed candidates will be invited for an interview.

UNDP is an equal opportunity employer.

*P11 form can be downloaded from: <http://www.undp.org.me/files/jobs/index.html>

- A. Job Title:** Administrative/Finance Assistance
- B. Post Reference:** MNE 11/XXX
- C. Type of position:** National
- D. Duty Station:** Podgorica, Montenegro
- E. Contract Type:** Service Contract
- F. Duration of Appointment:** 12 months with possible extension
- G. Date:** To be determined

H. Background

In an effort to raise awareness on one of the most pressing development challenges of our times, UNDP is providing technical assistance to the Government of Montenegro in adequately addressing climate change mitigation and adaptation, transition toward low carbon development and strengthening resilience of economies, ecosystems and communities. This support is in line with the major national strategic documents. In the forthcoming period, this support will include the partnership and collaboration in the field of environmental monitoring and reporting with the specific focus on the Rio Conventions. Specifically UNDP Montenegro and the Government will collaborate on strengthening capacities and piloting advanced tools and practices for environmental management and compliance monitoring of the national implementation of the Rio Conventions. The focus will be on national capacities to collect and analyze data and information against the metrics of global environmental indicators, and integrate these within national sustainable development and environmental decision-making processes. This work will contribute to the mission of both UNDP and the UN system in Montenegro (Integrated UN program) in so far as it will initiate the systematic and sustainable approach to assessing global environmental achievements through the implementation of national policies, programmes and plans and strengthen national experience in developing and implementing tools and practices for measuring, reporting, and verifying the cost-effectiveness of official development assistance to implementing multilateral environmental agreements, in particular the Rio Conventions.

I. Job content:

Under the direct supervision of the project manager, the Administrative/Finance Assistant is responsible for all the administrative and accounting matters in regard to the project and will:

- Maintain administrative files relevant to the Projects;
- Maintain day-to-day communication with Operations Unit regarding the Project administration matters: procurement, human resources and finance matters; provide administrative support regarding recruitment of experts and procurement of goods and services under the Project;
- Provide support to procurement processes related to the Project implementation: provide inputs for preparation of procurement plans for the office; provide support to organization of procurement processes including preparation of tender documents, receipts of quotations, bids or proposals, and their preliminary evaluation;
- Perform regular financial and administrative duties necessary for the successful and timely project implementation:
 - Enter daily transactions in Atlas system (vouchers, requisitions, etc.);
 - Keep track of all transactions in a budget notebook;
 - Perform regular budget revisions;
 - Provide regular delivery estimation and monthly expense estimation to the Finance Unit;
- Provide regular reporting regarding the Project expenditures:
 - Prepare periodic Project asset/inventory reports; and
 - Ensure completeness of documentation, check accuracy of calculation for all financial transactions related to the Projects, and prepare/process financial transactions in the system in accordance with UNDP rules and procedures.

Draft routine correspondence, facsimile, memoranda and reports from oral instructions, previous correspondence or other available information sources, in accordance with the standard office procedures, and ensure appropriate follow-up; write minutes from the meetings; provide translation/interpretation services into English and vice versa when needed.

Provide logistical support to the Projects and ensure provision of adequate secretarial and interpretation facilities (organization of Project events, meetings and study tours, arrangement of shipments, project vehicles maintenance, conference facilities arrangements, visits of experts, timely processed daily subsistence allowances, etc.).

J. Competencies:

Corporate Competencies:

- Demonstrates commitment to UNDP's mission, vision and values;
- Displays cultural, gender, religion, race, nationality and age sensitivity and adaptability

Functional Competencies:

Knowledge Management and Learning

- Shares knowledge and experience;
- Actively works towards continuing personal learning, acts on learning plan and applies newly acquired skills.

Development and Operational Effectiveness

- Ability to perform a variety of standard tasks related to Results Management, including screening and collecting of programme/projects documentation, projects data entering, preparation of revisions, filling, provision of information;
- Ability to provide input to business processes re-engineering, implementation of new systems.
- *Leadership and Self-Management*
- Focuses on result for the client and responds positively to feedback;
- Consistently approaches work with energy and a positive, constructive attitude;
- Remains calm, in control and good humored even under pressure.

K. Qualifications and Experience:

- Secondary Education; University Degree in Social Sciences, Business or Public Administration is desirable, but it is not the requirement;
- Minimum 4 years of relevant administrative experience at the national or international level;
- Experience in office management, preferably with an international organization;
- Excellent working knowledge of written and spoken English language;
- Excellent computer skills; experience in operating in web management systems.
- Excellent inter-personal and communication skills;
- Excellent organizational skills with developed attention to detail; and
- Ability to work independently and in a team.

Applicants are kindly requested to send completed and signed **Personal History - P11 form** along with a **cover letter** by e-mail to **vacancy.me@undp.org** by **XXXX**. **Please indicate in the cover letter the post reference clearly**, otherwise your application may not be considered. Applicants will be short-listed on the basis of their qualifications and work experience. Only short-listed candidates will be invited for an interview.

UNDP is an equal opportunity employer.

*P11 form can be downloaded from: <http://www.undp.org.me/files/jobs/index.html>

ANNEX D: RELEVANCE OF AND COORDINATION WITH OTHER NATIONAL INITIATIVES

There are a number of projects currently underway that are complementary and supplementary to the project GEF project. UNDP supports the Government of Montenegro through the organization of an annual coordination meeting of all governmental, non-governmental, private and donor organizations that are active in the environmental fields covered by the Rio Conventions. This has proven as a constructive forum for not merely exchanging information about the on-going initiatives, but for adequately planning and synchronizing upcoming projects with the major national priorities. The table below outlines the nature of coordination activities between the proposed GEF project and other national initiatives.

Project	Funding	Partners	Coordination activities
UNDP- Spatial Planning Support Project	SIDA (\$2.5 million)	MSDT, local municipalities in the northern region, GTZ, WB	In developing spatial plans, municipalities and the state will use the analysis stemming from environmental indicators
World Bank- Land Administration Management Project	World Bank- \$22 million	MSDT, local municipalities	Same as above
Support to spatial planning on national and local level	GTZ	MSDT, local municipalities in the southern region	Same as above
UNDP/GEF- Second National Communication	GEF- \$500,000	MSDT, Agency for Environmental Protection, Hydrometeorological Institute	The project envisages capacity building for the institutions in the system in charge of monitoring and reporting on the status of environment and the impact of various developmental activities on it
UNDP/GEF- Protected Area System Strengthening	GEF- \$1 million	MSDT, institute for nature protection, local municipalities	Both project seek to raise capacities, in one segment, to collect, manage and analyze information pertaining to natural habitats, flora and fauna in an effort to monitor its status, develop conservation programs, and sustainable use its service for economic development
UNDP/GEF- Catalyzing Sustainable Finance for Protected Areas	GEF- \$1 million	MSDT, institute for nature protection, local municipalities	Both project seek to raise capacities, in one segment, to collect, manage and analyze information pertaining to natural habitats, flora and fauna in an effort to monitor its status, develop conservation programs, and sustainable use its service for economic development
UNDP/GEF- Small Hydro Power Plant Sector Development	GEF-\$1 million	Ministry of Economy, local municipalities, business associations	The project seeks to raise capacities of the national stakeholders to manage responsibly water resources, institute and implement transparent and environmentally-responsible criteria for selecting investors into the SHPP sector, and monitor the economic valorization of renewable source of energy
UNDP-	Finish	Agency for	The project seeks to build technical expertise for

Environment and Security Initiative-remediation of environmental hot spots	Government/ UNEP- \$1million	Environmental Protection,several national ministries for environment in the region	monitoring and supervising remediation of environmental hot spots
Italian-Montenegrin Twinning Project: Support to Environmental Management	EU, IPA component 1, €1 million	MSDT, EPA, PIU PROCON (Project Implementation Unit)	The overall objective of the Project is the improvement of environmental conditions in Montenegro by ensuring continued legal harmonisation and development of institutional capacities, as well as provision of a catalyst for investments in the sector. This project specifically complements the Environment Indicators with its Component 2: Strengthening of the Environmental Protection Agency and its activities
RENA- Regional Environmental Network for Accession		Relevant ministries in the region in charge of climate change and environmental protection	This regional project is funded by European Union with main objective to advance capacities of the institutions of the 8 beneficiary countries, Montenegro being one of them, to facilitate harmonization with the EU legislation, preparing them for this challenging task. The Project has 4 Working groups: WG 1: Strategic planning and investments, WG 2: Climate change, WG 3: Cross border cooperation and enforcement network for accession, WG4: Environmental compliance and enforcement network for accession. More info on this on website http://www.renanetwork.org/index.php?view=home

ANNEX D: PROJECT CONTRIBUTION TO RIO CONVENTION PROVISIONS

CBD	Objective	Project Contribution
Article 7(a)	Identify components of biological diversity important for its conservation and sustainable use having regard to the indicative list of categories set down in Annex I	Global environmental indicators will be identified and developed for mainstreaming into development plans to promote national and global environmental management. This includes the use of indicator species of healthy and bio-diverse ecosystems.
Article 7(b)	Monitor, through sampling and other techniques, the components of biological diversity identified pursuant to subparagraph (a) above, paying particular attention to those requiring urgent conservation measures and those which offer the greatest potential for sustainable use	The project will strengthen collaboration among research institutions and agencies to undertake systematic collection of data and information through the EMIS and Environmental Sustainability Management Unit to ensure the use of standardized methodologies, ensure comprehensive coverage, and reduce unnecessary overlap or duplication
Article 7(d)	Maintain and organize, by any mechanism data, derived from identification and monitoring activities pursuant to subparagraphs (a), (b) and (c) above	The EMIS is a structure that will manage environmental data and information of national and global importance, with a view to assessing the state of the global environment on the basis of national indicators.
Article 12(a)	Establish and maintain programmes for scientific and technical education and training in measures for the identification, conservation and sustainable use of biological diversity and its components and provide support for such education and training for the specific needs of developing countries	Training will be provided to ensure that data and information on the global environment is collected using standardized methodologies, as well as on best practices to analyze this data for mainstreaming into national development policies and plans.
Article 14(a)	Introduce appropriate procedures requiring environmental impact assessment of its proposed projects that are likely to have significant adverse effects on biological diversity with a view to avoiding or minimizing such effects and, where appropriate, allow for public participation in such procedures	Standardized methodologies will be introduced to develop relevant, valid, and legitimate data and information for the use of EIAs of proposed development plans.
Article 14(b)	Introduce appropriate arrangements to ensure that the environmental consequences of its programmes and policies that are likely to have significant adverse impacts on biological diversity are duly taken into account	The project will provide training on the integration and mainstreaming of global environmental indicators into development plans, namely the National Spatial Plan and Tourism Master Plan. These mainstreaming arrangements will be strengthened and institutionalized by the project in order to minimize potential adverse impacts, notably increased loss of endangered endemic species.

Article 17	The Contracting Parties shall facilitate the exchange of information, from all publicly available sources, relevant to the conservation and sustainable use of biological diversity, taking into account the special needs of developing countries	The project will strengthen collaboration among research institutions and agencies to undertake systematic collection of data and information through the EMIS and Environmental Sustainability Management Unit to ensure the use of standardized methodologies, ensure comprehensive coverage, and reduce unnecessary overlap or duplication. Importantly, the project will draw upon the innovative work undertaken by think tanks and research institutions around the world on the development and application of global environmental indicators, such as Yale's Environmental Sustainability Index or Columbia's Environmental Performance Index, among others.
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CCD

Article 10(2)a	Incorporate long-term strategies to combat desertification and mitigate the effects of drought, emphasize implementation and be integrated with national policies for sustainable development	Global environmental indicators will be identified and developed for mainstreaming into development plans to promote national and global environmental management
Article 10(2)d	Enhance national climatological, meteorological and hydrological capabilities and the means to provide for drought early warning	Global environmental indicators will be identified and developed, which can be used as early warning indicators of future or potential climatic changes and associated impacts.
Article 16(a)	Facilitate and strengthen the functioning of the global network of institutions and facilities for the collection, analysis and exchange of information, as well as for systematic observation at all levels	The project will strengthen collaboration among research institutions and agencies to undertake systematic collection of data and information through the EMIS and Environmental Sustainability Management Unit to ensure the use of standardized methodologies, ensure comprehensive coverage, and reduce unnecessary overlap or duplication

FCCC

Article 4(1)a	Develop, periodically update, publish and make available to the Conference of the Parties, in accordance with Article 12, national inventories of anthropogenic emissions by sources and removals by sinks of all greenhouse gases not controlled by the Montreal Protocol, using comparable methodologies to be agreed upon by the Conference of the Parties	The project will reconcile and standardize methodologies for the collection of data and information and their use in the EMIS
Article 4(1)d	Promote sustainable management, and promote and cooperate in the conservation and enhancement, as appropriate, of sinks and reservoirs of all greenhouse gases not controlled by the Montreal Protocol, including biomass, forests and oceans as well as other terrestrial, coastal and marine ecosystems	Global environmental indicators will be identified and developed for mainstreaming into development plans to promote national and global environmental management, as well as indicators of increased carbon sinks

Article 4(1)e	Cooperate in preparing for adaptation to the impacts of climate change; develop and elaborate appropriate and integrated plans for coastal zone management, water resources and agriculture, and for the protection and rehabilitation of areas, particularly in Africa, affected by drought and desertification, as well as floods	Global environmental indicators will be identified and developed for mainstreaming into development plans to promote national and global environmental management, as well as to foresee potential threats and early warning of climate change events and associated impacts.
Article 4(1)f	Take climate change considerations into account, to the extent feasible, in their relevant social, economic and environmental policies and actions, and employ appropriate methods, for example impact assessments, formulated and determined nationally, with a view to minimizing adverse effects on the economy, on public health and on the quality of the environment, of projects or measures undertaken by them to mitigate or adapt to climate change	Global environmental indicators will be identified and developed for mainstreaming into development plans to promote national and global environmental management, as well as to foresee potential threats and early warning of climate change events and associated impacts.
Article 4(1)g	Promote and cooperate in scientific, technological, technical, socio-economic and other research, systematic observation and development of data archives related to the climate system and intended to further the understanding and to reduce or eliminate the remaining uncertainties regarding the causes, effects, magnitude and timing of climate change and the economic and social consequences of various response strategies	The project will strengthen collaboration among research institutions and agencies to undertake systematic collection of data and information through the EMIS and Environmental Sustainability Management Unit to ensure the use of standardized methodologies, ensure comprehensive coverage, and reduce unnecessary overlap or duplication
Article 4(1) h	Promote and cooperate in the full, open and prompt exchange of relevant scientific, technological, technical, socio-economic and legal information related to the climate system and climate change, and to the economic and social consequences of various response strategies	The project will strengthen collaboration among research institutions and agencies to undertake systematic collection of data and information to ensure the use of standardized methodologies, ensure comprehensive coverage, and reduce unnecessary overlap or duplication
Article 4(1)j	Communicate to the Conference of the Parties information related to implementation, in accordance with Article 12.	The EMIS will be a valuable source of data and information for the preparation of Montenegro's Second and future National Communications to the FCCC, among other reporting requirements
Article 5(a)	Support and further develop, as appropriate, international and inter-governmental programmes and networks or organizations aimed at defining, conducting, assessing and financing research, data collection and systematic observation, taking into account the need to minimize duplication of effort	The project will strengthen collaboration among research institutions and agencies to undertake systematic collection of data and information through the EMIS and Environmental Sustainability Management Unit to ensure the use of standardized methodologies, ensure comprehensive coverage, and reduce unnecessary overlap or duplication
Article 5(b)	Support international and intergovernmental efforts to strengthen systematic observation and national scientific and technical research capacities and capabilities, particularly in developing countries, and to promote access to, and the exchange of, data and analyses thereof obtained from areas beyond national jurisdiction	The project will strengthen collaboration among research institutions and agencies to undertake systematic collection of data and information through the EMIS and Environmental Sustainability Management Unit to ensure the use of standardized methodologies, ensure comprehensive coverage, and reduce unnecessary overlap or duplication

IX. SIGNATURE PAGE**Country: Montenegro**

UNDAF Outcome (s)/Indicator (s):**CPAP Outcome (s)/Indicator (s):** Environmentally sustainable economic development**CPAP Output (s)/Indicator (s):** Sustainable planning and management of natural resources in close partnership with the private sector

Executing Entity/Implementing Partner: UNDP

Implementing entity/Responsible Partner: Ministry for Sustainable Development and Tourism, Agency for Environmental Protection

Programme Period:	2011-2014
Atlas Award ID:	00061738
Project ID:	00078478
PIMS #	4378
Start date:	May 2011
End Date	May 2014
Management Arrangements	DIM
PAC Meeting Date	11 July 2011

Total resources required	\$1,185,550
Total allocated resources:	\$1,185,550
• Regular	\$25,000
• Other:	
○ GEF	\$502,700
○ Government	
○ In-kind	\$94,000
○ Other	\$563,850
In-kind contributions	\$94,000

Agreed by (Government):

Mr. Predrag Sekulic

NAME

SIGNATURE

Day/Month/Year

Agreed by (UNDP/ Executing Entity/Implementing Partner):

Ms. Kristine Blokhuis

NAME

SIGNATURE

Day/Month/Year