

Attachment to Agreement

COVER PAGE

Country: Montenegro

Project Title: **Beautiful Cetinje**

Expected Outcome(s)/Indicator (s):

- (1) Supporting low carbon development through regenerating urban environment and revalorizing buildings of historical and cultural importance by implementing energy efficiency measures;
- (2) Enhancing employment generation by increasing employability of hardly employable people through vocational trainings (creating craft workers specialized for reconstruction of buildings that are part of cultural heritage) and creating new jobs, thus contributing to reduction of unemployment rate; Encouraging small and medium entrepreneurship and self-employment through providing support to “green-business” and “greening” existing business
- (3) Supporting green design ideas and innovations in urban development

Brief Description:

Project Beautiful Cetinje aims to start economic revitalization of the old capital through urban reconstruction of the cultural heritage with energy efficiency considerations, provision of vocational trainings, support to small businesses and encouraging green design ideas and innovations in overall urban development.

Programme Period:
Project Title: Beautiful Cetinje
Project ID:
Project Duration: July 2011 – December 2013
Management Arrangement: Direct Execution

Total Budget	US\$ 5,162,750
Allocated resources:	US\$ 1,016,430
Donor:	
Old Royal Capital Cetinje (US\$ 1,001,430)	
UNDP CO Montenegro (US\$ 15,000)	
Government	
Regular	_____
Other:	
• In kind contributions	_____
Unfunded budget:	US\$ 4,146,320

Note: Total available budget for year 2011/2012/2013 - US\$ 1,016,430

Contents

Beautiful Cetinje project	3
Executive Summary	3
Background and Conceptual Framework	3
1. Situation analysis.....	4
1.1. Cetinje historical core status	4
1.2. Energy efficiency in Montenegro.....	5
1.3. Energy efficiency in services sector	6
1.4. Energy efficiency in older homes	6
1.5. The tradition of conservation of cultural heritage in Montenegro	6
1.6. Unemployment in Montenegro	7
1.7. Unemployment issue in Cetinje.....	8
1.8. Key challenges	8
2. Strategy: Rationale for the Project	9
2. 1. Overall Objective:	9
2. 1.1. Objective of the First Component:	10
2.1.2. Objective of the Second Component:	10
2.1.3. Objective of the Third Component:	11
2.2. Project's Impact.....	11
2.2.1. First Component	11
2.2.2. Second Component.....	12
2.2.3. Third Component	12
2.3. Gender mainstreaming.....	12
2.4. Project Activities	13
2.4.1. First Component	13
2.4.2. Second Component.....	14
2.4.3. Third Component.....	14
3. Management Arrangements.....	14
4. Monitoring and Evaluation.....	15
5. Legal Context	15
6. Results and Resources Framework	16

Beautiful Cetinje project

Executive Summary

Beautiful Cetinje project is dealing with economic revitalization of the old capital through urban reconstruction of the cultural heritage with energy efficiency considerations, provision of vocational trainings, support to small businesses and encouraging green design ideas and innovations in overall urban development.

Cetinje, old Montenegrin capital, also known as the 'City of the Museums,' holds great potential for growth of cultural and nature-based tourism. The public spaces of Cetinje, including its streets, plazas, parks, public buildings and institutions have a great potential to become major destinations and engines of economic life, attracting and supporting both residents and tourists. Nonetheless, the impediments to development are three fold: a) currently there are 1,539 unemployed individuals (unemployment rate of 18%, when the national average is around 12%) most of which fall in the category of hard-employable persons¹; b) over 30 unmovable monuments of culture require significant renovation and adaptation as part of cultural and historical heritage, and a resource for tourism growth, and c) most of existing objects and infrastructure are built without implementing any of energy efficiency measures, which results in high maintenance costs, which is even bigger problem in a case of cultural heritage.

Beautiful Cetinje projects seeks to economically revitalize the city through a variety of measures aimed at support to small business and renovation and adaptation of buildings and public spaces that are part of historical and cultural heritage in order to preserve them, but also to improve them by implementing energy-efficiency measures and sustainable design ideas thus making buildings and public spaces more environmentally friendly. Additionally, this project will create opportunity for providing vocational trainings in specific construction skills to significant number of unemployed people in Cetinje, which will then have the opportunity to apply for new temporary or permanent jobs which will be subsequently hired by firms contracted by the project to refurbish and further maintain chosen buildings and public spaces. In addition the initiative will support small business development in sustainable tourism, arts and crafts and other low impact sectors. Activities developed in this framework will improve the living process in the Old Royal Capital and contribute to tourism in its sustainable forms: eco-tourism, cultural and historical tourism, urban exploration.

Background and Conceptual Framework

The preservation of historical city centers is a priority in Montenegro, where the majority of the towns urgently need to have protected and revitalized their architectural and urban heritage, which includes buildings, monuments, parks, pedestrian areas, and small squares. The challenge is to revive these areas by offering them a sustainable development and functionality as part of a rehabilitation scheme of the cities, to make the urban centers competitive within a globalized economy, in which culture needs to remain specific to each area, fostering and promoting the local spirit, the identity and the sense of belonging to a community for their inhabitants.

Existing legislative framework in Montenegro does not require implementation of energy efficiency measures in the buildings that are part of historical heritage, but Municipality of Cetinje recognized all the benefits and potentials of this approach which is essential if town wants to recover from the economic downturn and thrive in today's highly competitive and connected global economy. In that sense, Beautiful Cetinje project aims to be a powerful engine for development and for addressing social and global challenges, for employment generation and enhanced productivity growth through knowledge creation and its subsequent application and diffusion.

This project aims to find common solutions to combine the needs of climate protection with technical and historical adequate approaches to fulfill the CO2 reduction aims, without polarizing between climate protection and heritage conservation. It will develop practices, innovative technologies, unified procedures and guidelines for a sustainable, energy efficient and resource saving historical city centers.

Namely, old buildings in historical core of Cetinje contain a considerable amount of embodied energy and were built to last. In order for them to continue to be comfortable for the future, this project will seek a range of viable interventions that can be adopted to improve their energy efficiency. Good levels of energy efficiency will protect the sustainability of historic buildings, and ensure that present functions (schools, hospitals, libraries, administration etc.) achieve affordable comfort.

¹ The factors that define hard - employability are: possession of a lower level of competence, determined degree of disability, waiting for employment for more than 5 years, age over 50, losing a job as a techno-economic surplus or due to bankruptcy after a long period of service, affiliation to some ethnic groups etc. (Source: Employment Agency of Montenegro, "Doctrine and Technology in Dealing with Hard to Employ Persons", 2008)

Reduction of energy inefficiency in the buildings will be done without compromising their historic and architectural character. This will be done through balancing historic buildings' character, retention of original fabric, energy conservation and the needs of modern living and functioning.

The above mentioned knowledge will be transferred not only between other Municipalities in Montenegro dealing with similar issues, but also within the region and can and should be applied in other countries as well.

The initial cost of adaptation measures will be considered as a financial investment, as they will reduce the cost of fuel and electricity bills, which are currently significantly burdening municipal budget (currently, these objects are used in rare cases as households, but mostly as schools, faculties, libraries, administrative buildings etc).

In order Cetinje to become historic town that is attractive to both tourists and residents this project will aim its activities on sustainable reconstruction of important public spaces that will lead to better inter-connection of great places and destinations, invite greater interaction between people and foster healthier, more social and more economically viable community.

Additionally, this project will create opportunity for providing vocational trainings in specific retrofitting skills to significant number of unemployed people in Cetinje, which will then have the opportunity to apply for new temporary or permanent jobs which will be subsequently hired by firms contracted by the project to refurbish chosen buildings and public spaces.

This Project will create substantial new demand for labor, especially in construction and construction-related manufacturing jobs. It is expected that around 50 low or no skilled workers will be trained or retrained in basic construction skills and building refurbishment. In addition a significant number of man/months of temporary employment will be generated over a period of project duration in Cetinje.

Energy efficiency in cultural heritage will drive innovation in business models as well. As entrepreneurs generate value and profit by mining current inefficiency and waste for new economic opportunities, they improve the competitiveness of the broader economy. And increased efficiency makes both building owners and the economy as a whole less vulnerable to fluctuations in energy prices, while advanced building materials and cutting-edge information technology for better building management represent fast-growing markets for new, green products.

In addition the initiative will support small business development in sustainable tourism, eco-tourism, cultural and historical tourism, urban exploration, sustainable transport, arts and crafts and other low impact sectors.

This will support three strategic national goals:

- Active labour policy tool: enhance employment generation;
- Integrate vulnerable groups into the labour market;
- Encourage small business entrepreneurship and self-employment

1. Situation analysis

1.1. Cetinje historical core status

Cetinje Historical Core, due to its value of a special urban agglomeration with artistic and cultural-historical qualities of individual monuments, has acquired in 1961 the status of the monument of culture of the First category. Historical Core covers 58 ha, 33 ha of which is a compact urban area, and 25 ha park areas and landscaping, and represents one of the most precious parts of the cultural heritage of Montenegro.

The town of Cetinje and its Historical Core, whose values surpass the national framework, represent the historical memory of Montenegro, starting point and the meeting place of spirituality and national self-awareness. As a nest of freedom, it was a throne of spiritual and secular rulers; it was a town of embassies, a town of cultural creativity.

The historical core of Cetinje is an example of unique and authentically preserved urban matrix of small towns, adjusted to the surroundings, with high quality architecture. The historical continuity of Cetinje can be followed through preserved unmovable and movable cultural heritage, where all the generations have left more or less recognizable trace.

In accordance with the Law on Cultural Heritage Protection, in the territory of the town of Cetinje there is the total of 30 protected unmovable monuments of culture (including the Mausoleum to Petar II Petrović Njegoš), 25 of which is located within the monumental ensemble of Cetinje Historical Core, classified in three categories.

Unmovable monuments of culture of the First category are:

1. Biljarda
2. Cetinje Monastery with the church of the Nativity of the Mother of God
3. King Nikola's Castle
4. Remains of Crnojevićs' Monastery at Ćipur
5. Government House – building of the Government of the former Kingdom of Montenegro
6. „Zetski dom“

Unmovable monuments of culture of the Second category are:

1. "Danilo I" Hospital
2. Court of the heir to the throne Danilo – Blue Palace
3. Court church, Ćipur
4. English diplomatic mission to the former Kingdom of Montenegro
5. French diplomatic mission to the former Kingdom of Montenegro
6. Bishop Prince Danilo's tomb at Orlov krš (Eagle's Rock)
7. Relief of Montenegro
8. Russian diplomatic mission to the former Kingdom of Montenegro
9. Vlach church
10. Building of Montenegro Archives
11. Pharmacy in 17 Njegoševa Street.

Unmovable monuments of culture of the Third category are:

1. Grand hotel "Lokanda“
2. Ivan Crnojević's Mill
3. Memorial to the volunteers drowned at Medova - "Lovćen Villa"
4. „Tablja“
5. Turkish diplomatic mission to the former Kingdom of Montenegro
6. Building of the first Montenegrin bank
7. Building of the former "Military Quarters"
8. Building of the former Girls' Institute of the "Empress Maria"

With the lapse of time there were smaller or greater devastating activities within the historical core. In some cases the needs of the contemporary society resulted in aggressive interventions which led to the diminution of the original spatial relations, destruction of the original integrity of the monumental ensemble.

1.2. Energy efficiency in Montenegro²

The “Energy Efficiency Strategy of the Republic of Montenegro” (EE Strategy) was adopted by the Government on 13 October 2005. The priorities and key measures of the EE Strategy were confirmed by the Energy Development Strategy of Montenegro (Dec. 2007). An Action Plan for Energy Efficiency 2008-2012 was adopted by the Government but only few actions have been implemented. One of the most important implemented actions is the adoption of a special Law on Energy Efficiency.

The new Law on Energy Efficiency (LoEE) was approved by the Parliament on 22/4/2010. In general, the LoEE is in line with the Decision No. 2009/05/MC-EnC of 18 December 2009 and largely transposes, or provides the legal basis for transposition through secondary legislation, the Directive 2006/32/EC on energy services (ESD), the Directive 2002/91/EC on Energy Performance of Buildings (EPBD) and Energy Labeling Directives (92/75/EEC and subsequent Directives) into the national legislation.

This version of the EEAP of Montenegro is substantially updated, taking into account the new LoEE that is now into force, the initial remarks of the Secretariat and remarks from stakeholders. This EEAP covers the period 2010-2012.

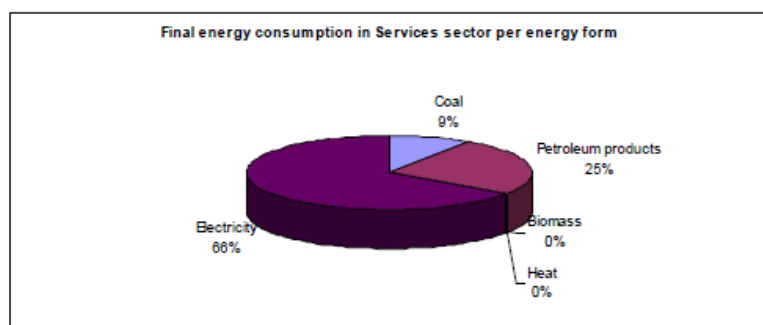
Montenegro has adopted a national indicative energy savings target of 9 % of the FEC for 9 years by 2018 (an average 1 % annually), which means that the country should ensure energy savings to the amount of 58,9 ktoe of Final Energy Consumption expressed in terms of primary energy equivalent. The absolute amount of the indicative target, which the country should prove as a sum of the energy savings in the following 9 years, is determined on the basis of data on FEC for the latest five years (2002-2006) for which sufficient statistical data exist.

² Source - Energy Efficiency Action Plan- for the period 2010-2012, Government of Montenegro, Ministry of Economy 2010

1.3. Energy efficiency in services sector

The services sector in 2002-2006 consumed in average about 10% of the total Final Energy Consumption (FEC) in Montenegro (or 11% in the total FEC-Primary).

As presented in the next Figure, electricity and petroleum products accounted for about 66% and 25% respectively of the final energy consumption in 2002-2006. The rest was lignite (about 9%).



Electricity is extensively used in services sector buildings. Besides the normal electricity uses, such as lighting and cooling, electricity is also used to cover space heating, hot water production and other thermal needs. There are many buildings, where electricity is the only source of energy. Petroleum products are used mainly for space heating and hot water production.

The most important consumers in the public sector services (excluding transport) are the water supply companies, the public lighting, the Ministry of education (schools, high schools, universities, dormitories, office buildings etc.) and the Ministry of health (hospitals, health centres, office buildings).

Unfortunately, Montenegrin energy statistics do not distinguish between consumption in the public and commercial services.

Energy consumption in the public sector practically is not monitored and controlled. So far there was no systematic programme for EEI in the public sector with the exception of an on-going World Bank loan programme for EEI investments in public buildings.

However all relevant studies and energy audits that have been carried out, show that there is a considerable EEI potential in many areas including heating and cooling loads of buildings, heating and cooling systems, indoor and street lighting, water pumping stations, water supply systems (due to huge losses of pumped water), etc. In many cases, no-cost energy management measures could save much energy, however awareness and capacity are very limited, while energy wasting attitudes are common among the personnel.

Besides the energy cost savings opportunities for the state and municipal budgets, the public sector's buying power and visible leadership offer a powerful means to stimulate market demand for energy efficient products and services.

1.4. Energy efficiency in older homes

Older homes function in a very different way to modern homes, and can sometimes be less thermally efficient than those built to current building standards.

Modern buildings are commonly like sealed units without natural air circulation, and they often require mechanical ventilation. The construction of older buildings makes them more porous and naturally ventilated, so they "breathe". They generally include soft and permeable materials such as plasters and lime mortars. These materials respond to air and moisture very differently to many of the hard and impermeable materials used in modern buildings. All these factors determine their energy efficiency.

The ventilation of many older buildings can make them less prone to condensation and its associated effects. The higher thermal mass of older solid walls retains heat better than modern cavity walls, which can help regulate the temperature of a home, keeping it cool in summer and warmer in winter. The layout of traditional tenement buildings is potentially very energy efficient, due the low proportion of external walls to cross walls/party walls.

However, older buildings can often be draughty and can leak heat unnecessarily. This can be accentuated by larger window sizes and a predominance of sash and case windows, which provide a greater area of low-efficiency glazing and more potential for draughts. Older buildings sometimes have larger rooms with higher ceilings, which can need more energy to keep them warm. They were built long before modern building standards existed, with no insulation. Many older buildings components have lower levels of thermal efficiency than modern materials, leading to greater heat loss. Older heating systems also tend to be inefficient compared to modern systems, using more energy and generating less heat.

1.5. The tradition of conservation of cultural heritage in Montenegro

Conservation service in Montenegro was officially established in 1948 when the Institute for Conservation of Cultural Monuments and Rarities in Cetinje (today Republic Institute for Protection of Cultural Monuments) was established. The first modern law in this field was proclaimed in 1949. Today, currently valid Law for conservation of cultural monuments from 1991 regulates work of the service.

Due to historical circumstances, immovable cultural monuments are unequally distributed on the territory of Montenegro. The largest number of cultural monuments is concentrated in municipalities of Kotor (31 %) and Cetinje (15 %).

The Law about Local government from 2003 states that municipality “creates and provides conditions for protection of monuments and monumental areas of local importance”.

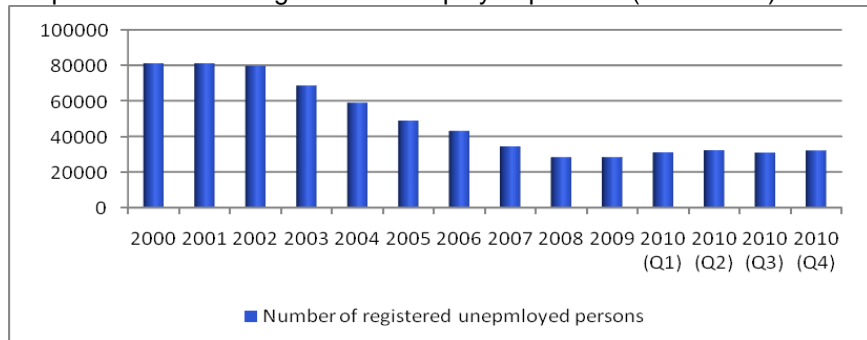
The Law about Conservation of cultural monuments from 1991, states that a municipality has obligation to “take a good care of monuments on its territory, to maintain, use and protect them from destructive influences of nature and human acting, to make them available to the public and to provide funding for their regular maintenance”. During the development of urban plans, for the purpose of preservation of urban, historical or ambient character of old towns and settlements, municipality is obliged to provide a professional opinion of the Republic Institute for Conservation of Cultural Monuments. The Law states that it is necessary to provide license for any construction works on a monument, which can cause its changes. The licence can be issued by the Republic Institute” or the Regional Institute. (Article 83; par. 5; Law for Conservation of Cultural Monuments of Republic of Montenegro).

1.6. Unemployment in Montenegro

Since the end of 2007, the number of employed persons in Montenegro is increasing. The number of registered employed persons rose from 156,408 in 2007. to 161,820 in 2010. However, this trend was not consistent; the employment rate has fluctuated on monthly bases. This fact can be attributed to the effect of the global crisis that has shaken up, at this particular time, all segments of the economy, not just the labour market.

Number of registered unemployed follows the trend of employment in Montenegro. These facts are suggesting that the labour market is increasingly turning to the legal channels and less to frauds and the informal economy. The number of unemployed, in successive periods, monitors the number of employees.

Graph 1: Number of registered unemployed persons (2000-2010)



Source: MONSTAT

Observing period 2000-2010, the highest number of registered unemployed persons was in 2000. (81069), while the smallest number was recorded in 2008, 28378 registered unemployed persons, which represent the reduction of 64.96%. However, the number of unemployed population began to increase in 2009. In 2010, more fluctuations have happened. On average in 2010, 31582 people were unemployed which represents the reduction of 61.04% compared to 2000, or increase of 11.29% compared to 2008, respectively.

Graph 2: Number of registered unemployed persons, by quarter



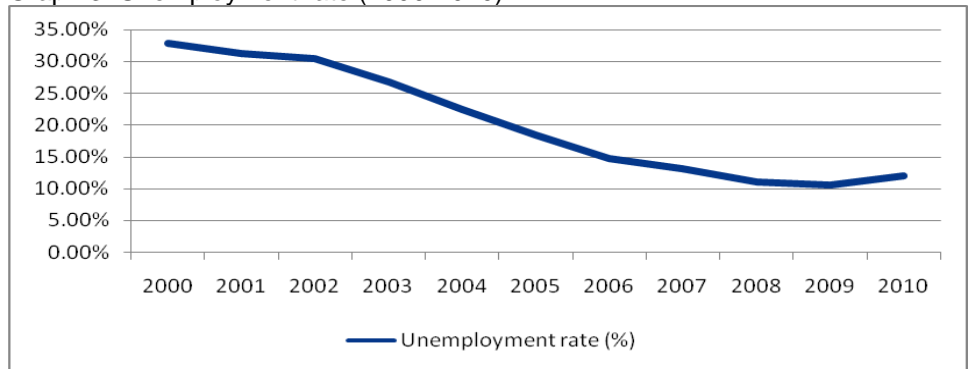
Source: MONSTAT

On quarterly bases, number of unemployed persons was increasing during 2009 and in 1st quarter 2010. However,

number of registered unemployed persons decreased during 2nd quarter 2010. for 7.56% compared to the 1st quarter 2010, or 6.56% compared to the same period previous year.

Unemployment represents the largest block to a labor market development. In this regard, various governmental and nongovernmental institutions, through active and passive employment policies, are diverting employment into legal channels and jointly work on building institutional framework for labor market.

Graph 3: Unemployment rate (2000-2010)



Source: Employment Office of Montenegro

The unemployment rate in Montenegro decreased since 2003. by 2009, when it was 10.66%. However, this rate increased in 2010. In December 2010 it was 12.13%, while the average unemployment rate during 2010 was 12.01%.

1.7. Unemployment issue in Cetinje

Municipality of Cetinje has a significant problem with unemployment. According to the Employment Agency of Montenegro there are 1,539 unemployed persons in Cetinje and unemployment rate is around 18%, which is significantly higher than the state level.

The number of the unemployed suddenly increased in the mid-2008, when a considerable number of the workers of the »Obod« registered as those looking for employment. People expect new jobs in the framework of trade, tourism and hospitality industry and in the wider sector of services, and certain number of those, who will get credit support from the banks and the state, will look for the opportunities in their own initiatives, either in some form of manufacturing, trade or some services.

In the territory of the Royal Capital of Cetinje, at the end of 2008, had in its register 10 shareholding companies, 518 limited liability companies, (120 of which perform their activities on a regular basis), 11 partnership companies (9 of which perform their activities on a regular basis), 5 parts of foreign companies, even 429 entrepreneurs (247 working on a regular basis), 35 institutions 35, and 3 cooperatives.

There is a great number of registered entrepreneurs, but only one half of them is active. In the process of transition, which is still ongoing, the economy of Cetinje has almost disappeared, without a possibility of being renewed. Amongst other things, this has had drastic effect on the working structure of the population in which the category »industrial worker« has been reduced to minimum. Out of 5.560 workers in the year 1980, who worked in Cetinje economy, at the end of 2008 there were only 480 left, or 8.6% who still work in the remaining economic establishments. What is the current flexibility of the labour force that has lost their jobs to be able to adjust to new conditions? Time will show, which is not on their side at all, since this is the beginning of a difficult period of global economic crisis which engulfs all, especially those vulnerable and weak ones. The value we should all count on is newly educated people.

1.8. Key challenges

There is a pervasive perception among heritage building owners and operators that heritage preservation and energy conservation are mutually exclusive objectives. This dichotomy of thought is a major barrier to the establishment of a culture of energy conservation within the community of heritage-home owners and operators.

This perception coupled with rising fossil energy costs due to increasingly scarce supply creates special challenges for cultural heritage building operators. Namely, the burning of fossil fuels will continue to increase in line with our increasing energy demands, adding to air pollution and acid rain, both of which are detrimental to the fabric of historic buildings. The effects of extreme weather are likely to be detrimental to historic homes, which may not have the capacity to withstand long-term extreme weather cycles. Rising fuel costs mean that energy-efficient properties will become even more of a priority for householders. If traditionally-built homes become unaffordable to heat, they could eventually stop being viable as homes.

The ways have to be found to use modern technology in harmony with heritage buildings or many of our architectural treasures in Cetinje, but also in other parts of Montenegro will be left neglected. They will be too expensive to operate and too carbon-intensive to justify habitation in this new era of carbon constraint.

In building restoration projects that are being developed in Montenegro, the principles and standards of cultural heritage protection are fully implemented. However, the challenge remains to harmonise interests and requirements of experts in the cultural heritage protection with a demand for an increase in energy efficiency, i.e. a reduction in cost of maintaining cultural heritage buildings and the influence on environment. Modifications on the buildings must be kept to a minimum in order to preserve their historic value, but certain improvements must be made to enable a pleasant heating temperature for the people in these buildings.

The dynamics of green employment are largely unknown and further in-depth work is needed to guide policy making. For example, adapting labour markets to move towards achieving more jobs and better quality jobs in a low-carbon economy requires the strengthening of education and training systems as well as supporting skills development activities, both at the industry and public sector levels, for which we have little knowledge and understanding of the dominant dynamics.

Economic crisis caused by a severe drop in demand has negative implications for long-term economic growth, e.g. by: i) restricting the entry of innovative start-ups; ii) precipitating the decline of young innovative firms that require financing or active exit markets, iii) forcing established firms to shelve or postpone new projects; and iv) slow down knowledge transfer, diffusion and adoption along local and international value chains. Such impacts affect the ability of the economy to reallocate resources from declining industries to newly emerging industries and new opportunities.

The construction sector in Montenegro is faced with a considerable slump in consumer and investment demand, and has long struggled with low labour productivity growth, partly linked to the nature of innovation in an industry where many projects are unique. However, the crisis also provides an opportunity for both governments and the private sector to transform this sector. The growing demand for 'greener' buildings and a more sustainable built environment might also foster innovation in the industry.

Current economic crisis is not an excuse to weaken long-term efforts to achieve low-carbon economic growth. Delaying action can be costly both in economical and environmental terms. Montenegrin Government is beginning to recognize this urgency, and is committed to integrating green specifications into building regulations and codes, but the process of developing policy is slow.

2. Strategy: Rationale for the Project

2.1. Overall Objective:

The overall objective is to support municipalities that are underdeveloped in a process of economic revitalization through urban reconstruction with energy efficiency considerations, provision of vocational trainings, support to small businesses and encouraging green design ideas and innovations in overall urban development.

The base for the Project will present the Regional Development Strategy. Municipalities that will be involved in the project would be chosen based on the following criteria:

1. Level of underdevelopment, measured by the unemployment rate – municipalities that have higher unemployment rate compared to the country average will be involved in the Project; and/or
2. Status of protection – municipalities whose significant part presents protected area or is under protection (such as Kotor, UNSECO protection) would be involved in the project
3. Green jobs – municipalities which are ready to invest and promote green jobs and green businesses would be involved in the project
4. Influence on the municipality's budget - activities that will lead to the increase of the municipalities budgets, having in mind legal framework and sustainable development would be involved in project.
5. Amount of cost-sharing from the municipality

Overall objective of the project will be achieved through 3 components: (1) Supporting low carbon development through regenerating urban environment and revalorizing buildings of historical and cultural importance by implementing energy efficiency measures; (2) Enhancing employment generation by increasing employability of hard to employ people through vocational trainings (creating craft workers specialized for reconstruction of buildings that are part of cultural heritage) and creating new jobs, thus contributing to reduction of unemployment rate; Encouraging small and medium entrepreneurship and self-employment through providing support to "green-business" and "greening" existing business

(3) Encouraging green design ideas and innovations in overall urban development

One of the crucial aspects of the project is that all conservation, retrofitting but also new development activities are carried out in the way that running costs must at the same time be reasonable and the energy use efficient. A key aim of the project will be to reduce the risk of inadequate maintenance of protected homes, without adversely affecting the historic and architectural character of the buildings, which tend to become World Heritage Site recognized by UNESCO.

The overarching project objective will serve as good example on managing of energy performance without diminishing the cultural value and social history in our built heritage. On the other side, this will be unique response of one local government to severe economic and social challenges, and innovative way of finding new and sustainable sources of growth.

All these facts and the reuse and improvement of existing resources, both material and human resources, implies that the concept is not only building on the three pillars of sustainability i.e. environmental, social and techno-economic, but also manages to enhance the five capitals: human, environmental, social, financial and manufactured capital.

2. 1.1. Objective of the First Component

Component 1: Supporting low carbon development through regenerating urban environment and revalorizing buildings of historical and cultural importance by implementing energy efficiency measures and making buildings and infrastructure more environmentally friendly.

Old buildings in historical core of Cetinje contain a considerable amount of embodied energy and were built to last. In order for them to continue to be comfortable for the future, this project will seek a range of viable interventions that can be adopted to improve their energy efficiency. Good levels of energy efficiency will protect the sustainability of historic buildings, and ensure that present functions achieve affordable comfort.

Reduction of energy inefficiency in these buildings will be done without compromising their historic and architectural character. This will be done through balancing historic buildings' character, retention of original fabric, energy conservation and the needs of modern living and functioning.

The initial cost of these adaptation measures will be considered as a financial investment, as they will reduce the cost of fuel and electricity bills, which are currently significantly burdening municipal budget (currently, these objects are used in rare cases as households, but mostly as schools, faculties, libraries, administrative buildings etc). Cumulative effect of the project activities will result in lower emissions of CO₂, which would be a step ahead for development a low carbon development in Montenegro.

There is clear evidence of the importance of public spaces in successful regeneration policies and for creating sustainable communities. Public spaces (including plazas, squares, streets, street markets, community centres, parks, playgrounds, and neighbourhood spaces in residential areas) play a vital role in the social life of communities. They act as a 'self-organising public service', a shared resource in which experiences and value are created. If they are successful they are inclusive and provide opportunities for social interaction.

Public spaces in Cetinje need to be more than safe and accessible, they also need to have meaning and significance for people, to be used more fully and with greater appreciation.

For these reasons, Project will focus a part of its activities on improvement of existing public spaces in Cetinje, through development of reconstruction and revitalization projects, and performing reconstruction works.

2.1.2. Objective of the Second Component

Component 2: Enhancing employment generation by increasing employability of hardly employable people through vocational trainings and creating new jobs, thus contributing to reduction of unemployment rate; Encouraging small and medium entrepreneurship and self-employment through providing support to "green-business" and "greening" existing business

Through this component, the project will create opportunity for providing vocational trainings in specific construction skills to significant number of unemployed people in Cetinje, which will then have the opportunity to apply for new temporary or permanent jobs which will be subsequently hired by firms contracted by the project to refurbish chosen buildings, primarily monuments of culture. All trainings and works will be performed under supervision of skilled craftsmen and conservation officers, which will assure quality control of the whole process.

Encouraging small business entrepreneurship and self-employment is one of many added values which came out of the initial project concept. It is expected that significant number of local contractors and suppliers will be involved and around 50 new jobs will be created directly depending on the execution of this project and about 100 indirectly.

Furthermore, after the completion of conservation and reconstruction works the improved premises and spaces will made new functions available, inspiring the start of new businesses. Preserved built environments are often seen as attractive for dwelling, office spaces etc. and if used properly they can be an integral part in trade activities and other businesses and even increase their market value.

2.1.3. Objective of the Third Component

Component 3: Encouraging green design ideas and innovations in overall urban development

Project will support development of new green design ideas in urban development, trough organization of architectural competitions, lectures, workshops, seminars and study visits. This will be performed in cooperation with Faculty of Architecture and other faculties or high-schools in Montenegro.

Green design is a relatively new term for describing ideas that are environmentally sensitive and that use these basic principles: use materials wisely, conserve water and energy, save money in the long term, and create surroundings that are safe and healthy.

The project will encourage students--and particularly women--to come up with creative ways to save energy in different sectors of city environments (public spaces, transport, home, university, retail, water, hospital etc.)

2.2. Project's Impact

2.2.1. First Component

Direct impact of first component is that, yet most neglected part of the historic city will be upgraded trough energy efficiency measures, which will in general reduce heating costs and create comfortable living and working space.

Project will support finding new technical solutions concerning energetic potentials of historical buildings.

The model and technical solutions established by the project will be further shared as an efficient and effective mechanism to connect energy efficiency in historical heritage with strengthening active labor market policy and employment promotion.

Activities under this component will result in lower emissions of CO₂, which would be a step ahead for development a law carbon development in Montenegro. To prove this impact, UNDP developed two preliminary energy audits for selected old buildings in Cetinje (Music academy and old hospital "Danilo I") The results of these audits clearly showed that retrofitting measures which will be paid off in a period of 4-5 years will bring energy savings above 50%, and will lower CO₂ emissions for cca 36 t/year of CO₂ for Music academy and even 90 t/year in a case of old hospital "Danilo I".

The impacts that will benefit the building owners, occupants and local community are:

- Lower operating costs
- Higher return on investment and higher rental income
- Higher overall capital value of the building
- Lower environmental footprint and greenhouse gas emissions
- Improved indoor environment quality and employee productivity
- Future-proofing against tenant demands and government regulations
- Improving Municipality/institution/corporate image
- Making the building and the whole Municipality more attractive to further investments

Direct impact of this component in a part that refers to the reconstruction of public spaces will rely on wider contribution that public space makes to the community and the quality of life (amenity role, social, cultural, ecological, educational role etc.).

2.2.2. Second Component

The impact of this component will be upgrading the knowledge and education of craftsmen, architects, auditors, engineers, tourism workers etc. to harmonize the curricula with the objective of an open labor market.

It is expected that around 50 low or no skilled workers, among them women and vulnerable groups, will be trained or retrained in different skills connected with project activities (building refurbishment, basic construction skills, tourism skills (private entrepreneurs, souvenir stores, small restaurants, bicycle rental, excursions, adventure park, tourist guides), different green jobs etc.). In addition a significant number of man/months of temporary employment will be generated over a period of project duration in Cetinje (up to 100 people).

Impact of this component will be strengthening existing and creating new, green business, which will, together with other efforts of Municipal authorities, turn Cetinje into vibrant, prosperous and desirable place to live.

Existing small building industries, currently suffering from lack of demand for craftwork products, will be encouraged to lean toward green, environmentally friendly building.

Green building is not only a wise choice for our future; it is also a necessary choice. Having in mind that “going green” is poised to become the competitive imperative, this component will help construction industry in Cetinje to adopt eco-friendly practices and materials that reduce its impacts.

Project will encourage small and underdeveloped industry to take its own initiative and find alternative ways to build, using green, renewable energy resources, and adopt non-polluting practices and materials that reduce, recycle and reuse, in order to become competitive and in line with European regulations in that field. It will strengthen market possibilities of innovative small and medium enterprises (SME) as well as industries in Cetinje.

Indirect impact of this component will be producing new jobs in tourism industry, particularly sustainable or responsible tourism. That type of tourism would minimize negative economic, environmental, and social impacts of tourism industry, generate greater economic benefits for local people and enhance the well-being of host communities.

In this way positive contributions to the conservation of cultural heritage will be further improved and more enjoyable experiences for tourists through more meaningful connections with local people will be provided. All this set of positive impacts will engender respect between tourists and hosts, and builds local pride and confidence.

2.2.3. Third Component

This component will keep the Project opened for new green ideas for sustainable urban development.

Its direct impact will be capacity development of new generations of young architects, which will be encouraged to take initiative towards innovative solutions for addressing issues of climate change, low carbon development, sustainable transport, green building etc.

2.3. Gender mainstreaming

The relative status of men and women; the interaction between gender and race, class and ethnicity and questions of rights, control, ownership, power and voice all have a critical impact on the success and sustainability of every development intervention.

In practice, gender mainstreaming means identifying gaps in gender equality. Despite good intentions and some real progress, the development community, UNDP included, is still falling short in delivering on its promises. Many of the problem areas were identified in the UN Secretary-General's Review and Appraisal of the Implementation of the Beijing Platform for Action. These areas include the development of accountability mechanisms; allocation of sufficient resources; attention to gender equality; targeting not just 'soft' areas for gender mainstreaming (such as health and education), but also supposedly 'gender-neutral' areas, such as infrastructure development and economic policies; and strong political commitment and will. In order to achieve these goals it is necessary to be provided:

- the integration of gender equality concerns into the analyses and formulation of all policies, programmes and projects;
- initiatives to enable women as well as men to formulate and express their views and participate in decision making across all issues.

Since the 1980s, there has been growing recognition of the need to ensure women's equal access to urban public spaces. This applies to physical space such as streets, parks, and public transport, as well as to governance structures, and the cultural and economic life of a city. From the perspective of the human settlements arena, there is also recognition of the need to address women's access to resources, housing and basic services, such as electricity

and energy, water and sanitation, refuse and waste management.

Women face several barriers in urban life: Institutional barriers prevent them from participating in local government and planning institutions; information barriers affect how they access opportunities and resources; absence of gender-disaggregated data, especially at the city level, negatively affects how policy, plans and programmes address the respective needs of women and men.

Gender mainstreaming in the Project implies to include women on an equal footing with men in all project activities.

Especially support will be providing to the women entrepreneurs.

The Project "Beautiful Cetinje will pay special attention to gender equality and involvement of woman into the Project activities. This will be done through:

1. Involving woman architects, auditors, civil engineers, etc in project activities and each phase of project implementation (Component 1)
2. Encouraging women's initiatives for self-employment, as individuals as well as in groups. (Component 2)
3. Scholarships, sponsorships, fellowships, awards, exchange programmes and conferences for capacity building.(Component 3)
4. Implementing gender-aware urban planning in all segments of development of architectural documentation. Given that women experience and use the urban environment in different ways from men, they have different priorities in terms of services and infrastructure, for example with regard to transport, housing and basic urban services. Such priorities rarely feature in urban policy or investments. Policy-makers and planners, whether women or men, need to be gender-aware in order that women's needs and interests are addressed and women themselves are brought in to the planning process. Urban places shape the way we live our lives, the opportunities we have to get a paid job, how easy it is to get to school or the hospital and keep in touch with friends and relatives. Environments reinforce identity, but they can also alienate and discriminate. Planning policies influence the lives of women and men in different ways and both perspectives are needed in the planning process. Gender-aware urban planning recognizes diversity between genders, as well as remembering that gender cuts across other kinds of differences, ethnicity, class, disability and age.

2.4. Project Activities

2.4.1. First Component

The first component envisages the following activities:

Identifying buildings and public spaces in historical core of Cetinje that are most suitable for reconstruction

Together with Municipality officials, most suitable buildings and public spaces will be identified, according actual need for reconstruction, possible improvements, cost effectiveness of possible measures, importance of the buildings and spaces to the local community and particularly according the type of current use, having in mind that some of the buildings are now used as educational, medical, administrative or cultural institutions.

Performing energy audits for selected objects in order to determine existing level of energy efficiency, define possible measures for improvement and calculate estimated costs for reconstruction

Project will engage consultants (auditors) that will be responsible for obtaining specific recommendations to use effectively thermal and electrical energy, improve situation with selected building through thermal insulation and promote energy monitoring and energy efficiency in this building.

In this process, the consultants will closely collaborate with representatives of UNDP, Municipality of Cetinje and National Institute for Cultural Heritage Preservation.

During this activity auditors will:

- Collect and analyze background data for objects, subject to reconstruction;
- Make thermal imaging measurements of external building surfaces and internal heating systems, if necessary;
- Measure coolant rates and temperature patterns in premises, if applicable;
- Inspect electrical equipment (lightning, heaters, air conditioners etc.);
- Determine specific consumption of energy sources (per 1 sq.m. or 1 cub.m.) and illumination levels in

- workrooms;
- Inspect self-contained thermal sources;
- Assess daylight illumination of the premises in terms of energy audit and ensure sufficient level of daylight illumination and select optimal parameters of area lights;
- Examine air permeability of external cladding of the building (premises);
- Assess humidity of external cladding.
- Make recommendations for better energy efficiency of the building, with consideration of all specific requirements for reconstruction of cultural heritage
- Make estimation of costs for implementing of recommended measures

Developing architectural retrofit projects for objects and reconstruction projects for public spaces

According suggested retrofit measures from previous activity, Project will provide development of necessary architectural retrofit projects that will be revised by responsible authorities, which will assure high quality control in this segment of the Project.

Project will provide architectural reconstruction projects for selected public spaces, for which guidelines will be developed in cooperation with local authorities, responsible authorities and local experts.

Selecting and recruiting companies that will perform retrofitting and reconstruction works.

Monitoring of Energy Consumption

Project will provide monitoring of energy consumption in retrofitted objects by implementing most suitable energy management systems for buildings.

2.4.2. Second Component

The second component envisages the following activities:

- Conducting an assessment of local labor market needs for construction and tourism workers, with an accent on vulnerable groups
- Identifying suitable and motivated unemployed persons for the training
- Selecting competent trainers and training institutions through competitive process
- Performing vocational trainings in construction skills and touristic skills
- “Start your business” trainings, “Start your tourism business” trainings
- Providing grants for start-up business

2.4.3. Third Component

- Organization of architectural competitions for new green design ideas for sustainable urban development
- Organization of thematic lectures and workshops on green urban design approach for students, experts or interested public
- Support to capacity development of new generation of young architects through organizing of Study visits (for competition winners, students of master courses on urbanism, energy efficiency or preservation of cultural heritage)
- Implementing public information campaign in order to increase awareness about green urban development

3. Management Arrangements

All three project components will be managed and implemented by UNDP CO Montenegro within the Direct Execution (DEX) authority, in line with the UNDP Programming for Results Management User Guide. UNDP CO acts as the project implementing partner and executing agency according to DEX. The Project Board will be established, and will consist of UNDP Project Manager, the Ministry of Culture, Ministry of Economy, Old Royal Capital Cetinje representative, and representative of Institute for Monument Protection. The project manager is responsible for the day-to-day management of the project together with the project support team.

4. Monitoring and Evaluation

The RRF reflects the project outputs correspond to the outcomes of CPD. This project will be effectively monitored by assessing progress against the qualitative and quantitative indicators (and sex disaggregated data) outlined in the Results Framework. The schedule of project review meetings will be developed by the project management team, in consultation with project partners. Day-to-day monitoring of implementation progress will be the responsibility of the project manager based on the project's Annual Work Plan and its indicators. Project manager will submit semi-annual monitoring progress reports to the UNDP EE Cluster Team Leader / Project Board. The end of year report will be accompanied with the financial report.

5. Legal Context

This document, together with the CPAP signed by the Government and UNDP, constitutes a Project Document as referred to in the SBAA and all CPAP provisions apply to this document. The CO will play the role of implementing partner/executing agency and the overall project will be executed in DEX modality within existing UNDP internal rules and procedures by the CO.

- The overall project execution, implementation and the project administration;
- Maintaining the project's conceptual clarity and comparable standards regarding data collection, monitoring, project evaluation at different stages etc.;
- Exchange of information, knowledge codification and application;
- Consultancy and expert support necessary at phases of the project implementation;
- Maintaining working contacts with the partners;
- Application of the commonly agreed standards and procedures regarding data collection;
- Regular monitoring and reporting;

6. Results and Resources Framework

Intended Outcome as stated in the CPAP's RRF:				
Balanced and equitable regional economic growth based on sustainable planning and use of natural resources that will provide a high quality of life and long term economic opportunities for its inhabitants .				
Outcome indicators as stated in the CPAP's RRF, including baseline and targets:				
1. Quality of Life: HDI disaggregated by region (2010: North: 6.21 ,7.6; Centre: 6.5)/NHDR; 2. Unemployment rates disaggregated by region (North: 29.6%, South 10.3%, Centre: 18%)/ MONSTAT				
Partnership Strategy: UNDP Croatia , UNESCO, UNIDO, European Commission; and other Bi-lateral donors; respective national authorities at central (e.g. Ministry of Culture, Ministry of Finance, Ministry of Sustainable Development and Tourism, Ministry of Economy, Ministry of labor and social welfare etc.) and local level (Old Royal Capital Cetinje), NGOs, etc ;				
Project title and ID (ATLAS Award ID):				
INTENDED OUTPUTS	OUTPUT TARGETS FOR (2011-2013)	INDICATIVE ACTIVITIES	RESPONSIBLE PARTIES	BUDGET
Output: Economic revitalization of Cetinje, the old capital of Montenegro, trough urban reconstruction of the cultural heritage with energy efficiency considerations, provision of vocational trainings and support to small businesses				Total available budget for year 2011/2012/2013 - <u>US\$ 1.001.430</u>
(Component 1): Supporting low carbon development trough regenerating urban environment and revalorizing buildings of historical and cultural importance by implementing energy efficiency measures and making buildings and public spaces more environmentally friendly.				
Baseline: 1. Average energy consumption in objects of cultural heritage (200 Kwh per m2) and GHG emissions (CO2 emissions 70 t/kWh) 2. 0 objects of cultural heritage and public spaces retrofitted/reconstructed Indicators: 1. % of decrease of energy consumption and GHG emissions per square meter 2. # of cultural heritage objects and public spaces retrofitted/reconstructed	Targets for Component 1: 1. At least 30% reduction of energy consumption in objects of cultural heritage and 30% reduction in GHG (CO2) emissions per square meter 2. At least 5 cultural heritage objects and 2 public spaces retrofitted/reconstructed	Key Activity 1: Reconstruction of buildings that are part of cultural heritage with implementing energy efficiency measures and revitalization of overall urban heritage, which includes squares, parks and pedestrian areas. Activities: 1. Identifying buildings and public spaces in historical core of Cetinje that are most suitable for reconstruction; 2. Developing reconstruction projects for public spaces 3. Performing energy audits for selected	Project manager, Project support staff	<u>US\$ 4.000.000</u>

		<p>objects in order to determine existing level of energy efficiency, define possible measures for improvement and calculate estimated costs for reconstruction</p> <p>4. Developing architectural retrofit projects for buildings</p> <p>5. Selecting and recruiting companies that will perform retrofitting, adaptation or reconstruction works</p> <p>6. Monitoring of Energy Consumption in retrofitted objects by implementing most suitable energy management systems for buildings</p>		
<p>(Component 2): Enhancing employment generation by increasing employability of hardly employable people through vocational trainings and creating new jobs, thus contributing to reduction of unemployment rate; Encouraging small and medium entrepreneurship and self-employment trough providing support to “green-business” and “greening” existing business</p>				
<p>Baseline:</p> <p>3. 0% unemployed (1,539 hard to employ individuals in Cetinje) trained for retrofit of objects of cultural heritage</p> <p>4. 0% unemployed (1,539 hard to employ individuals in Cetinje) hired for retrofits/reconstruction of objects of cultural heritage and public spaces and green businesses</p> <p>5. Baseline on impact of businesses on environment (eco mapping to be done till Dec 2011)</p> <p>Indicators:</p> <p>3. %of unemployed trained for EE retrofits;</p> <p>4. %of unemployed hired for EE retrofits/reconstruction;</p> <p>5. To be determined</p>	<p>Targets for Component 2:</p> <p>3. At least 5% of the unemployed trained for EE retrofits (at least 20% of this are women)</p> <p>4. At least 3% of the unemployed hired for EE retrofits/reconstruction/green businesses (at least 20% of this are women);</p> <p>5. To be determined</p>	<p>Key Activity 2: Improving perspective for employment of socially disadvantaged groups, through vocational training and temporary or permanent employment</p> <p>Activities:</p> <p>1. Performing eco mapping of local businesses</p> <p>2. Conducting an assessment of local labour market needs for construction and tourism workers, with an accent on vulnerable groups;</p> <p>3. Identifying suitable and motivated unemployed persons for the training;</p> <p>4. Selecting competent trainers and training institutions trough competitive process;</p> <p>5. Performing vocational trainings in construction skills and touristic skills</p> <p>6. Performing “star your business” trainings</p> <p>7. Providing grants for start-up business</p>	<p>Project manager, Project support staff</p>	<p><u>US\$ 275.000</u></p>

(Component 3): Encouraging green design ideas and innovations in overall urban development				
<p>Baseline:</p> <p>1. 0 green design ideas in urban development implemented in Cetinje</p> <p>2. 0 student competitions for urban development organized</p> <p>Indicators:</p> <p>1. # of green design ideas in urban development that will be implemented in Cetinje</p> <p>2. # of student competitions for urban development organized</p>	<p>Targets for Component 3:</p> <p>1. At least 4 green design ideas in urban development implemented in Cetinje</p> <p>2. At least 2 student competitions for urban development organized</p>	<p>Key Activity 3: Strengthening capacities of local stakeholders in creating and implementing new green design ideas and innovations in overall urban development</p> <p>1. Organization of architectural competitions for new green design ideas for sustainable urban development</p> <p>2. Organization of thematic lectures and workshops on green urban design approach for students, experts or interested public</p> <p>3. Support to capacity development of new generation of young architects trough organizing of Study visits (for competition winners, students of master courses on urbanism, energy efficiency or preservation of cultural heritage)</p> <p>4. Implementing public information campaign in order to increase awareness about green urban development</p>	<p>Project manager, Project support staff</p>	<p><u>US\$ 350.000</u></p>
Project Management				<u>US\$ 200.000</u>
GMS (7%)				<u>US\$ 337.750</u>

7. Risk Analysis

Project Title: Beautiful Cetinje					Award ID:			Date:	
#	Description	Date Identified	Type	Impact & Probability	Countermeasures / Mngt response	Owner	Submitted, updated by	Last Update	Status
1	RM unsuccessful, lack of donor interest	14/07/2011	Strategic (Donors, partnerships fail to deliver)	Resources will not (or not sufficiently) be mobilized to cover the costs of the activities. Medium likelihood/high impact	Efforts should be made to secure sufficient resources for all project components;	UNDP, Old Royal Capital Cetinje	Project Manager		
2	Lack of ownership of national and local governments	14/07/2011	Political (Government and non-UN partners commitment) Organizational (Execution capacity)	The project might have difficulty in securing ownership and support from government officials, especially key non-UN partners.	Efforts should be made to secure sufficient time and money for stakeholder consultations especially on local level;	UNDP , Old Royal Capital Cetinje	Project Manager		
3	Poor quality of reports (background papers, chapters, studies)	14/07/2011	Organizational (Execution capacity)	The project would suffer from bad quality work from consultants. Law likelihood/medium impact	Extensive quality assurance through the stakeholder meetings and core team meetings as well as internal cross-practice engagement will ensure that the quality of the project is well-maintained and that expectations are met;	UNDP , Old Royal Capital Cetinje	Project Manager		
4	Problems with data collection – poor data quality and lack of existing data	14/07/2011	Organizational (Execution capacity)	Project may be affected by poor data collection and quality or lack of existing data; Law likelihood/medium impact	Extensive quality assurance to ensure that collected data are on satisfactory level;	UNDP , Old Royal Capital Cetinje	Project Manager		
5	Sustainability of employment after project activities will be finished	14/07/2011	Organizational (Execution capacity)	There is a risk that after project activities finished , there will be no need for workers engaged on Project High likelihood/law impact	Project expand to other municipalities (Kotor, Bar, H. Novi, Podgorica, etc) Some workers could be engaged on maintenance of the buildings and public spaces reconstructed in the Project	UNDP , Old Royal Capital Cetinje	Project Manager		

Annex 1: Annual Work Plan (for Year 2011/2012/2013)

Project Beautiful Cetinje

Expected Output	Time Frame		Responsible Party	Planned Budget					
	Start	End		Donor	Budget Description	2011 (Amount USD)	2012 (Amount USD)	2013 (Amount USD)	
1. Supporting low carbon development through regenerating urban environment and revalorizing buildings of historical and cultural importance by implementing energy efficiency measures and making buildings and public spaces more environmentally friendly.	20 July 2011	31 Dec 2013	UNDP	Old Royal Capital Cetinje/other donors	72100 – Contractual Services - Companies	580,000	1,770,000	1,530,000	
	20 July 2011	31 Dec 2013	UNDP	Old Royal Capital Cetinje/other donors	71200 – International Consultants	5,000	10,000	10,000	
	20 July 2011	31 Dec 2013	UNDP	Old Royal Capital Cetinje/other donors	71300 – Local Consultants	5,000	19,000	18,000	
	20 July 2011	31 Dec 2013	UNDP	Old Royal Capital Cetinje/other donors	71400 Contractual Services - Individ	0	85,000	85,000	
	20 July 2011	31 Dec 2013	UNDP	Old Royal Capital Cetinje/other donors	74200 – Audio Visual and Printing Production Cost	1,000	2,000	2,000	
	20 July 2011	31 Dec 2013	UNDP	Old Royal Capital Cetinje/other donors	71600 – Travel	1,000	2,000	2,000	
	20 July 2011	31 Dec 2013	UNDP	Old Royal Capital Cetinje/other donors	72400 – Communic & Audio Visual Equip	5,000	22,000	17,000	
	20 July 2011	31 Dec 2013	UNDP	Old Royal Capital Cetinje/other donors	73100 Rental & Maintenance-Premises	0	10,000	10,000	
	20 July 2011	31 Dec 2013	UNDP	Old Royal Capital Cetinje/other donors	74500 Miscellaneous Expenses	0	6,000	3,000	
						Total Activity without F&A			
						TOTAL	597,000	1,926,000	1,677,000

2. Enhancing employment generation by increasing employability of hardly employable people through vocational trainings and creating new jobs, thus contributing to reduction of unemployment rate; Encouraging small and medium entrepreneurship and self-employment trough providing support to “green-business” and “greening” existing business	20 July 2011	31 Dec 2013		Old Royal Capital Cetinje/other donors	71200 – International Consultants	15,000	50,000	50,000
	20 July 2011	31 Dec 2013		Old Royal Capital Cetinje/other donors	71300 – Local Consultants	4,000	8,000	8,000
	20 July 2011	31 Dec 2013		Old Royal Capital Cetinje/other donors	72100 – Contractual Services - Companies	10,000	60,000	60,000
	20 July 2011	31 Dec 2013	UNDP	Old Royal Capital Cetinje/other donors	71600 – Travel	1,000	2,000	2,000
	20 July 2011	31 Dec 2013	UNDP	Old Royal Capital Cetinje/other donors	74200 – Audio Visual and Printing Production Costs	1,000	2,000	2,000
	TOTAL						31,000	122,000
3. Encouraging green design ideas and innovations in overall urban development	20 July 2011	31 Dec 2013	UNDP	Old Royal Capital Cetinje/other donors	71200 – International Consultants	0	10,000	10,000
	20 July 2011	31 Dec 2013	UNDP	Old Royal Capital Cetinje/other donors	71300 – Local Consultants	0	10,000	5,000
	20 July 2011	31 Dec 2013	UNDP	Old Royal Capital Cetinje/other donors	74200 – Audio Visual and Printing Production Costs	1,000	2,000	2,000
	20 July 2011	31 Dec 2013	UNDP	Old Royal Capital Cetinje/other donors	72100 – Contractual Services - Companies	20,000	100,000	50,000
	20 July 2011	31 Dec 2013	UNDP	Old Royal Capital Cetinje/other donors	71600 – Travel	0	20,000	20,000

	20 July 2011	31 Dec 2013	UNDP	Old Royal Capital Cetinje/other donors	72400 – Communic & Audio Visual Equip	10,000	45,000	36,000
	TOTAL					40,000	187,000	123,000

COMPONENTS TOTAL						668,000	2,235,000	1,922,000
GMS COMPONENT:	20 July 2011	31 Dec 2013	UNDP	Old Royal Capital Cetinje/other donors	75100 - Facilities and Administration	46,760	156,450	134,540
PROJECT TOTAL						714,760	2,391,450	2,056,540

Note: Total available budget for year 2011/2012/2013 - US\$ 1,016,430