



**CASM Project Document Extension**

Country: Serbia

**UNDAF Outcome(s):** Increased Regional Stability and Cooperation

**Expected CP Outcome(s):** CP Outcome 2, output 2.1.6. Improve disaster preparedness and risk reduction and management framework

**Expected Output(s):**  
(Those that will result from the project and extracted from the CPAP)

Output 1  
Demilitarization and Disposal of Surplus Stocks of White Phosphorus and Napalm Powder Filled Ammunition executed; TRZ Kragujevac demil capacity Improved

Output 2  
Safety and Security of Ammunition Storage Sites – Mrsac and Mirnička Reka improved

**Implementing Partner:** UNDP/SEESAC

**Responsible Parties:** UNDP/SEESAC

### Narrative

The South Eastern and Eastern Europe Clearinghouse for the Control of Small Arms and Light Weapons (SEESAC) is a joint project between the Regional Cooperation Council (RCC) and the United Nations Development Programme (UNDP). SEESAC was launched on 08 May 2002 as a mechanism to assist the governments of Albania, Bosnia and Herzegovina, Bulgaria, Croatia, Montenegro, Moldova, Romania, Serbia and the former Yugoslav Republic of Macedonia with the implementation of the 2001 Regional Plan for Combating the Proliferation and Impact of Small Arms and Light Weapons (SALW). At its core, the Regional Implementation Plan seeks to enhance regional cooperation in this area, providing both information sharing and local standard setting geared toward direct project formulation and implementation. The Plan envisions continued SEESAC support to national SALW programmes.

This Project Document establishes a five-year (2012 - 2016) programme whose overall goal is the reduction of explosive risk to communities by the environmentally benign, effective and efficient demilitarization of surplus conventional ammunition and explosives, as well as stockpile management optimisation through re-building of the storages. This also supports national and international counter-proliferation strategies, contributing to regional peace and stability.

The objective is to support Ministry of Defence (MoD) of the Republic of Serbia through the joint OSCE/UNDP Capacity Development Programme for Conventional Ammunition Stockpile Management for the Republic of Serbia (CASM). CASM is established following the request for assistance in enhancing security and safety of pre-defined conventional ammunition storage locations and the disposal of reported surplus ammunition, sent to the OSCE and UNDP by the Government of Serbia. The project document is therefore based on the findings of the joint OSCE/UNDP Assessment Mission conducted during September 2011 as well as the Programme Framework Document signed in December 2011.

The objective of the project will be achieved by completion of the following concrete results: 1.) 1,000 tons of white phosphorous filled ammunition safely disposed; 110 tons of napalm powders disposed; Safety of Conventional Ammunition Demilitarization Capacity in TRZ Kragujevac enhanced. 2.) Storage Sites Mrsac and Mirnicka Reka Safety and Security improved.

Programme Period: 2012-2016

Programme Component: Security Sector Reform

Project Title: Capacity Development Programme for Conventional Ammunition Stockpile Management for the Republic of Serbia (CASM)

Award/Output Number: 62105/79388

Duration: 01/01/2012 - 31/12/2016

Estimated annualized budget: USD 729,929

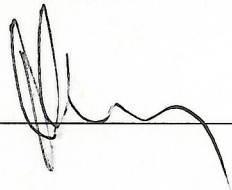
Annual allocated resources: USD 729,929

- Government:
- Regular:
- Other:
  - OSCE USD 461,327
  - US DoS USD 196,237
  - Govt of Italy USD 72,365

Unfunded budget: USD 1,889,263\*

\*Estimation as per UNORE for Dec 2015

Agreed by UNDP:



# I. ANNUAL WORK PLAN

Year: 2016

EXPECTED OUTPUTS <i>And indicators including annual targets</i>	PLANNED ACTIVITIES <i>List all activities including M&amp;E to be undertaken during the year towards stated CP outputs</i>	TIMEFRAME				RESPONSIBLE PARTY	Source of Funds	Budget Description	Amount
		Q1	Q2	Q3	Q4				
<p><b>Output 1</b>  <b>Demilitarization and Disposal of Surplus Stocks of White Phosphorus Filled Ammunition executed.</b></p> <p><i>Baseline:</i> 1,000t of white phosphorus filled ammunition requiring high priority disposal; 110t of napalm powders requiring high priority disposal; low levels of safety at disposal facility</p> <p><i>Indicators:</i> 1,000t of white phosphorus filled ammunition and 110t of napalm powder safely disposed of</p> <p><i>Targets:</i> Disposal of total reported surplus ammunition; safety enhanced</p>	<p>Activity Result 1: White Phosphorus filled and Special (CS) ammunition disposed of.</p> <p>Action:</p> <ul style="list-style-type: none"> <li>Monitoring of WP filled ammunition export and disposal</li> <li>Procurement and selection of contractor(s) for Special (CS) ammunition demilitarization and disposal.</li> </ul> <p>Activity Result 2: TRZ Kragujevac delaboration safety improvements implemented.</p> <p>Action:</p> <ul style="list-style-type: none"> <li>Replacing mirrors with CCTV systems;</li> <li>Installation of fire-fighting system - sprinkler type.</li> </ul>					UNDP/SEESAC	Donor*	Contracts, travel, DSA	USD 646,866

<b>Output 2</b> <b>Safety and Security of Ammunition Storage Sites – Mrsac and Mirnicka Reka improved.</b>  <i>Baseline:</i> Ammunition Storage Sites Mrsac and Mirnicka Reka requiring security improvements <i>Indicators:</i> Increased level of security of ammunition depots <i>Targets:</i> Optimisation of stockpile management through re-building of storage sites achieved	<b>Activity Result 1: Safety and security at storage site Mirnicka Reka improved.</b> <b>Action:</b> <ul style="list-style-type: none"> <li>• Assessment of storage site Mirnicka Reka (OSCE, UNDP);</li> <li>• Development of plans and project (MoD);</li> <li>• Procurement and selection of contractor(s) for infrastructure upgrade (UNDP); construction works including rebuilding of 10 storages buildings; purchase and installation of security equipment.</li> </ul>	x	x	x	x	x	UNDP/SEESAC	Donor	Contracts, travel, DSA	USD 0** (Unfunded)
<b>Support to Programme Implementation</b>										
<b>GMS</b>										
<b>TOTAL ***</b>										
* Donors: OSCE, US DoS, Embassy of Italy in Belgrade. ** Estimated value of intervention as per the MoD Infrastructure Department experts 2015 assessment is USD 1,889,263. *** Final adjustments (including transfer of unspent funds from the 2015 budget) will be reflected in the 2016 budget within the 2015 year-end accounts closure activities.										

## II. MANAGEMENT ARRANGEMENTS

The project will be implemented by the UNDP/SEESAC under the Direct Implementation modality (DIM).

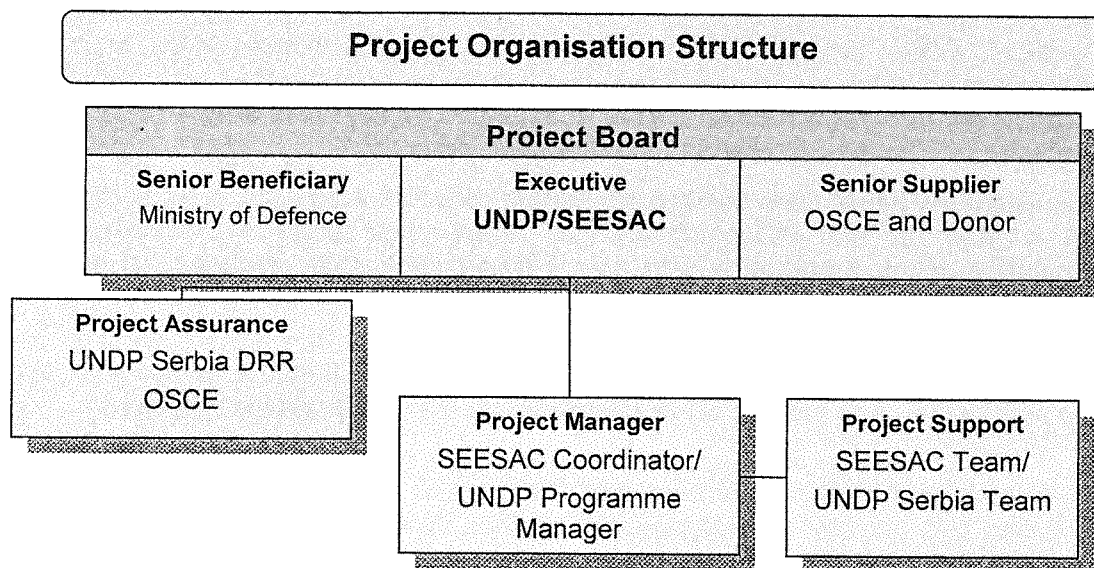
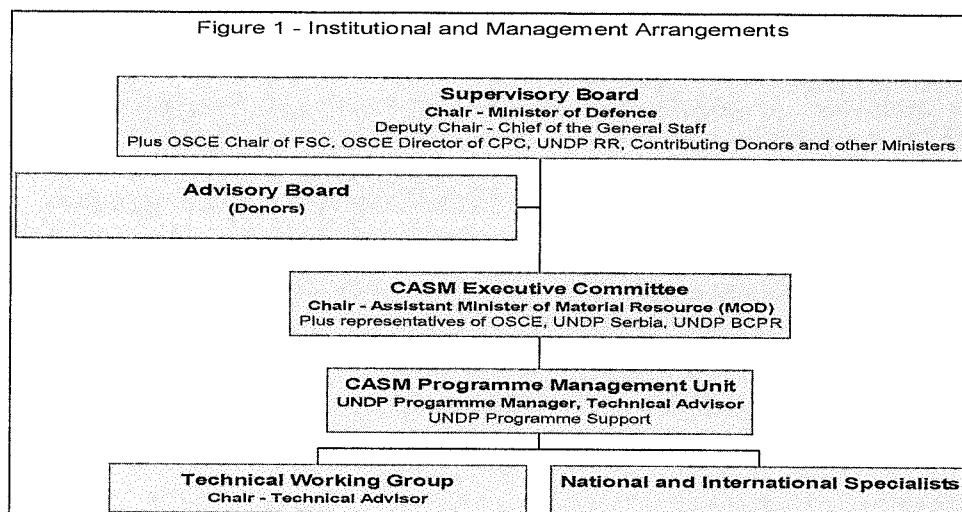


Figure 1 below graphically illustrates the main institutional and management structures to be applied to CASM. Each of the main elements of the institutional and management framework is described briefly below.



- The Programme will be overseen by the Supervisory Board, assisted by the Executive Committee. The Supervisory Board will be chaired by Minister of Defence, and will consist of the following, or their representatives: Chief of the General Staff (Deputy Chair), Chairman of the Parliamentary Committee on Defence and Security, Chair of the OSCE Forum for Security

Co-operation, OSCE Director of Conflict Prevention Centre, and the UNDP Resident Representative. Donors as they become contributors to the programme, could be invited on an ad hoc basis.

*The Supervisory Board* will be the highest policy and decision authority. The Board will meet at least twice a year, in order to:

- Consider, review, and when necessary approve, general reports on the management and operation of the programme (including financial reports audited according to UNDP procedures), progress reports on the substantive achievements by each beneficiary, monitoring and evaluation reports, annual work-plans etc.
- The Board will adopt rules and guidelines and establish modalities of implementation of the programme, and its component sub-programmes (projects), including potential expansion of the programme with new initiatives, other than described in this project document.

In any case of urgency, the Chair of the Supervisory Board may delegate authority to another member of the committee, or to the Executive Committee to make appropriate decisions.

Decisions of the board will be *by consensus and the quorum is fixed at a minimum of four full members*, including the Minister of Defence (or another minister delegated by him/her), and additionally the UNDP Resident Representative.

- The executive and operational functions associated with the programme will be performed by an Executive Committee, which will be the body directly responsible for efficient execution of the programme in accordance with the terms of the programme document, associated implementation rules and guidelines, and work plans.

The Executive Committee:

- Prepares for meetings of the Supervisory Board, including prior approval of material for submission for Board approval, such as new sub-programmes, projects and other proposals from beneficiaries or from organisations applying to become beneficiaries.
- Makes the executive and operational decisions necessary for implementation of the programme framework document, in accordance with strategic decisions made by the Board, and with work plans and sub-programmes approved by the Supervisory Board.
- Acts on behalf of the Supervisory Board as authorised by the latter.
- Formally approves: 1) annual work plans and reports, on the basis of documents submitted by the Programme Manager; 2) the appointment of specialists and other staff to be remunerated out of the programme budget; 3) funding and disbursement modalities proposed by donor agencies opting to contribute to the programme.
- Considers progress reports submitted by the Programme Manager, monitors programme implementation, and takes such measures as may be deemed necessary to increase the effectiveness of programme delivery.
- Takes appropriate action to ensure that adequate communication is maintained pro-actively between all stakeholders of the programme, that activities of the programme are adequately publicised, and that its results are highly visible.

The MOD Assistant Minister for Material Resources (or appointed deputy in her/his absence) will preside over the Executive Committee, which will consist in addition of one official representative each of OSCE Secretariat, UNDP Bureau for Crisis Prevention and Recovery (BCPR), UNDP

Country Office Serbia, together with the Programme Manager (or Chief Technical Adviser) who will attend *ex officio*.

Decisions will be made by consensus but the quorum will be constituted only when three full members are present. The committee will meet at least once a month.

All inquiries and requests from government ministries and agencies concerning the programme and its implementation should be directed in the first instance to the MOD Assistant Minister for Material Resources, in his capacity as chair of the Executive Committee.

In the case of a conflict of interest,<sup>1</sup> the chair will be assumed in alternation by one of the other full members. Individual consultants and national technical advisers may be invited to attend meetings on proposal of the chair at any time.

- The Executive Committee will be assisted by a small Programme Management Unit (PMU), which will consist of a Programme Manager, Technical Advisor<sup>2</sup> and a Programme Assistant. The PMU will assist the Executive Committee in its responsibility for provision of programme inputs, i.e. specialist advice, training, and equipment. UNDP/SEESAC will provide the initial PMU in the form of its existing team. However, it is envisaged that, as the programme grows, a separate team will be appointed. The CASM PMU will be directly responsible for:
- Efficient administration of the programme;
  - Preparation and submission of annual work plans, work reports and financial statements, along with other aspects of financial management to Executive Committee for approval;
  - Close co-ordination of project activities with the OSCE Secretariat and regular (at least twice a year) briefings to the OSCE Forum for Security Co-operation, as agreed with the OSCE;
  - Ensure implementation of work plans by the beneficiaries, in accordance with guidelines, benchmarks and criteria set out in this framework document and by decisions of the Supervisory Board and Executive Committee;
  - Supervising the national and international staff/consultants engaged by CASM in terms of work plans and work performance, setting priorities, task assignments, and performance assessments;
  - Ongoing analysis of risks to the programme, and development of risk mitigation strategies for review and approval by the Executive Committee;
  - Preparations for meetings of the Supervisory Board, Executive Committee, and Advisory Board;
  - Procurement of goods and services and the hiring of specialists and consultants under the programme, and ensuring that these comply with the competitive procedures and standards of UNDP;
  - Establishment and operation of administrative and financial procedures, which meet UNDP requirements for transparency and accountability.
- The Advisory Board will be comprised of those donors and international organizations that have an active interest in CASM. The Board will be chaired by a nominee of the Minister of

---

<sup>1</sup> As defined by the UNDP Rules and Procedures.

<sup>2</sup> The final option for the Programme Manager and the Technical Advisor will be determined during the selection process, dependent on skills, technical knowledge and prior management experience. The TA will, by necessity, have to be qualified in ammunition technology, explosive ordnance disposal and explosive engineering to international standards; the appointee may or may not be experienced in programme management. Flexibility in the final PMU structure should be maintained until the selection process for the management team.

Defence, and should meet at least twice a year to review and provide advice on CASM, donor aspirations and funding aspects. The Board will enhance donor coordination. External evaluations of the CASM Programme will be conducted after the first 12 months of operational implementation and at the conclusion of the programme cycle. External evaluations and progress reports will be presented to the Advisory Board for review and discussion. Comments of the Advisory Board will be incorporated into the evaluation report before submission to the CASM Supervisory Board. The CASM Programme Management Unit will provide secretariat support to Advisory Board meetings.

- The Technical Working Group will be chaired by the CASM Project Manager or CASM Technical Advisor (as a technical specialist in his/her own right) and will consist of national specialists nominated by the Ministries of Defence (and Interior<sup>3</sup>) to support the coordination and implementation of component projects. For example it should consist of ammunition and logistic officers to support the ammunition storage and demilitarization components. The Technical Working Group should meet on a regular basis (at least once a month) to coordinate project component activities and review progress.
- UNDP will be the prime Implementing Partner for CASM. As such, UNDP will be responsible for the recruitment and contracting of national and international specialists, advisors and consultants in close consultations with the OSCE, pursuant to decisions made by the Executive Committee. UNDP will also be responsible for procurement and other logistics and operational requirements of CASM until otherwise negotiated with the CASM Supervisory Board with involvement of the OSCE expert and management staff in larger procurement exercises. OSCE will provide managerial and technical advice and perform quality assurance controls.

---

<sup>3</sup> The Ministry of Interior membership will commence once their stockpile destruction and management requirements have been formally notified to the international community.



---

## MONITORING FRAMEWORK AND EVALUATION

In accordance with the programming policies and procedures outlined in the UNDP Programme and Operations Policies and Procedures, the project will be monitored through the following:

### Within the annual cycle

- An Issue Log shall be activated in Atlas and updated by the Project Manager to facilitate tracking and resolution of potential problems or requests for change.
- Based on the initial risk analysis submitted (see annex 1), a risk log shall be activated in Atlas and regularly updated by reviewing the external environment that may affect the project implementation.
- Based on the above information recorded in Atlas, a Project Progress Reports (PPR) shall be submitted by the Project Manager to the Executive Committee and the Supervisory Board.
- a project Lesson-learned log shall be regularly updated to ensure on-going learning and adaptation within the organization, and to facilitate the preparation of the Lessons-learned Report at the end of the project
- a Monitoring Schedule Plan shall be activated in Atlas and updated to track key management actions/events

### Annually

- **Annual Review Report.** An Annual Review Report shall be prepared by the Project Manager and shared with the Executive Committee and Supervisory Board. As minimum requirement, the Annual Review Report shall consist of the Atlas standard format for the QPR covering the whole year with updated information for each above element of the QPR as well as a summary of results achieved against pre-defined annual targets at the output level.
- **Annual Project Review.** Based on the above report, an annual project review shall be conducted during the fourth quarter of the year or soon after, to assess the performance of the project and appraise the Annual Work Plan (AWP) for the following year. In the last year, this review will be a final assessment. This review is driven by the Executive Committee and may involve other stakeholders as required. It shall focus on the extent to which progress is being made towards outputs, and that these remain aligned to appropriate outcomes.

---

### III. LEGAL CONTEXT

This document together with the CPAP signed by the Government and UNDP which is incorporated by reference constitute together a Project Document as referred to in the SBAA [or other appropriate governing agreement] and all CPAP provisions apply to this document.

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.

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.

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.

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".

## ANNEX 1 – Risk Log Matrix

#	Description	Category	Impact & Probability	Countermeasures / Mngt response	Owner	Author	Date Identified	Last Update	Status
1	Financial crisis leads to lower resource mobilization and insufficient funding for project activities	Financial	Medium/Medium	The programme will be divided into separate project components designed to 'appeal' to the range of donor requirements for these sorts of programmes. (Human Security, Environment, Humanitarian, Counter-Proliferation etc) Seed funding from the UNDP Serbia is likely for one project component (stockpile management). Possibility of co-financing by the GoS.	UNDP/ SEESAC MoD OSCE	SEESAC	June 2012		
2	Change of government policy leads to erosion of government ownership and commitment compromising ability to implement activities	Political	High/Low	The programme is established at the request of the government and forms part of their national SALW control, environmental and defence reform priorities. Effective functioning of the institutional and management arrangements will mitigate this risk	UNDP/ SEESAC MoD OSCE	SEESAC	June 2012		
3	Programme explosive safety: There is an inherent risk of fatalities, injury or damage during any activities involving the handling, storage, transport and disposal of explosives	Operational	Medium/Medium	TA CASM will be an ammunition technical officer (ATO), and therefore qualified to ensure that explosive safety and risk reduction are a primary component of any project development and implementation. International best practices for ammunition and explosive storage, processing, transportation and disposal will be applied to all components of the programme.	UNDP/ SEESAC MoD OSCE	SEESAC	June 2012		
4	The condition of the hazardous toxic waste for disposal presents an ongoing risk of environmental pollution until safely contained. Ammunition demilitarization operations have the potential to cause air and ground pollution unless managed effectively.	Operational	Medium	EU hazardous waste directives will be fully complied with during the disposal of toxic hazardous waste and the ammunition demilitarization operations.	UNDP/ SEESAC MoD OSCE	SEESAC	June 2012		

