



Annex 1 – DESCRIPTION OF ACTION

Project Title: Improving the Management of Protected Areas

Project Number: 00096220

Start Date: 1 July 2017 End Date: 31 October 2019

PAC Meeting date: 16 March 2017

The project aims to improve nature protection and to promote sustainable use of natural resources while increasing the capacity of management authorities of protected areas, local self-governments and NGOs to manage and promote protected areas in a professional and sustainable fashion.

Through carefully designed activities, it will “show by doing” how protected areas management can be enhanced. It will help trigger transformational change in the way the country manages its natural resources, by creating scalable and replicable examples that demonstrate the social and economic benefits that derive from protecting natural resources. And it will broaden support for genuine nature protection by helping the public understand the multitude of current and potential direct and indirect benefits that derive from protecting and restoring ecosystem functions and natural values.

The central feature of the project is a grant scheme that will be established to support the achievement of the following three main goals: 1) to address priority needs in improving the management of protected areas, where possible including those recently proposed as pilot Natura 2000 sites; 2) to promote more sustainable use of natural resources; and 3) to demonstrate through practical examples that nature protection and the economic development of communities can go hand in hand.

Technical assistance and support will be provided to eligible applicants (management authorities of protected areas, local self-governments and NGOs) in identifying, designing and implementing projects to be funded under the grant scheme. This will help create long-term capacity for the future implementation of similar projects and improvement in the overall management of protected areas. Projects will be prioritized in line with their potential for wider replication and scaling-up.

The project will award up to 20 grants for nature protection projects. Given the wide variations in management structures for protected areas, and their varying capabilities, the grant scheme will use two separate mechanisms: one for larger protected areas with established management structures; and one for smaller, less developed protected areas, where a management authority has not yet been created.

In addition to the grants scheme, the project will support piloting at least two wastewater treatment facilities in or around protected areas. Building on successful models, these facilities will demonstrate the environmental and economic benefits of community-based wastewater treatment technologies.

The successful implementation of the project will contribute to more sustainable management of natural resources within protected areas in the country. It will also improve the country’s readiness to implement the EU nature protection framework and fulfil national commitments arising from the UN Convention on Biological Diversity.

Contributing outcome (UNDAF/CPD):
 4. By 2020, individuals, the private sector and state institutions base their actions on the principles of sustainable development, and communities are more resilient to disasters and environmental risks.
Indicative output:
 4.2 Public and private actors have improved capacities to implement, monitor and evaluate policies related to environment, climate change and nature protection.

Total resources required:	\$US 4,804,390.00	
Total resources allocated:	UNDP TRAC:	\$US 335,190.00
	EU:	\$ 4,469,200.00 (4,000,000.00 EURO)
	Government:	-
	In-Kind:	-
Unfunded:	N/A	

Agreed by (signatures):

Government	UNDP
Minister of Environment and Physical Planning Sadulla Duraki	UNDP resident Representative Louisa Vinton
Date: 12/07/2017	Date: 12 July 2017

I. DEVELOPMENT CHALLENGE

The country is immensely rich in biodiversity and in natural areas that require well-managed protection. However, dramatic improvement is needed in the management of protected areas to ensure the sustainability of natural resources and to show that nature protection is not a cost but rather a benefit for local communities and society in general. This project is designed to improve the management of protected areas by helping eligible entities (management authorities of protected areas, local self-governments and NGOs) to design and implement a range of transformational nature-protection projects that will set examples for wider replication.

Particularly given its small size, the country is unusually rich in flora and fauna and natural habitats that merit protection. The country's rich biodiversity includes a high share of indigenous species: 110 vascular plant species and 550 animal species are endemic. Although the country's territory covers just 0.5% of the European continent and just 5% of the Balkan Peninsula, it is host to a disproportionately large share of European species, including 34% of vascular plants, 12% of freshwater fish, 29% of amphibians, 29% of reptiles, 62% of birds and 50% of mammals. Moreover, the country hosts as much as 70-90% of Balkan biodiversity. For these reasons, the country is widely recognized as a top European "biodiversity hotspot."

However, major challenges remain in managing natural resources, and in maintaining and restoring ecosystem functions within and outside protected areas. The causes for this situation are multiple, complex and interrelated, and largely reflect the socio-economic context and limited public awareness of the intrinsic values of natural resources and the importance of maintaining ecosystem services at levels that would support the sustainable development of communities and society as a whole. As a result, insufficient human capacities and financial resources are deployed to ensure the necessary preservation of biodiversity and ecosystem values and to optimize social benefits by managing natural resources wisely.

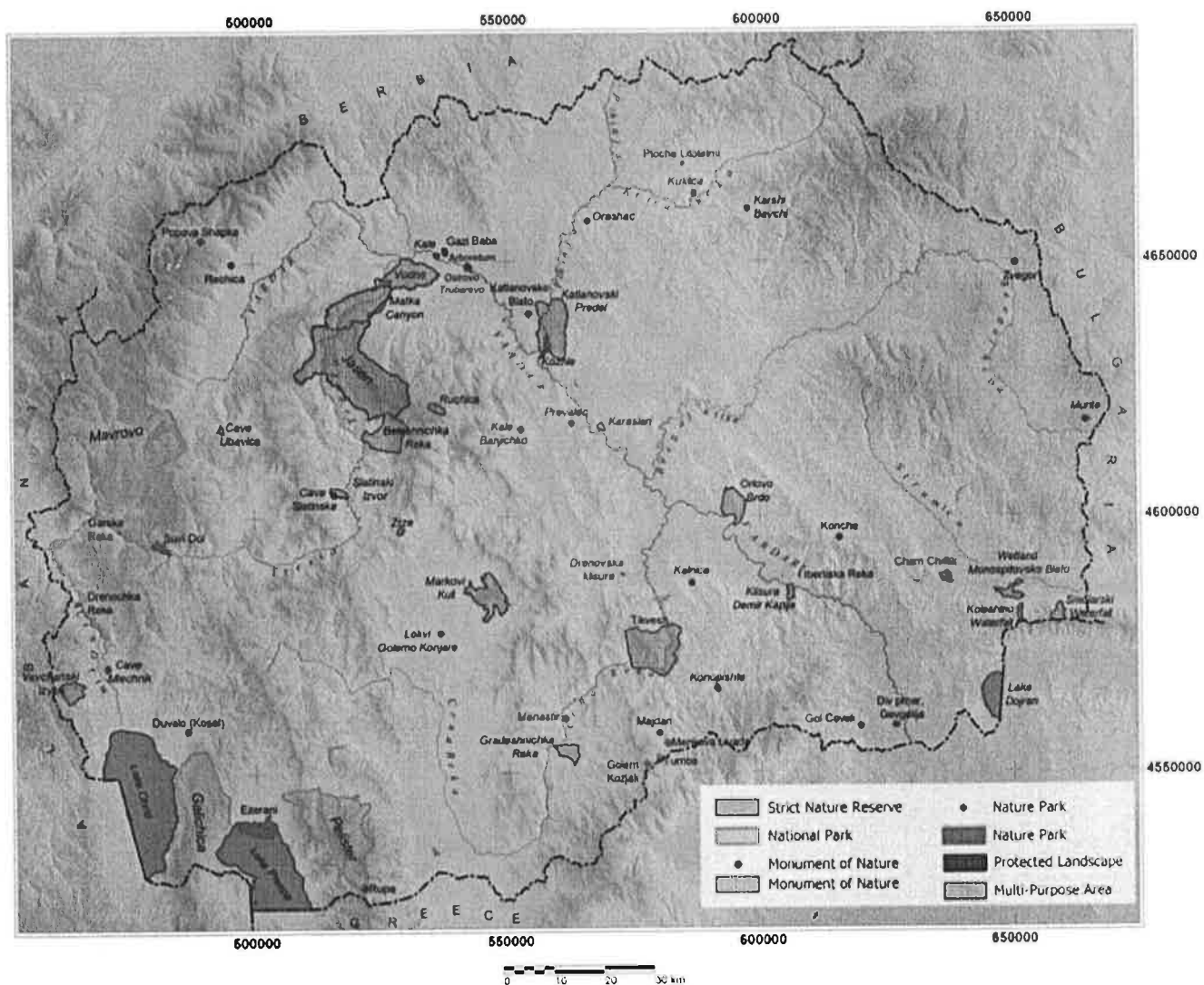
The problems lie more in implementation failures and shortages of human and financial resources than in the legislative framework. Since independence, the country has made considerable progress in improving laws and regulations for environmental protection. Many requirements of relevant global environmental conventions have been met, and the European Union (EU) *acquis* for the environment is gradually being absorbed into national legislation. However, sustainable development still remains more of a theory than an everyday practice. Short-term economic gains tend to take prevalence over long-term environmental sustainability. The economy is resource-intensive, causing a steady degradation of natural capital. Resilience to climate and disaster risks is not yet embedded into national and local development plans.

Addressing these shortcomings and meeting the standards for EU accession will require large-scale investment and improved human capacity at all levels. This is particularly the case for protected areas.

The country has set ambitious targets for nature protection: 11.5% of the country's territory is slated for protection by 2020, according to the National Spatial Plan for 2004-2020. A network of 86 protected areas has been designated that covers some 9% of the national territory (see Map 1). The largest and best known among these protected areas are three with the status of National Parks: Pelister, Galicica and Mavrovo.

A few protected areas, moreover, have international status. Lake Ohrid was added to the UNESCO List of World Heritage Sites in 1979. Prespa Lake and Dojran Lake were inscribed on the List of the Ramsar Convention, which covers biodiversity-significant wetlands, in 1995 and 2007, respectively. And in 2014 Prespa and Ohrid Lakes were classified as a UNESCO Man and Biosphere Reserve.

The Ministry of Environment and Physical Planning has so far approved just three management plans, for Galicica National Park, Ezerani Nature Park and Pelister National Park (however, the Pelister management plan expired in 2015, so a new one needs to be developed). There are seven draft management plans awaiting approval (for Prespa Lake Monument of Nature, Mavrovo National Park, Matka Canyon Monument of Nature, Tikves Monument of Nature, Jasen Multi-Purpose Area, Smolare and Koleshino Waterfalls Monument of Nature, and Markovi Kuli Monument of Nature). The remainder of the designated protected areas lack both a management structure and a management plan. And even for areas with management plans, implementation of the measures envisaged remains incomplete if undertaken at all.



*Map 1. Geographical distribution of protected areas
(Source: Draft National Strategy and Action Plan for Nature Protection, 2017-2027)*

Designating sites for protection is an important recognition of the conservation significance of habitats and biodiversity and a positive reaction to conservationists' initiatives and research interests. However, designating an area as protected does not deliver nature protection in and of itself. For this, concerted efforts are needed to improve the capacity, skills and funding of the institutions charged with nature protection. Instruments must be put in place to remove barriers to community involvement and achieve a fair distribution of benefits arising from improved management and protection of natural resources. Without solutions of this kind, economic expediency will continue to drive the institutions and entities charged with managing protected areas to resort to inappropriate management and unsustainable use of natural resources, and protected areas will remain easy targets for illegal development and resource use.

Current ineffective natural resources management practices are driven by a range of factors, including: a) limitations in natural resources/protected areas management capacity at different levels; b) insufficient public spending for conservation/restoration and protected areas management resulting mainly from the limited understanding of the multitude of ecosystem services and their role in maintaining integrity of socio-economic systems; c) the prevalence of short-term lucrative gains from the use of natural resources at the expense of long-term societal benefits; d) uneven distribution of benefits among interest groups and communities; e) limited transparency and insufficient public involvement in the management of natural resources that is especially troublesome in situations where traditional livelihoods are affected by

protection regimes; and f) difficulties that conservationists and researchers face when communicating ideas and attempting to persuade the public about the importance of improved nature protection.

The challenges facing nature protection were highlighted in the most recent report from the European Commission (EC) assessing progress towards EU accession.¹ Although the report noted some progress in alignment with the *acquis* in the field of nature protection, in particular the Habitats and Birds Directive, it recommended greater efforts to ensure effective management of protected areas, areas of high value and potential Natura 2000 sites. It also encouraged greater public participation in decision-making. This project addresses these challenges and will further promote alignment with the EU requirements.

Through carefully designed activities, the project will “show by doing” how protected areas management can be enhanced. It will generate new models to trigger transformational change in the way the country manages its natural resources. It will create scalable and replicable examples that demonstrate the social and economic benefits that derive from protecting natural resources. And it will broaden support for genuine nature protection by helping the public understand the multitude of current and potential direct and indirect benefits that derive from protecting and restoring ecosystem functions and natural values.

The ultimate aim of the project is to challenge the assumption currently shared by policy makers, citizens and NGOs that nature protection is primarily a cost to national budgets and local communities, and to persuade officials and the public that nature protection can serve as an engine for economic development.

While most previous projects pursuing similar objectives were focused on creating a legal and regulatory enabling environment and providing basic capacity development assistance, this project will differ in that it will mainly support and help to implement broadly transformative initiatives in the field that are expected to multiply effects and open possibilities for turning natural resources management theory into practice.

II. STRATEGY

Recognizing the urgency to take a more systemic approach to protected areas management, and to address the most daunting capacity gaps to ensure that the legal and policy framework is implemented properly, this project aims to achieve the following results: a) to improve management effectiveness and sustainability of national protected areas; b) to design and test more sustainable practices in the use of natural resources; and c) to increase the capacity of protected areas management authorities, local self-governments and NGOs to implement policies and actions that maintain a sustainable balance in protected areas between livelihoods on the one hand and conservation and restoration priorities on the other.

The project will achieve these aims by designing and implementing a targeted grant scheme to fund high-impact projects for the conservation and sustainable use of natural resources in high-priority protected areas. Prioritization is necessary here, since a single project cannot hope to cover all current and potential protected areas. Given the geographical dispersion of protected sites, the complex challenges of natural resources management and the limited financial resources available, this project will focus on:

- Implementation of the Action Plan for the draft Strategy for Nature Protection for 2017-2027, and the draft National Strategy on Biodiversity and the associated Action Plan for 2015-2020;
- Measures that are prioritized in protected areas management plans, biodiversity and nature protection action plans, and/or relevant local environmental action plans;
- Areas of high natural value and those designated as possible future Natura 2000 sites,² building on the findings and recommendations of the EU-funded project “Strengthening the Capacities for Implementation of Natura 2000” (EUROPEAID/136609/IH/SER/MK). Possible Natura 2000 sites include nine pilot areas: Dojran Lake, Ohrid Lake, Prespa Lake, Mavrovo National Park

¹

http://ec.europa.eu/enlargement/pdf/key_documents/2016/20161109_report_the_former_yugoslav_republic_of_macedonia.pdf, page 74.

² The reference to potential Natura 2000 sites throughout the text is made with full understanding that the sites proposed under the EU-funded project “Strengthening the Capacities for Implementation of Natura 2000” are only pilot ones with the potential to be extended and/or modified upon further scientific research.

(three localities), Jakupica Mountain, Ovce Pole, Ubavica Cave, Galicica Mountain, and Pelister National Park;

- Measures that alongside conservation also bring socio-economic and livelihood benefits (to fight the misconception that conservation and restoration are economically wasteful land uses);
- Actions that contribute to building long-term capacity for protected areas management, including identification and justification of new financing options; and
- Community-driven initiatives that will democratize protected areas management and contribute to developing an inclusive and transparent governance of natural resources.

In line with these criteria, the first phase of project activities will focus on identifying priority protected areas from among the total of 86 sites designated nationally. The project team will also generate a typology of projects that might be funded through the grants program, to spark creative thinking among potential project partners, particularly local self-governments and NGOs. In this process, the project team will consult with all key national stakeholders and review all available relevant background documentation.

Particularly careful consideration will be given to the results of the EU-funded project “Strengthening the Capacities for Implementation of Natura 2000,” which was implemented by the Ministry for Environment and Physical Planning (MoEPP) in 2016-17. In addition to identifying potential candidate areas for inclusion in the Natura 2000 program, this project supported the preparation of a new Law on Nature Protection.

The new project will build on the results of the earlier project, with a specific focus, wherever possible, on implementing grants to improve nature protection in pilot areas slated for inclusion in Natura 2000.³

The involvement of the Ministry and other stakeholders, particularly the core group from the completed Natura 2000 project – including representatives from the Nature Department of the MoEPP, management authorities of protected areas, local self-governments and NGOs – will help ensure continuity and complementarity with the new UNDP-implemented project. This core group underwent a comprehensive training program on Natura 2000 implementation, and the new project will build upon this knowledge and experience, particularly in the stocktaking exercise to be carried out during the inception phase.

The project will also take into consideration the recommendations of the “Public Information and Consultation Programme” produced as part of the Natura 2000 project, to ensure continuity in awareness raising, communication and capacity development activities.

Two different prioritized lists of protected areas will be selected to reflect the wide differences in management structures and thus the differing prospects for sustainability of project-funded initiatives.

The core idea here is for the project to achieve transformative results in working with both main types of protected areas: the small number of larger areas (including the national parks) that have a clear management structure, management plans of some type, and independent access to financing; and the more numerous smaller protected areas that have no management structure, no independent funding and (in most cases) no management or development plan. In the first case, the protected area management authorities would lead the implementation of grant-funded initiatives; in the second case, the project would support initiatives led by local self-governments or NGOs, or by the two working in partnership.

In line with the two different types of protected areas, two different approaches would be pursued to determine the recipients of grants under the program. For the larger protected areas with management authorities, since this is a known and finite group, discussions would be initiated immediately at the start of the project, and a short list of potential project proposals for grant funding would be developed jointly by management authorities and the project team, with input from the MoEPP.

To the extent possible, concepts to be considered for development to the grant-awarding phase will need to combine and optimize different measures set out in existing protected area management plans, biodiversity and nature conservation action plans, and other relevant planning documents at national and

³ The reference to potential Natura 2000 sites throughout the text is made with full understanding that the sites proposed under the EU-funded project “Strengthening the Capacities for Implementation of Natura 2000” are only pilot ones with the potential to be extended and/or modified upon further scientific research.

local levels, as well as ideas generated by stakeholders through their active participation. For this purpose, existing planning documents will be scrutinized at the start of the project to identify measures that provide significant conservation gains while also promoting socio-economic well-being and local livelihoods.

By contrast, for the smaller protected areas without management authorities, a call for expression of interest will be announced at the outset of the program. This call will be issued alongside an initial publicity campaign designed to raise interest in and understanding of the project's goals. Local self-governments and NGOs will be encouraged to apply with initial project ideas to be developed further with support from the project team. If initial interest is insufficient, or if funds are available, further calls may be organized later in the life of the project (depending on number of applicants, number and size of potential projects). Preference will be given to project ideas that engage local self-governments and NGOs in joint work. Management authorities will likewise be encouraged to work with local self-governments and NGOs.

The priority areas and activities proposed for grant funding will be reviewed and approved by an Evaluation Committee. The Committee will be composed of representatives from the Ministry of Environment and Physical Planning (Department for Nature and EU Department) and UNDP. In addition, if necessary, advisory support to the Committee will be provided by representatives of prominent nature conservation organizations (e.g., IUCN, WWF) and/or invited experts. The EUD will not be a formal part of the Evaluation Committee but may be an observer and will receive reports on evaluation committee's conclusions. The results of the evaluation and selection process shall also be presented to the Project Board on its regular and/or exceptional meetings

Once their ideas are selected for further development by the project team, both groups – the management authorities of the larger protected areas and the successful applicant local self-governments and NGOs working in the smaller protected areas – will take part in a focused capacity development program. This program will be designed by the UNDP project team and delivered by specialized commercial providers under UNDP supervision. The customized training program will ensure that potential partners – whether representatives of management authorities, local self-governments or NGOs – have sufficient skills to design, implement and monitor nature protection projects. The program will be adjusted and unified for all possible implementers in order to: a) address the anticipated similarity of projects; b) make better use of available time for implementation; and c) enable access to comparable generic and specialized knowledge and skills for management stakeholders from all different protected areas.

The program will give direct support to participants in building fully-fledged projects from the concepts developed with the project team (for larger protected areas with management authorities) or submitted as part of the call for proposals (for smaller protected areas that are in the focus of local self-governments and NGOs). Besides training in project design and management, the capacity development program will also cover specific topics related to protected areas management, conservation and economic valuation of ecosystem services. The specific curriculum will be refined with the selected participants based on a collaborative capacity self-assessment and reflecting the specific needs of proposed interventions.

Since community engagement is key to success of all nature-protection initiatives, the capacity development program will prioritize the involvement of the full range of stakeholders at the local level. This participatory nature of the project will be reinforced through training in different innovative tools and methods (e.g., design thinking) that can assist in facilitating communication, prioritizing interventions, making use of existing knowledge and reflecting the perceptions of different stakeholders. An open, participatory approach will help to balance the needs of local communities and the views of protected area management authorities while also incorporating traditional wisdom where possible. Such transparency should help persuade local stakeholders about the benefits of more sustainable management practices.

Only participants who complete the program in a satisfactory fashion will be eligible to receive grants.

The number of grants to be awarded will remain flexible given the varying size of the potential projects. However, it is expected that up to 20 projects will be implemented countrywide aiming to improve management of natural resources (including conservation and restoration actions). The size of the grants will be flexible and determined in accordance with the needs of the specific protected area, the proposed projects and the capacity of implementers. It is anticipated that the project will award 5-7 bigger grants in the amount of EUR 200,000-400,000 per grant to existing management authorities of protected areas, and up to ten projects worth EUR 50,000-100,000 to be implemented by local self-governments and/or NGOs.

To the extent possible, the management authorities of protected areas, local self-governments and NGOs will be encouraged to provide additional funding for the implementation of specific actions and measures, either through a cost-sharing arrangement with the project or through parallel funding for complementary activities that will increase impact. Efforts will also be made to secure funding from the private sector. For this purpose, custom-tailored presentations will be made for the business community and chambers of commerce in the early phases of the project, and they will be invited to participate in advocacy events.

Once the grants are awarded, the project team will support and monitor the implementation of each initiative. The project team will provide continuous oversight and, where necessary, assistance and advice. In cases where project-implementation capacity is weak or lacking, or where other circumstances dictate (e.g., technology transfer), UNDP will retain full or partial implementation responsibility (see below).

Projects likely to win grant funding would include combinations of the following types of measures: a) pollution reduction (e.g., addressing the release of pollutants from different sources); b) modification of resource management practices (e.g., by implementing training, targeted research to better regulate use of natural resources, promoting alternative revenue generation activities through training and infrastructure development); c) improving financial stability of protected areas (e.g., promoting nature-friendly tourism/visitation strategies, trainings on financial management, fundraising, including international financial instruments for conservation); d) better conservation management (e.g., support to improve zoning, establishment of ecological corridors, ecological restoration, specialized trainings for rangers); e) monitoring (to support better management of natural resources/products, such non-timber forest products); and f) community awareness programs on conservation and sustainable livelihoods.

Alongside the two-pronged grant scheme for protected areas, the project includes a second core component. Considering the threats that untreated wastewaters pose to the country's natural resources, the project will support the construction of two cost-effective and affordable wastewater treatment options for communities inside or close to protected areas. The budget for this component is approximately EUR 700,000. The two facilities are meant as demonstration projects to show other protected areas the way forward.

The two best sites will be selected by the project team, in consultation with national stakeholders. The selection will be confirmed by the Evaluation Committee (see above). Again, the EUD will not be a formal part of the Evaluation Committee but may be an observer and will receive reports on evaluation committee's conclusions. The results of the evaluation and selection process shall also be presented to the Project Board on its regular and/or exceptional meetings.

The selection process will take into account national priorities for wastewater management, in particular the EU-based legal obligation that requires treatment only for communities of more than 2,000 people. However, it is likely that funding will be provided for wastewater treatment in communities of 300-1,000 people. This approach is justified by: a) the need to apply more stringent environmental standards for protected areas especially when high-value ecological areas are threatened by untreated wastewaters; b) the scale of environmental and health concerns in certain communities (e.g., where high groundwater levels cause release of untreated wastewater into open canals); and c) the opportunity to showcase affordable approaches for smaller communities facing similar challenges in treating wastewaters.

In order to maximize the sustainability prospects for future small-scale wastewater management systems, the project will analyse the feasibility of different site-specific treatment options, prior to the investment decision. Possible technologies to be considered may include, for example, Moving Bed Biofilm Reactor (MBBR) and different types of constructed wetlands. The effectiveness of constructed wetlands, for example, has already been successfully demonstrated by UNDP as part of the Lake Prespa Restoration Programme, and has proven to be suitable for communities which possess sufficiently large areas located at a sufficient distance from living areas. The constructed wetland in the village of Nakolec, for example, has been functioning for several years and is entirely managed by the local community. Revenue collected by the village council covers full O&M costs for the facility, including the salary for one full-time employee.

Strategy in a nutshell

In sum: a prioritization process for protected areas; selection of project ideas; a capacity development program; the awarding of grants; the close monitoring of their implementation; and the construction of the two demonstration wastewater treatment plans in protected areas – these are the main project steps.

This project strategy is designed to overcome a number of significant systemic constraints: first, a long-standing lack of budget funds for the management of protected areas and sustainable use of natural resources; second, the insufficient capacity and accountability of management authorities, local self-governments and NGOs to implement nature protection policies; and, third, the tendency not to consult local stakeholders during program design and implementation, which then undermines sustainability.

Besides addressing these issues, by the end of the project, management authorities of protected areas, local self-governments, and NGOs will have enhanced management skills needed to identify, prioritize, design and implement relevant projects aiming to improve the management of protected areas, including conservation and restoration activities. Together this will contribute to more sustainable use of natural resources and also improve the country's readiness to implement key EU legislative frameworks.

UNDP will make every effort to create added value and increase the efficiency and effectiveness of all planned activities by pursuing synergies with other relevant ongoing interventions with the goal of supporting the advancement of the EU agenda in the country. As discussed above, the project will also work to enhance the country's preparations to join the EU's Natura 2000 network and, more broadly, to meet EU standards in managing natural resources and protected areas by building on the experiences of "Strengthening the Capacities for Implementation of Natura 2000," the Swiss-funded Bregalnica River Basin and Program for Nature Conservation projects, and the forthcoming twinning project for nature.

In the course of project implementation, UNDP will also rely on the good practices and lessons learnt from its previous and ongoing relevant projects (e.g., the project for establishment of a National Network of Protected Areas; and creation of information and technology tools for biodiversity data collection, processing and analysis). UNDP supported the drafting of amendments to the Law on Nature Protection and 17 by-laws to improve norms and standards for protected areas management. The "Restoration of the Prespa Lake Ecosystem" and "Restoration of the Strumica River Basin" projects both have major ecosystem restoration and management components, including protected areas management, as well as design and implementation of grants programs that will help to shape the grant scheme for this project.

The Ministry of Environment and Physical Planning through its EU and Nature Protection departments will provide substantive support in all phases of project implementation, and will ensure that the interests of those who will ultimately benefit from the project are taken into consideration.

Sustainability aspects

Sustainability is a core principle of the project strategy. The entire project design is based on a thorough analysis of the root causes of the current unsustainable and ineffective management of natural resources and protected areas in the country. By addressing these issues, the project will contribute directly to overcoming some of the main constraints, thus improving overall sustainability prospects.

Through the grant scheme, the project will provide resources to subsidize the capital costs for implementing priority measures contained in the management plans for the selected protected areas; for actions contained in national planning documents for nature conservation; and for encouraging appropriate practices for sustainable use of natural resources. As explained above, initiatives that embed future income generation while protecting nature will receive preference in grant funding. Also, cost-sharing provided from the grant applicant will be encouraged, not only to increase the available funding but also as a strong indication of the interest and commitment of the beneficiaries. Efforts will be made to induce central and local governments to commit to ongoing annual resource allocations in their respective budgets to continue and scale up the good practices and models that will be generated by the project.

The entire project is designed to enable significant stakeholder participation and promote broad awareness about the benefits of the sustainable use and management of natural resources in the medium and long term. This is considered crucial to the social sustainability of all results. Robust stakeholder engagement plans will be drafted for all aspects of project implementation, and mechanisms will be identified for the ongoing constructive engagement of communities and the public sector in protected area planning,

development and operations, notably through partnerships, co-management and co-operative governance. Mechanisms for optimizing benefits to local communities from protected areas and sustainable use of natural resources will be identified and implemented through the grant scheme.

The selection of the projects to be funded through the grants program will be based on an analysis of a multitude of feasibility and sustainability factors (e.g., environmental, social and economic). Priority will be given to those projects that have a solid sustainability perspective and contribute to the sustainability of protected areas management (including, e.g., capacity development elements, analysis of financing options, and engagement of local residents). By implementing measures from existing management plans, the project will directly help management authorities to meet their legal responsibilities, but also to gain new knowledge about prioritizing, developing and implementing management actions.

III. PROJECT OBJECTIVES AND ACTIVITIES

Impact/Overall Goal of the Project:

The country's natural capital is protected and enhanced as a result of the improved management, conservation and restoration of natural resources within priority protected areas

Project Outcome:

Citizens benefit from a better balance between nature and development through improved management of priority protected areas and more sustainable use of natural resources

Output 1:

Targeted nature-protection projects in priority protected areas are funded through a grant scheme, and a corresponding tailored program of capacity development assistance is provided to management authorities of protected areas, local self-governments and NGOs

This output comprises a set of interlinked activities aiming at prioritizing protected areas, identifying the needs for improved nature protection, generating promising concepts for grant funding, overcoming knowledge barriers to sustainable management of natural resources and protected areas, and creating the basis for the implementation of projects to be funded under the grant scheme. It will include a thorough analysis of the main gaps in protected areas management, and the underlying causes of pressures on natural resources. A focused training program will then be formulated and delivered to key representatives of management authorities of protected areas, local self-governments and NGOs to address these gaps. At the same time, communication, education and awareness-raising activities will build a visual identity and an overall image that will give the project prominence throughout its entire implementation period.

Activity 1.1 Prioritization of protected areas for grant-funded projects

This activity will be designed to prioritize the protected areas that would benefit most from the grants scheme, and to generate a typology of projects that might be funded through the grants program.

The prioritization process will be carried out on the basis of: a) a review of management plans of protected areas (including the draft management plans), and other relevant planning documents such as biodiversity and nature action plans, and local environmental protection plans; b) a mapping of stakeholders and the needs and activities of communities who depend on protected areas for their livelihoods; c) the identification of types of specific measures which can be funded under the grants program based on rapid socio-economic feasibility assessments; and d) an assessment of current practices and opportunities for introducing new ones in the use of natural resources for income generation, particularly for authorities which manage the protected areas as well for the local communities adjacent to the protected areas.

As described in the project strategy, the project will award grants through two separate mechanisms, considering the differences in sustainability prospects owing to the differences in management structures, access to finances and expertise among country's protected areas.

The protected areas which are better organized (have management authority, staff and access to financial resources) will have the opportunity to receive bigger grants. The award of grants will be based on a prior in-depth analysis of the existing management planning documentation for identification of specific measures that could be combined into single projects. The prioritization of measures and combination into projects for EU funding will be made through the application of multiple criteria, including conservation priorities, livelihood dimensions, contribution to sustainability and contribution to overcoming barriers to sound protected areas management.

These projects will be implemented directly by the existing management authorities, and if deemed necessary, in partnership with local self-governments and NGOs (e.g., to address capacity gaps, and join/share resources). Relevant staff from the protected areas will undergo a comprehensive on-the-job training program for developing projects based on the selected measures (described under Activity 1.2).

Likely projects to be supported under this program would include combinations of the following types of measures: a) pollution reduction (e.g., addressing the release of pollutants from different sources); b) modification of resource management practices (e.g., by implementing training, targeted research to better regulate natural resource use, promoting alternative revenue generation activities through training and infrastructure development); c) improving financial stability of protected areas (e.g., promoting nature-friendly tourism/visitation strategies, trainings on financial management, fundraising, including international financial instruments for conservation); d) better conservation management (e.g., support to improve zoning, establishment of ecological corridors, ecological restoration, specialized trainings for rangers); e) monitoring (to support better management of natural resources/products, such non-timber forest products); and f) community awareness programs on conservation and sustainable livelihoods.

Upon the successful completion of the training program, UNDP will sign institutional agreements in line with its rules and guidelines with the respective authorities of the protected areas. These agreements will regulate the implementation responsibilities between UNDP and the management authorities, based on the selected types of measures and implementation capacities. UNDP may keep the implementation responsibility over particularly complex procurements or measures that require specific know-how, access to international expertise, or include technology transfer. All other measures will be implemented by the management authorities in line with pertaining national regulations (e.g., for procurement of goods, services and equipment).

The project anticipates awarding 5-7 such grants under this part of the grants program in the amount of EUR 200,000-400,000 per grant, depending on specific needs, implementation capacities and the outcome of the training program. Since each grant-funded project will be customized to the specific circumstances of the protected area involved, the budget for the grant scheme has been deliberately kept flexible. This project is not suitable for a "cookie cutter" or "one size fits all" approach in awarding grants.

For the smaller protected areas with no management structure, the project will support local NGO and/or municipality-driven initiatives that will contribute to overall conservation objectives, improve management, support nature-friendly livelihoods and raise awareness about the conservation needs and the associated development opportunities. The project will encourage joint proposals of NGOs and municipalities in order to address some of the capacity gaps. The selection will be made on the basis of quality of ideas/proposals and capacity of the implementers, following an open call for applications.

Preference in the selection will be given to proposals that combine nature protection and with local livelihood development; and for which local self-governments work together with NGOs.

Similarly to the bigger grants, successful applicants will develop their projects during a tailor-made training program. Only applicants who successfully complete the capacity development program will receive grants (see below).

Implementation responsibilities will be regulated through separate implementation agreements in line with UNDP rules and guidelines. In this case, UNDP may also keep role in the implementation of certain measures for the same reasons as for the bigger grants. EU financing will be used to support up to ten such

projects, each with value of EUR 50,000-100,000. These projects will be similar in content to the larger projects, but on a more limited scale due to greater challenges in terms of implementation and management capacity and sustainability. Here again the budget has deliberately been left flexible.

The priority areas and activities proposed for grant funding will be reviewed and approved by an Evaluation Committee. The Committee will be composed of representatives from the Ministry of Environment and Physical Planning (Department for Nature and EU Department) and UNDP. In addition, if necessary, advisory support to the Committee will be provided by representatives of prominent nature conservation organizations (e.g., IUCN, WWF) and/or invited experts. The EUD will not be a formal part of the Evaluation Committee but may be an observer and will receive reports on evaluation committee's conclusions. The results of the evaluation and selection process shall also be presented to the Project Board on its regular and/or exceptional meetings.

Activity 1.2 Formulation and delivery of a focused capacity development program to address capacity and knowledge gaps and enhance project formulation, management and evaluation skills

The identified potential implementers (management authorities of protected areas, local self-governments and NGOs) will undergo a focused training program that will address the key capacity and knowledge gaps. The topics of the training will be agreed based on a collaborative capacity self-assessment, and the nature of the proposed projects. The outcomes EU Natura 2000 project will be particularly beneficial in designing the training curriculum.

The training program will be adjusted and unified for all possible implementers in order to: a) address the anticipated similarity of projects; b) make better use of available implementation time; and c) enable access to comparable generic and specialized knowledge and skills among multiple protected areas management stakeholders. It is expected to focus on: a) project formulation, management and evaluation; b) the methods and tools applied in prioritizing actions (e.g., ecosystem valuation, cost-benefit analysis); c) rapid assessments that will focus on quantifying benefits of conservation/restoration work and understanding the flow of services and distribution of benefits across multiple interests; and d) creating the necessary capacity for development and implementation of sound project proposals to be financed through the grants program.

Measures that are prioritized in protected areas management plans, biodiversity and nature protection action plans, and/or relevant planning documents, as well as ideas generated by different stakeholders will be combined into separate projects as part of this on-the-job training program. The projects developed in this way will provide the basis for implementation of the grants scheme.

While the existing management authorities of protected areas are already known and will be directly invited to take part, local self-governments and NGOs to be involved in the training program will be identified through a call for expression of interest which will be announced during the inception phase of the project, alongside a publicity campaign designed to familiarize the beneficiaries and the broader public with the project aims. For admission to the program, applicants will be required to submit a satisfactory project concept. Precise selection criteria for participants will be agreed with the MoEPP's Department for Nature and EU Department and announced as part of the call for expression of interest.

This activity will feed directly into the grant scheme, as only those who have successfully completed the training program and designed sound projects will be eligible to receive funding. Other calls for expression of interest may be launched in the course of the project implementation if deemed necessary, and upon consultation with the MoEPP.

Output 2:

Priority natural resources management, conservation and restoration needs are addressed through a grant scheme designed to create tested pilots for further replication

As a follow-up to the activities under Output 1, up to 20 projects will be launched as part of the grants scheme. This Output incorporates all necessary field and support activities for successful implementation of these projects.

Activity 2.1 Implementation of projects through a grant scheme

As part of this activity the management authorities, local self-governments and relevant NGOs will be assisted financially to implement the projects designed under Output 1. The projects to be funded will aim to support ecosystem-based solutions and restoration actions that provide sustainable, cost-effective, and multi-layer benefits distributed fairly among different purposes and interests, including local communities dependent on the use of natural resources. Whenever possible, the projects will attempt to assist in job creation and supporting livelihoods through the delivery of new products and services that enhance the natural capital. Co-funded initiatives (through direct financial and/or in-kind contributions or parallel projects) will rank higher as funding priorities under this project.

Implementation of the projects will include use of tools and methods aimed to quantify and share evidence of their financial, environmental and social value. This will be essential for the protected areas teams and local authorities in building economic/business cases in justifying future expenditures, attracting new investments and support, and identifying alternative long-term financing mechanisms.

Such an approach will not only help overcome local challenges, but will also help showcase successful models that currently exist in a very limited number in the country.

Up to 20 individual grants are planned to be used to support specific measures in the protected areas, as well as measures for sustainable use of natural resources and balanced development of local communities. The size of the grants will be flexible and determined in accordance with the needs of the specific protected area, and available implementation capacities. They are expected to range between EUR 200,000 and EUR 400,000 for the projects implemented by existing management authorities of protected areas and between EUR 50,000 and EUR 100,000 for projects to be implemented by local self-governments and NGOs in protected areas without officially appointed management bodies. The number and size of possible projects may be slightly adjusted based on the findings of the inception stage (e.g., number of relevant project ideas, implementation capacities and priorities). Approval of these possible changes will be sought from EUD based on a prior analysis and justification.

Depending on the nature of measures under individual projects, the implementation responsibilities will be shared between the grantees and UNDP. Although UNDP will attempt to delegate the majority of project implementation to the selected grantees, it may keep certain implementation responsibility over measures that require specific complicated procurement procedures, sophisticated know-how or access to international expertise, or include technology transfer. These details will be defined in the grants agreements to be signed between UNDP and respective grantees. The Project Management Unit will also be responsible for the monitoring and reporting on the progress of grants implementation.

Activity 2.2 Piloting small-scale wastewater management systems within protected areas

Considering the environmental risks associated with untreated wastewater, two wastewater treatment systems in protected areas are planned to be piloted as part of the project.

The project team will select the two demonstration sites on the basis of following set of predefined criteria, including: a) magnitude of the wastewater-related challenges for the municipality/community and the environment (health concerns, high groundwater levels that inhibit the use of septic tanks or other options, important ecosystem values being at particular threat of untreated wastewater); b) affordability and willingness-to-pay commitment; c) presence of a functional and well maintained sewerage collection network; d) availability of affordable public utility services not too far from the sites of interest; e) revenue collection rates for similar communal services; f) sustainable financing options; and g) availability of local technical knowledge and skills for running and maintaining the new system, etc. The selection criteria will be announced as part of the public call for expression of interest to get support to introduce such systems.

The selection of project sites will be validated by the Evaluation Committee (defined under Activity 1.1). The EUD will not be a formal part of the Evaluation Committee but may be an observer and will receive reports on evaluation committee's conclusions. The results of the evaluation and selection process shall also be presented to the Project Board on its regular and/or exceptional meetings.

For the selected municipalities/communities, a feasibility assessment of possible site specific management approaches and treatment technologies will be conducted, depending on the site conditions, and against a full-range of sustainability factors. During the feasibility assessment stage, the project will work closely

with the municipalities/communities to prepare the ground for the construction of the systems and their future operation (including agreeing on the model for the financing system's operation and maintenance).

The aim of this activity will be to demonstrate low-cost, small-scale wastewater treatment options for communities living within and around protected areas. Depending on site conditions and O&M requirements, priority will be given to nature-based treatment systems that fit well in the natural surrounding and can be operated and maintained at no major costs (e.g., constructed wetlands), as well as cost-effective modern, flexible, compact and easy-to-operate systems (e.g., Moving Bed Biofilm Reactors). The effectiveness of constructed wetlands has already been successfully demonstrated by UNDP as part of the Lake Prespa Restoration Programme, and has proven to be suitable for communities which possess sufficiently large areas located at a sufficient distance from living areas.

The project will identify localized solutions to long-term management of the treatment facilities through the involvement of the public utility companies and local communities. The constructed wetland in the village of Nakolec in Prespa, for example, is functioning for several years now and it is entirely managed by the local community. The revenue collected by the village council covers full O&M costs for the facility, including the salary for one full-time employee.

UNDP will be responsible for the procurement procedure for selection of a contractor for the construction of the wastewater treatment facilities and/or purchasing of the equipment, as well as for the management of the contract(s). The MoEEP and the local governments will facilitate the issuing of any permits/licenses that are needed for construction purposes.

Project phases and timing

The project will be implemented over a period of 28 months. In order to ensure smooth implementation and delivery of the expected results, the project will apply the following logically interlinked stages of implementation (aligned with the previously defined outputs and activities):

- Inception phase – Identification of gaps and constraints, prioritization of protected areas, and identification of sample project ideas (based on existing planning documents and ideas generated by local self-governments, NGOs, and management authorities of protected areas) that might be funded through the grant program, and selection of participants in the capacity development program through a two-pronged process (discussions with protected areas that have management authorities, and a call for submissions of concepts from local self-governments and NGOs);
- Second phase – Conducting a focused capacity building program and design of projects involving selected applicants from both types of protected areas, identification of demonstration sites for wastewater treatment systems and preparations for their realization;
- Third phase – Implementation of the selected projects, and piloting small-scale wastewater management systems; and
- Monitoring and evaluation, including documenting and sharing lessons learnt (throughout the project lifespan).

1. Inception phase: Identification of gaps and constraints, prioritization of protected areas, identification of project ideas suitable for funding through the grant program, and selection of participants in the capacity development program, through discussions with protected area management authorities and the submission of concepts from local self-governments and NGOs;

In this phase, the project will establish baselines and identify gaps and constraints, prioritize protected areas and identify a typology of sample project ideas. Based on these, the project will design a focused capacity building program for the key stakeholders aimed at increasing their capacities to formulate and implement sound project proposals that will be funded through the grant scheme.

A special set of criteria will be defined for the award of grants, and for the selection of municipalities/communities for piloting small-scale wastewater management systems, monitoring and evaluation procedures that will be publicized prior to the launch of the grant scheme.

The inception phase will be also used to prioritize the protected areas that would benefit most from the grants program, and to generate a typology of projects that might be funded through the grants program.

Finally, the inception phase will be used to generate sufficient applicants for the grants scheme, through a two-pronged approach: first, by initiating focused discussions with the management authorities of the large protected areas that have management plans (or the equivalent); and second, by issuing a call for submission of proposed concepts by local self-governments and/or NGOs for protected areas that do not have defined management structures, accompanied by a publicity campaign to generate interest.

As soon as possible after the signing of the project, an inception workshop will be organized. This workshop will involve all key stakeholders at central and local levels. The Inception workshop will help building ownership over the project results and to agree on the project work plan and implementation priorities. Part of the inception workshop will also be the core group of stakeholders of the EU Natura 2000 project who will provide important insights and experiences that will be used in adjusting future project activities.

The workshop will:

- Assist all partners to fully understand and take ownership of the project. Detail the roles, support services and complementary responsibilities of UNDP. Discuss the roles, functions, and responsibilities within the project's decision-making structures, including reporting and communication lines, and conflict resolution mechanisms.
- Based on the project results framework, finalize the first annual work plan. Review and agree on the indicators, targets and their means of verification, and recheck assumptions and risks.
- Provide a detailed overview of reporting, monitoring and evaluation (M&E) requirements. The Monitoring and Evaluation work plan will be agreed and scheduled.
- Discuss financial reporting procedures and obligations.
- Plan and schedule Project Board meetings. Roles and responsibilities of all project organization structures should be clarified and meetings planned.

An inception workshop report will be produced as a key reference document that will be shared with participants to formalize plans and agreed implementation timeline.

The main results of the inception phase will include:

- Preparation of detailed Annual Work Plan for the first year of the project implementation;
- Preparation of Monitoring and Evaluation work plan;
- Agreement on a schedule for Project Board meetings;
- Initial publicity campaign conducted to establish project identity and raise public interest;
- Determination of two lists of prioritized protected areas for the grant scheme, in line with discussions with management authorities and a targeted call for expressions of interest and submission of concepts by municipalities and NGOs;
- Setting of criteria for selection of municipalities/communities for piloting small-scale wastewater management systems within protected area; and
- Gender analysis aimed at identifying how women and men may differ in their access to and use of natural resources and how their needs may differ with respect to protected areas.

2. Second phase: Conducting a focused capacity building program and design of projects, identification of demonstration sites for wastewater treatment systems and preparations for their realization

Capacity building, learning and experience sharing at all levels and among various stakeholders early in the project will be critical to achieving the expected results. They will be involved in all activities carried out later as part of grant scheme.

The main results of the second phase will include:

- Development and delivery of targeted capacity development program;
- Development of projects to be funded by the grants scheme from concepts to full-fledged projects as part of the capacity development program;

- Introducing stakeholder participatory mechanisms and ensuring transparency;
- Establishment of an Evaluation Committee and validation of project selection for grants;
- Selection and validation of the sites and types of demonstration wastewater treatment plants; and
- Evaluation of the results of the capacity development program.

3. Third phase: Implementation of the selected projects, and piloting small-scale wastewater management systems

The core of this phase is the implementation of projects co-designed with implementers as part of the capacity development program. This phase will overlap with the second phase.

The main results of the third phase will include:

- Development of monitoring and evaluation framework;
- Awarding the grants to applicants who successfully complete the capacity development program;
- Supervised and supported implementation of the projects receiving grants; and
- Preparation of technical documentation, contracting and construction of two small-scale wastewater treatment systems.

4. Monitoring and evaluation

For the entire duration of the project, UNDP will continuously monitor the project and assess progress against the set of indicators (included here and further developed during project inception stage) and measure overall impact. A flexible monitoring and evaluation system needs to be applied in response to the complexity and number of interventions to be funded by the project. Any change in the monitoring and evaluation framework will be made upon consultations with the Ministry of Environment and Physical Planning and the EU. At the end of the project, a Summary of Lessons Learnt will be produced to serve as a reference for similar future projects and initiatives.

Strategic principles

1. Public participation and community empowerment

The main factor for the success of an integrated approach for sustainable management of natural resources is the understanding that traditional centralized approaches to managing natural resources have proven inadequate and that only through the engagement and participation of all stakeholders is it possible to overcome the many challenges involved in restoring and sustaining the health of ecosystems.

For this reason, all phases of the project will involve the participation of the public and the engagement of communities located within or near protected areas that depend on natural resources for their well-being. This approach will contribute to the design and implementation of measures that are beneficial both for nature and for local communities. The expert knowledge that is usually reflected in protected area management plans will be complemented with local wisdom and practices to ensure that environmental and nature protection contributes to the well-being of local communities. Community participation will also increase awareness about sustainable resources management practices (including investing in local business and ecosystem-friendly agriculture).

2. Innovation

The project will embrace innovative approaches in identifying funding priorities, monitoring and evaluating the progress and achievement of the project. Here traditional approaches are often unsuccessful and weakened by low levels of participation and limited outreach. For this reason, non-conventional methodologies and tools will be applied to show improved results and reach wider groups of stakeholders. For example, crowdsourcing could offer a fast, cheap and more effective way of obtaining real-time data about trends in protected areas and in use of natural resources, helping to generate more informed and

effective management responses, and human-centred design could ensure that the identified challenges in each of the protected areas will help identify real priorities that bring in new resources and ideas.

3. Gender mainstreaming

Gender equality and women's empowerment will serve as the bedrock for the implementation of the project, drawing on the National Strategy for Gender Equality 2013-2020 and the Law on Equal Opportunities for Women and Men, as well as on the UNDP Gender Equality Strategy. These mandate equal opportunities and, where relevant, equitable access to environmental goods and services. To respect the principle of gender equality in natural resource management, the project will conduct a participatory gender analysis aimed at identifying how women and men may differ in their access to and use of natural resources and how their needs may differ with respect to protected areas. Grant applicants will be obliged to integrate the findings of this analysis into their project proposals. Participatory outreach will also ensure that the views of both men and women are represented, and that the support men and women need to engage in sustainable use of natural resources is reflected in the planning and implementation of pilots.

4. Knowledge creation and sharing

Effective knowledge creation and sharing is particularly important given the role that pilots play in the project. In supporting the design of pilot measures, the project will draw on the best examples available internationally and encourage peer-to-peer sharing of experience. As the project proceeds, regular efforts will be made to take stock of what is working well and what is not, in order to register and share promising ideas and practices for immediate incorporate in the project. All lessons learned will be captured, evaluated and shared with other relevant stakeholders, particularly the Ministry of Environment and Physical Planning, entities that are responsible for the management and protection activities in accordance with the management plans for the concerned protected area, as well as with interested NGOs.

Guidance will be provided for producing knowledge products and sharing information with target groups (including national institutions, local governments, the NGO community, educational and research institutions). Particular attention will be paid to promoting sites and practices that have demonstration value. Peer-to-peer knowledge exchange will be encouraged among professionals involved in protected area management, especially from entities belonging to the Natura 2000 network in the broader region. Results from the project will be disseminated both among project stakeholders and more widely through existing information sharing networks and forums in the country and globally.

IV. RESULTS AND PARTNERSHIPS

The project's ambition is to inspire a fundamental change in outlook and behavior among policy makers at national and local levels, citizens and NGOs regarding the sustainable use of resources and management of protected area. Increased investment in sustainability will support local communities and citizens in achieving one of the main national priority goals of improved quality of life and contribute to economic development by developing "green" pathways to growth.

Strategic frameworks

The results of the project will contribute to the achievement of Sustainable Development Goal #15, "Sustainably manage forests, combat desertification, halt and reverse land degradation, halt biodiversity loss."

At the national level, the project will contribute to Outcome 4 of the *Partnership for Sustainable Development: UN Strategy 2016-2020* (PSD): "By 2020, individuals, the private sector and state institutions base their actions on the principles of sustainable development, and communities are more resilient to disasters and environmental risks," measured by Indicator 3: "Hectares of land that are managed sustainably as protected areas," and Indicator 5: "Degree of integrated water resources management implementation."

The UNDP Country Programme for 2016-2020 is aligned with the PSD. The project will contribute directly to Output 4.2 of the UNDP Country Programme: "Public and private actors have improved capacities to implement, monitor and evaluate policies related to environment, climate change and nature protection." This is measured by Indicator 4.3.1: "Number of protected area management plans implemented by local governments or CSOs," with a baseline for 2014 of 11 and a target for 2020 of 22.

The project will also support progress towards all other outcomes. It supports Outcome 1: Employment, by creating possibilities for creation of new jobs at the local level related to the management of protected areas and sustainable use of natural resources; Outcome 2: Good Governance, by strengthening capacities of national and local institutions to design and deliver better services related to environmental and nature protection; Outcome 3: Social Inclusion, by empowering vulnerable groups dependent on the use of natural resources to exercise their environmental rights and to improve their quality of life; and Outcome 5: Gender equality, by addressing differing needs and access to natural resources by women and men.

Moreover, the project will contribute to the achievement of the objectives of the Sector Operational Programme for Environment and Climate Action 2014 – 2020, particularly the objective related to improving protection of environment by implementation of measures that directly contribute to protection of nature. Likewise, it will contribute to the achievement of the specific objectives for improved nature protection in protected areas, improved implementation of management plans of protected areas, and increased capacity of public authorities, industry and NGOs for preparation of project applications.

Partnerships

Close coordination will be established with other international organisations in the country active in the area of nature protection (including the Swiss Agency for Development and Cooperation/SDC and the Deutsche Gesellschaft für Internationale Zusammenarbeit/GIZ and ongoing EU IPA projects). Synergies will also be sought with other ongoing projects of similar scope and nature.

The project will take into consideration the recommendations of the revised National Strategy for Biological Diversity and the Action Plan, generated by a GEF-funded UNEP project, and the National Strategy for Nature Conservation, funded by SDC.

The projects which have been identified as having the greatest synergetic potential are:

- Strengthening the Capacities for Implementation of Natura 2000 (EU IPA);
- Strengthening the capacities for effective implementation of the acquis in the field of nature protection (Twining project EU IPA);

- Program for Nature Conservation - II phase (SDC);
- Ohrid - Prespa Trust Fund - PONT (KfW, MAVA);
- Achieving Biodiversity Conservation through Creation and Effective Management of Protected Areas and Mainstreaming Biodiversity into Land Use Planning (UNEP);
- Toward strengthened conservation planning in South-eastern Europe (IUCN);
- The Environment and Climate Regional Accession Network (ECRAN) regional project aimed at strengthening cooperation and capacities of the Nature Departments and other stakeholders by developing new knowledge and skills in the area of nature protection, especially with regard to development and implementation of protected areas management plans, monitoring of Natura 2000 sites and application of assessments of impacts on nature (EU); and
- The Dinaric Arc Parks, which is aiming to create a network of protected areas by connecting all nature parks in the Dinaric Arc region (MAVA/WWF).

Regular coordination and consultation meetings shall be conducted with the project teams of the above mentioned projects, and they will be facilitated by the Ministry of Environment and Physical Planning.

The success of the project will depend on the commitment and the interest of key project beneficiaries – local governments, communities, management authorities of protected areas and NGOs – to create partnerships to undertake concrete actions and measures that will lead to the achievement of project goals. Moreover, all involved parties will need to commit to coherent and consistent communication of the project objectives, activities and results in order to ensure that the project is known and understood by the beneficiaries and the public at large.

Key risks and assumptions

The key assumptions that will underpin the project's success include:

- The Government puts the environment and nature protection higher on the development agenda of the country, and allocates sufficient financial resources for implementation of relevant strategies and action plans (biodiversity conservation and nature protection).
- The country complies with its commitments towards the relevant multilateral environmental conventions and treaties (e.g., the Convention on Biodiversity), and regularly submits progress reports and establishes enabling milieu for implementation of concrete actions and measures.
- Relevant institutions ensure regular monitoring of environmental indicators and make these data and information publicly available;
- Public awareness and understanding of sustainable development is increased and NGOs and citizens are more interested to actively contribute by decreasing their ecological footprint.
- Local governments demonstrate a strong interest and commitment to take over more responsibilities in the field of environment and nature protection and protected areas management, and allocate adequate resources (financial and human).
- NGOs demonstrate a strong interest and commitment to take on more responsibilities in the field of environment and nature protection and protected areas management in close collaboration and partnership with local governments and the Ministry of Environment and Physical Planning.
- National institutions at central and local level are committed to considering and planning development interventions in the areas of environment and nature protection to meet the gender different needs and priorities.

The key risks to the project's success and mitigation strategies include:

Risks	Mitigation strategies
Weak national capacities to plan, design and implement an integrated approach for environmental protection that are result- and impact-oriented and will ensure sustainability.	UNDP will make efforts to put the sustainable use of natural resources and efficient management of protected areas on the agenda both at central and local level by advocating linking those issues directly

	<p>to the country's sustainable development.</p> <p>In addition, UNDP will help government to unlock the internal capacities in the government, in the private sector and in civil society, through multi-agency processes and facilitated partnerships with various stakeholders.</p>
<p>Insufficient capacities of local governments, protected area management authorities and NGOs to develop appropriate project proposals that will result in improved management of protected areas and more sustainable management of protected areas.</p>	<p>A targeted capacity building program will be carried out at the beginning of the project. The training will be based on the gap and needs assessment and will aim to prepare potential project grantees to develop and implement sound projects.</p> <p>In addition, the project team, and the relevant staff from the Ministry of Environment and Physical Planning and UNDP will provide expert and technical support to the beneficiaries throughout the project implementation.</p>
<p>Local elections may decrease the interest for participation in project activities.</p>	<p>The project team shall develop a separate plan for engagement with all relevant stakeholders and to promote the benefits of the project.</p>
<p>Lack of sewage networks within protected areas could delay or preclude the construction of collection and treatment facilities.</p>	<p>Early in the project implementation, the project team will try to identify communities within protected areas that have access to sewerage network. If no such communities exist, the project will consider building entire systems (network and facility), but in smaller communities, in order to reduce costs.</p>

Stakeholder engagement

The project will be implemented countrywide and the management authorities of the selected protected areas, local governments and all registered NGOs will be eligible to participate in project activities. The project team will create mechanisms for effective stakeholder engagement, and will ensure the meaningful participation of targeted groups/geographic areas. Particular efforts will be made to take into consideration the needs of excluded and marginalized groups which depend on natural resources either for income or directly for their own well-being.

Various tools will be used for stakeholder engagement, including design thinking, behavioural science, and foresight. The project will create a collaborative space where citizens and local officials will join forces to design, prototype and test concrete actions that will improve the management of protected areas and will encourage the sustainable use of natural resources.

The table below presents an initial list of key stakeholders. In the inception phase of the project, the list will be further expanded.

Key stakeholders and roles

Stakeholder	Role
1. Ministry of Environment and Physical Planning (MoEPP)	<ul style="list-style-type: none"> • observing the condition of the environment; • protection of waters, soil, flora, fauna, air and ozone; • protection from noise, radiation, protection of bio-diversity, geo-diversity, national parks and protected areas; • restoration of polluted areas of environment; • proposing measures for solid waste management; • physical planning;

		<ul style="list-style-type: none"> • physical informative system; • supervision within its competencies
2.	Ministry of Agriculture, Forestry and Water Economy	<ul style="list-style-type: none"> • agriculture, forestry and water economy; • utilization of agricultural land, forests and other resources; • hunting and fishing; • observing and studying the situation with waters, maintenance and improvement of the water regime; • supervision within its competence
3.	Ministry of Local-Self Government	<ul style="list-style-type: none"> • observing the development and proposing measures for promotion of the local self-government; • proposing of the system, policy, measures and instruments for accomplishing equal regional development and fostering the development of economically under-developed areas;
4.	Local Governments	<ul style="list-style-type: none"> • Protection of the environment, nature and space regulation: measures for protection and prevention of water, atmosphere and land pollution, protection of nature, protection against noise and ionizing radiation; • Urban and rural planning: urban planning and issuing of technical documentation for construction and issuing construction permits; regulation and maintenance of construction land; • Local economic development: local economic development planning; determining development and structural priorities; running the local economic policy; support for the development of small and medium-sized enterprises and entrepreneurship at local level and in that context participation in the establishment and development of a local network of institutions and agencies; promotion of partnership; • Municipal utility activities: potable water supply; technological water supply; drainage and purification of wastewaters; public illumination; drainage and treatment of precipitation; collection, transport and treatment of municipal solid and technological waste;
5.	Protected areas management authorities	<ul style="list-style-type: none"> • Manage the protected area; • Prepare the management plans; • Introducing measures for promotion and protection of natural heritage
6.	NGO/CSO	<ul style="list-style-type: none"> • Grant scheme implementation partners; • Awareness raising, communication and education activities; • Knowledgeable about conservation and environment protection issues

Compliance and response mechanisms

UNDP shall also ensure that potentially affected people have access to and are aware of mechanisms to submit concerns about the social and environmental impacts of a project. The key instruments which will be used are UNDP's Social and Environmental Compliance Review and Stakeholder Response Mechanism (<http://www.undp.org/content/undp/en/home/operations/accountability/secu-srm.html>).

UNDP's Social and Environmental Standards (SES) underpin its commitment to mainstream social and environmental sustainability in its Programmes and Projects to support sustainable development. The objectives of the Social and Environmental Standards Procedure are to: (a) integrate the SES Overarching Principles (human rights, gender equality and environmental sustainability); (b) identify potential social and environmental risks and their significance; (c) determine the project's risk category (Low, Moderate, High); and (d) determine the level of social and environmental assessment and management required to address potential risks and impacts. The Social and Environmental Compliance Review is mandatory for all UNDP projects worth more than USD 500,000, and therefore the project must undergo this process.

The Stakeholder Response Mechanism (SRM), on the other hand, provides a supplemental, formal avenue for stakeholders to engage with UNDP. The SRM will be available to project-affected stakeholders, government agencies and other partners to jointly resolve concerns and disputes when they believe that

the project may have adverse social or environmental impacts; they have raised their concerns with UNDP through standard channels for stakeholder consultation and engagement; and they have not been satisfied with the response. This mechanism can help the concerned parties to start or restart dialogue, facilitate discussions, mediate disputes, enhance understanding of the facts, and undertake other activities that might help resolve concerns and disputes.

V. PROJECT MANAGEMENT

Project Office

Day-to-day implementation will be carried out by a project team composed of a Project Manager, a Monitoring/Administrative Officer, a Project Specialist/Grant Monitoring Officer and a Communication Officer.

The Project Manager's prime responsibility is to ensure that the project produces the results (outputs) specified in the project document, to the required standard of quality and within the specified constraints of time and cost. In line with the overall responsibility, the position is classified under Project Manager - SB 5 in the UN Service Contract salary scale. Costs are calculated at the rate of 100% of work time for period of 28 months.

The Monitoring/Administrative Officer will be responsible for the monitoring and evaluation of the project implementation, and project administrative support including finance, procurement and general administration. S/he will implement assigned project components, develop project resource profiles and timelines, assess delivery issues and work with national counterparts to build common understanding and coordination on project activities. S/he will be expected to support the reporting and evaluation of implementation of the project activities. S/he will be also responsible for administrative support in project implementation including project finance, procurement and general administration. In line with the overall responsibility, the position is classified under Monitoring Officer - SB 4 in the UN Service Contract Salary scale. Costs are calculated at the rate of 100% of work time for period of 28 months.

The Project Specialist/Grant Monitoring Officer will provide technical support to the project beneficiaries and will ensure that the grants are implemented in accordance with the signed contracts. S/he will also provide technical support to the project beneficiaries and partners as needed. The Project Specialist/ Grant Monitoring Officer will conduct regular field visits to the project sites across the country. S/he will communicate regularly with the relevant stakeholders and beneficiaries (e.g., NGOs, protected areas management authorities, municipalities, public enterprises and community groups and associations), provide advice as needed, and facilitate their involvement in the relevant activities. S/he will be expected to support the reporting and evaluation of implementation of the project activities. In line with the overall responsibility, the position is classified under project Specialist/Monitoring Officer - SB 4 in the UN Service Contract Salary scale. Costs are calculated at the rate of 100% of work time for period of 28 months.

The Communication Officer will support the implementation of the Communication and Visibility Plan and will ensure that proper visibility of the project in adherence to the Joint Visibility Guidelines for EC-UN Actions in the Field. The Communication Officer will also cultivate good working relationships with participating organizations and entities and ensure a regular exchange of information, including progress reports, among participants. In line with the overall responsibility, the position is classified under Communication Officer - SB 4 in the UN Service Contract Salary scale. Costs are calculated at the rate of 32% for the period December 2017 – September 2018, when the post will be shared with other ongoing projects, and 100% of work time for the period October 2018 – September 2019.

UNDP DIRECT PROJECT COSTED STAFF AND ROLES

In addition to the project staff, depending on the nature of the work and complexity a number of technical and administrative roles and services are covered by the UNDP country office and are cost-shared within the office. Based on the needs of the action and the projected inputs, the following positions are included, on a pro-rata basis, as direct costs to the action. The time allocation is based on the existing workflow in the UNDP office and is pro-rated to the scale of the budget and the scope of the action requiring different time inputs from different positions.

The Programme Officer in charge of the Energy, Environment and Disaster Risk Reduction Portfolio will provide strategic guidance, policy advice and technical input essential to deliver development results. She will also create synergies with other complementary interventions which contribute to the achievement of the overall project goal. She will oversee the project implementation, monitor and report to the donor, review and approve the TOR (programmatic aspects), serves as a Chair of the Evaluation Committee, and will facilitate decision making to ensure project implementation proceeds in a flexible but efficient manner. She will be the key focal point for coordination between the Project, UNDP, EUD and the national partner authorities and other key Project stakeholders. Direct Project Costs attributable to the Action. It is estimated that staff member will work 20% of work time for period of 28 months.

The Monitoring, Evaluation and Innovation Associate will facilitate application of innovative tools in the design phases of the Action. It is estimated that staff member will work 20% of work time for period of 10 months.

The UNDP Operations team will provide administrative support in terms of procurement, operations management, human resources, financial management, and other required administrative support.

The Operations Manager will be directly involved in procurement and HR processes related to project implementation in line with the SOP including but not limited to: providing inputs to TOR, specifications, endorsing procurement processes, recruitments and HR management for project needs, disbursement officer for payments. In addition he will provide, quality assurance, advises on procurement and HR processes for the need of the project. He will manage external relations related to all operational aspects of the project. It is estimated that staff member will work 5% of work time for period of 28 months.

The Procurement Associate will assist project implementation through facilitating quality, transparent, effective and fast procurement processes; reviewing and announcing procurement processes; provide direct advisory support in procurement/tender evaluation processes; support in negotiations with potential contractors (as needed); assistance in the process of contracting, monitoring of contracts. Creating of vendors and Purchase Orders. It is estimated that staff member will work 5% of work time for period of 28 months.

The Programme Finance Associate will provide support in preparation of the budget, budget revisions, support to overall financial monitoring and reporting for the overall action. He will assist the project team in preparation of financial transactions and appropriate financial reports. It is estimated that staff member will work 15% of work time for period of 28 months.

UNDP will make sure that the project staff possess the necessary combination of skills and interdisciplinary expertise in response to the complexity of the project actions. The key staff involved in the project implementation will be compensated for their services in line with UNDP's rules and procedures and their contribution to the implementation of project activities as elaborated in the budget breakdown.

UNDP's direct costs will be charged in line with its rules and regulations, as outlined in the project document and the respective budget. Financial transactions and financial statements will be subject to the internal and external auditing procedures laid down in the Regulations and Rules of UNDP.

Direct project costs (DPC) are organizational costs incurred in the implementation of a development activity or service that can be directly traced and attributed to the implementation of the Action.

Remuneration / indirect costs corresponding to 7% GMS which UNDP is mandated to recover in line with the FAFA and UNDP's Executive Board's and relate to the corporate level costs and embrace e.g. corporate executive management, corporate legal support, corporate legal management, policy guidelines on procurement and logistic support etc.

The majority of the project team (Project Manager, Monitoring/Administrative Officer and Communication Officer) will be located in the UNDP premises in Skopje. The project management unit will liaise closely with UNDP's field office in the Municipality of Resen, where the Project Specialist/Grant Monitoring Officer will be located, since many protected areas and Natura 2000 candidate sites are located nearby and the Resen office has a decade of experience in implementing the Prespa Lake Restoration Program. No operational costs will be charged for the office in Resen.

The project office costs will include expenses for rent, electricity, heating, water, utilities, internet, security, cleaning and maintenance, telecommunication services, based on UNDP monthly average expenses for such services. The costs will be pro-rated.

The project office costs shall also include: office furniture for the Project Manager, Project Specialist/Grant Monitoring Officer, Monitoring & Administrative Officer and Communication Officer (desks, chairs, drawers, shelves, 4 units of each); IT Equipment for the Project Manager, Project Specialist/Grant Monitoring Officer, Monitoring & Administrative Officer and Communication Officer (4 work stations, including laptops, docking station, monitors, printer/copier/scanner, based on UNDP estimations for similar assets); costs for office supplies for 28 months for the needs of the project office (printing/copying paper, office stationary); communication costs (mobile telephones, telephone services and e-mail subscription services for staff assigned to the action); purchasing and maintenance of a project vehicle that will be used for the implementation of the Action (fuel, insurance, regular servicing, technical inspection); per diems for missions local/travel.

The project office costs also include purchase of a project vehicle that will be used for the implementation of the Action. Upon finalization of the project, the ownership of the vehicle shall be transferred to the project beneficiary (Ministry of Environment and Physical Planning) in accordance with applicable UNDP rules, and taking into account the provisions stemming from the EU Delegation Agreement.

All other purchased equipment, and major supplies by necessary for the realization of the projects will be transferred to the respective implementers or the final beneficiary (Ministry of Environment and Physical Planning). Matters relating to the transfer of ownership by UNDP to the national partners will be processed in accordance with the relevant policies and procedures of UNDP and taking into account the provisions stemming from the EU Delegation Agreement.

The project might be selected for external audit in accordance with UNDP rules and regulations. The cost of the audit is 0.4% of the project budget but not less than USD 10,000. These costs are not included in the project budget, so if the project is selected for an external audit, UNDP will cover them from its own resources.

The project will be implemented in the period of 28 months which is considered as optimal for completion of all project activities.

VI. RESULTS FRAMEWORK

	Intended Outcome as stated in the UNDAF/Country Programme Document: By 2020, individuals, the private sector and state institutions base their actions on the principles of sustainable development, and communities are more resilient to disasters and environmental risks.								
	Outcome indicators as stated in the Country Programme Results and Resources Framework, including baseline and targets: Greenhouse gas (GHG) emissions (CO2 eq kT), Baseline (2012): 12,707.74 Target (2020): 11,309.89 Economic loss from natural hazards and disasters as a share of GDP, Baseline (2013): 0.68% Target (2020): 0.20% Number of hectares of land that are managed sustainably as protected areas under a conservation, sustainable use or access- and benefits-sharing regime, Baseline (2014): 79,433 Target (2020): 120,000 The activities under this project will also contribute to the SDG 6, SDG 12 and SDG 15								
	Project title and Atlas Project Number: Improving the Management of Protected Areas								
EXPECTED OUTPUTS	OUTPUT INDICATORS	DATA SOURCE	BASELINE		TARGETS (by frequency of data collection)			DATA COLLECTION METHODS & RISKS	
			Value	Year	Year 1	Year 2	Year 3	FINAL	
Output 1 A targeted short-list of priority protected areas is selected for the grant scheme, and a tailored program of capacity development assistance is provided to management authorities, local	1.1 Number of persons, male and female, benefiting from capacity building program on sustainable use of natural resources and management of protected areas	Project reports Records of capacity building events	0	2016	50	N/A	N/A	50	Data will be collected by the project team
	1.2 Number of projects from eligible applicants approved for funding through the grant scheme	Project reports	0	2016	15	5		20	Data will be collected by the project team

government and NGO stakeholders involved in the management of priority protected areas	1.3 Number of projects from NGOs, local governments and other capacity building program attendees receiving funding from other sources	Donor reports Project Database of the Secretariat for European Affairs of any other relevant database/ Report	0	2016	5	5		10	Monkey surveys, direct contact with donors providing funding in the county, meetings with NGOs and local governments
Output 2 Priority natural resources management, conservation and restoration actions are implemented through a grant scheme	2.1 Number of hectares of land managed sustainably under improved conservation regime	World Database on Protected Areas Database and reports from the Ministry of Environment and Physical Planning	308,471	2016	5% increase	5% increase		10% increase	Data will be collected by the project team
	2.2 Number of hectares of land managed sustainably under a sustainable use regime	Organic World Net/Forest Stewardship Council/GEF Database and reports from the Ministry of Environment and Physical Planning	26431	2016	5% increase	5% increase		10% increase	Data will be collected by the project team
	2.3 Number of priority species and habitats under improved protection	Database and reports from the Ministry of Environment and Physical Planning	TBD	2016	2% increase	3% increase		5% increase	Data will be collected by the project team
	2.4 Total number of additional people benefitting from livelihoods strengthened through solutions for management of natural resources, ecosystem services, chemicals and waste	Statistical Data	TBD	2016	10% increase	10% increase		20%	Data will be collected by the project team

	2.5 Number of people in protected areas benefiting from improved community wastewater management	Statistical data	0	2016	500	500		1000	Data will be collected by the project team
	2.6 Number of new partnership mechanisms with funding for sustainable management solutions of natural resources, ecosystem services, chemicals and waste at national and local levels	Grant recipient reports	0	2016	4	4		8	Data will be collected by the project team

VII. MONITORING AND EVALUATION

In accordance with UNDP's programming policies and procedures, the project will be monitored through the following monitoring and evaluation plan:

Monitoring Activity	Purpose	Frequency	Expected Action	Partners (if joint)	Cost (if any)
Track results progress	Progress data against the results indicators in the RRF will be collected and analysed to assess the progress of the project in achieving the agreed outputs.	Annually	Slower than expected progress will be addressed by project management.		
Monitor and Manage Risk	Identify specific risks that may threaten achievement of intended results. Identify and monitor risk management actions using a risk log. This includes monitoring measures and plans that may have been required as per UNDP's Social and Environmental Standards. Audits will be conducted in accordance with UNDP's audit policy to manage financial risk.	Quarterly	Risks are identified by project management and actions are taken to manage risk. The Risk Log is actively maintained to keep track of identified risks and actions taken.		
Learn	Knowledge, good practices and lessons will be captured regularly, as well as actively sourced from other projects and partners and integrated back into the project.	At least annually	Relevant lessons are captured by the project team and used to inform management decisions.		
Annual Project Quality Assurance	The quality of the project will be assessed against UNDP's quality standards to identify project strengths and weaknesses and to inform management decision making to improve the project.	Annually	Areas of strength and weakness will be reviewed by project management and used to inform decisions to improve project performance.		
Review and Make Course Corrections	Internal review of data and evidence from all monitoring actions to inform decision making.	At least annually	Performance data, risks, lessons and quality will be discussed by the project board and used to make course corrections.		
Project Report	A progress report will be presented to the Project Board, the EU Delegation in Skopje and the Ministry of Environment and Physical Planning. It will consist of progress data showing	Annually			

	<p>the results achieved against pre-defined annual targets at the output level, the annual project quality rating summary, an updated risk long with mitigation measures, and any evaluation or review reports prepared over the period.</p> <p>UNDP will submit the Final Report to the EU Delegation in Skopje within six months after the end of the Implementation Period. The report will cover the entire period of implementation and shall include but limited to: summary and context of the Project (Action), results achieved as measured by their corresponding indicators, agreed baseline and targets, and relevant data sources, and information on the implementation of the Visibility and Communication Plan. The narrative report will be accompanied by a Financial Report.</p> <p>UNDP will submit any other reports as required to the EU Delegation in Skopje in line with the reporting requirements set out in the signed Delegation Agreement between UNDP and EU and its relevant Annexes.</p>				
<p>Project Review (Project Board)</p>	<p>The project's governance mechanism (i.e., Project Board) will hold regular project reviews to assess the performance of the project and review the Multi-Year Work Plan to ensure realistic budgeting over the life of the project. In the project's final year, the Project Board shall hold an end-of project review to capture lessons learned and discuss opportunities for scaling up and to socialize project results and lessons learned with relevant audiences.</p>	<p>At least annually</p>	<p>Any quality concerns or slower than expected progress should be discussed by the project board and management actions agreed to address the issues identified.</p>		

VIII. MULTI-YEAR WORK PLAN

EXPECTED OUTPUTS	PLANNED ACTIVITIES	Planned Budget by Year			RESPONSIBLE PARTY	PLANNED BUDGET	
		Y1	Y2	Y3		Budget Description	Amount
Output 1 A targeted short-list of priority protected areas is selected for the grant scheme, and a tailored program of capacity development assistance is provided to management authorities, local government and NGO stakeholders involved in the management of priority protected areas.	1.1 Identification of capacity and knowledge gaps in natural resources/protected areas management and formulation of a comprehensive capacity development program	\$ 164,300.00	\$ 161,000.00	\$ 64,409.20	UNDP	71300 – Contractual Services – Individuals	\$ 26,310.00
	1.2 Conducting gender analyses					71600 - Travel (Per Diems)	\$ 1,659.20
						72100 - Contractual Services - Companies	\$ 326,790.27
	1.3 Developing capacities and mobilizing stakeholder action for the implementation of the grants scheme					72200 - Office furniture	\$ 4,000.00
Sub-Total for Output 1							\$ 389,709.20
Output 2 Priority natural resources management, conservation and restoration actions are implemented through a grant scheme	2.1 Implementation of pilot initiatives through a grant scheme	\$ 523,700.00	\$ 2,597,231.50	\$ 504,285.60	UNDP	71600 - Travel (Per Diems)	\$ 6,685.60
	2.2 Piloting small-scale decentralized wastewater management systems within protected areas					BA004 - Project Vehicle	\$ 16,300.00
						72100 - Contractual Services- Companies	\$ 762,511.00
						72600 – Grants - LoA	\$ 1,625,324.03
Sub-Total for Output 2							\$ 3,625,217.10

Output 3 Communication and Visibility Plan implemented to ensure proper visibility of the project in scrupulous adherence to the Joint Visibility Guidelines for EC-UN Actions in the Field	3.1 Implementation of Communication and Visibility Plan	\$ 43,800.00	\$ 39,800.00	\$ 44,400.00	UNDP	72100 - Contractual Services- Companies 74200 - Audio Visual & Print Production	\$ 97,000.00 \$ 31,000.00
	Sub-Total for Output 3						\$ 128,000.00
Output 4 Direct Project Costs and Project Office Costs	4.1 Staff Costs and Project Office Costs	\$ 124,948.85	\$ 129,817.89	\$ 44,552.39	UNDP	61100 - Staff Services - Operations Manager	\$ 8,494.64
						61100 - Staff Services - Programme Officer	\$ 32,702.60
						61200 - Staff Services - Procurement Associate	\$ 6,954.08
						61200 - Staff Services - Programme Finance Associate	\$ 20,862.24
						61200 - Staff Services - Monitoring & Evaluation and Innovation Officer	\$ 9,660.00
						71400 - Staff Services - Project Manager	\$ 72,165.17
						71400 - Staff Services- Project Specialist / Grants/Monitoring Officer	\$ 52,696.00
						71400 - Staff Services - Monitoring & Administrative Officer	\$ 52,696.00
						71400 - Staff Services – Communication Officer	\$ 28,606.40
						73100 - Rent and Maintenance – Premises	\$ 12,600.00
	Sub-Total for Output 4						\$ 299,319.13
Contingency		\$ 27,907.00	\$ 27,907.00	\$ 13,953.00			\$ 69,767.00
Total Direct Eligible Costs		\$ 884,655.85	\$ 2,955,756.39	\$ 671,600.19			\$ 4,512,012.43
Total Remuneration (GMS) 7%		\$ 53,175.91	\$ 196,402.95	\$ 42,798.71			\$ 292,377.57
TOTAL		\$ 937,831.76	\$ 3,152,159.34	\$ 714,398.90			\$ 4,804,390.00

IX. GOVERNANCE AND MANAGEMENT ARRANGEMENTS

The Project implementation will be governed by the Delegation Agreement which will be signed between the EU Delegation in Skopje and the UNDP Country Office, and will be in line with UNDP's Programme and Operations Policies and Procedures.

The Project (Action) is a Multi-Donor Action as the EU funds are pooled with the funds from UNDP.

Internally, the project will be implemented under the Support to National Implementation Modality (Support to NIM). The UNDP Country Office will be responsible for developing and managing the project, and ensuring that the project results are delivered as planned and that the project resources are used efficiently and effectively.

A Project Board (PB) will be established as the main body responsible for the overall direction and management of the project. It will consist of high level representatives from the EU Delegation in Skopje, the UNDP Country Office, and the Ministry of Environment and Physical Planning.

The Project Board is the group responsible for making management decisions by consensus when guidance is required by the Project Manager, including approval of project work plans and revisions. In order to ensure UNDP's ultimate accountability, Project Board decisions are made in accordance with standards that ensure management for development results, best value-for-money, fairness, integrity, transparency and effective competition. In case a consensus cannot be reached within the Board, final decision shall rest with the UNDP Programme Manager (the UNDP Resident Representative), in consultation with the EU Delegation.

Project reviews by the Project Board are made at designated decision points during the running of the project, or as necessary when raised by the Project Manager or by the Project Assurance. The Project Board meets at least once a year but it could meet virtually and more often as needed. Based on the approved multi-year or annual work plan (AWP), the Project Board may review and approve project quarterly plans when required and authorizes any major deviation from these agreed plans. It ensures that required resources are committed and arbitrates on any conflicts within the project or negotiates a solution to any problems between the projects and external bodies. In addition, it approves the appointment and responsibilities of the Project Manager and any delegation of its Project Assurance responsibilities.

In the course of project implementation Project Board assumes the following specific duties:

- Overall guidance and direction to the project;
- Review of each stage and approval of progress to the next; and
- Review and approval of work-plans and any exception plan.

At the end of the project, the PB will:

- Assure that all expected outputs have been delivered in a satisfactory manner;
- Approve the Final Project Report; and
- Approve the Lessons Learnt Report.

The representatives of the Beneficiaries in the Project Board represent the interests of those who will ultimately benefit from the project. Their primary function within the Board is to ensure the realization of project results from the perspective of project beneficiaries.

Project Assurance is the responsibility of each Project Board member, however, the role can be delegated. The project assurance role supports the Project Board by carrying out objective and independent project oversight and monitoring functions. This role ensures that project management milestones are met.