

**United Nations Development Programme**  
**Country: Montenegro**  
**Amendment to Project Document “Integrated Local Development in Montenegro”**  
**(Project ID 00076967)**

**Project Title: Integrated Local Development in Montenegro**

The purpose of the Amendment is to reflect changes in the Project Document related to:

1. Duration of the Project
2. Total resources allocated – reflection of new contribution received for project activities;
3. Revision of activities related to Components 1 and 4
4. Project results and resources framework with regard to the 1 and 4 above;
5. Annual Workplan in regard to 1 and 4 above.

**1. Duration of the Project**

The Project will be extended due to activities planned within Components 1 and 4. Therefore the start date of the Project will remain the same – November 1, 2013 and the end date will be changed from December 31, 2016 to December 31, 2017.

**2. Total resources allocated**

The allocated resources are increased in the total amount of 183,375 USD from the following sources of funding:

- 35,000 USD from the UNDP MNE core resources (TRAC),
- 148,375 USD from the Delivering Results Together Fund (DRTF).

Thus, the total resources required are 628,175 USD and the overview of the resources is the following:

Total resources required:	628,175 USD
Total allocated resources:	628,175 USD
<b>UNDP</b>	119,800 USD
<b>DRTF</b>	148,375 USD
<b>Government of Montenegro</b>	184,500 USD
<b>UNIDO</b>	104,000 USD
<b>Capital City Podgorica</b>	33,000 USD
<b>Old Royal Capital Cetinje</b>	22,000 USD
<b>Municipality of Bijelo Polje</b>	16,500 USD
Unfunded resources:	0 USD

**3. Revision of activities related to Components 1 and 4**

Increased resources are allocated to the already foreseen and approved Project components:  
**Component 1. Developing prioritized and mature project pipeline that is aligned with**

## **strategic priorities at national and local level in pilot municipalities**

Following activities will be implemented within this component:

1.6.5 Preparing Results Assessment of the *Strategy for Sustainable Economic Growth of Montenegro through Introduction of Clusters (2012-2016)* and the identification of guidelines and recommendations for the development of the Strategy for the future;

1.6.6 Support to the Ministry of Economy in the preparation and implementation of the national program for stimulating clusters development;

1.6.7 Strengthening the capacity of the targeted cluster managers in development and implementation of project proposals;

1.6.9 Support to the Municipality of Kolasin in developing Strategic Development Plan

## ***Component 4. Improving municipal and ministries' management practices in order to deliver better quality of services to the citizens in a transparent, accountable and cost-effective manner***

Following activities will be implemented within this component:

4.8 Policy paper on removing the administrative barriers and costs of doing business and mapping through an online portal of current regulatory procedures for the formalization of MSMEs and recommendations for the simplification. (UNDP-UNCTAD)

4.9. Policy paper on stimulating innovation and application of ICT in doing business. (UNDP)

4.10. Analysis of the regulatory framework including the cost benefit analysis based on the EU methodology (Better regulation agenda) (UNDP)

#### 4. Project results and resources framework

<p><b>Intended Outcome as stated in the Country Results and Resources Framework:</b> Fostering a democratic society that fully respects, protects and fulfils human rights through rule of law, government transparency and accountability</p>				
<p><b>Outcome indicators as stated in the Country Results and Resources Framework, including baseline and targets.</b></p>				
<p><u>Indicators:</u> Public Perception on Transparency and Effectiveness of Public Administration</p>				
<p><u>Baseline:</u> 2010 survey baseline 6 (10 being highest) on quality of service in public administration</p>				
<p><b>Applicable MYFF Service Line:</b></p>				
<p><b>Partnership Strategy:</b> The project will contribute towards building partnership with the Government of Montenegro and the line ministries (the Ministry of Interior, the Ministry of Finance, the Ministry of Economy and other line ministries and Governmental agencies), with the national institutions (the Union of Municipalities of Montenegro the Human Resources Management Authority) and with municipalities in Montenegro.</p>				
<p><b>Project title and ID (ATLAS Award ID):</b> Integrated Local Development in Montenegro 00076967</p>				
Intended Output	Output Targets	Indicative Activities	Responsible parties	Inputs
<p>Local government system further enhanced to deliver the better quality of local services to the citizens in a transparent, accountable and cost-effective manner</p> <p><i>Baseline:</i> Limited management and project development capacities due to lack of tailored training programme on cluster project preparation.</p> <p><i>Indicators:</i></p> <p>1. Number of trainings, workshops and conferences organized for the BZ managers and other municipal staff in strengthening national and local capacities for strategic and project development;</p>	<p>At least 10 training/workshop participants trained on cluster project preparation;</p>	<p><b>Key activity: Developing prioritized and mature project pipeline that is aligned with strategic priorities at national and local level in pilot municipalities</b></p> <p>1.6.5 Preparing Results Assessment of the <i>Strategy for Sustainable Economic Growth of Montenegro through Introduction of Clusters (2012-2016)</i> and the identification of guidelines and recommendations for the development of the Strategy for the future;</p> <p>1.6.6 Support to the Ministry of Economy in the preparation and implementation of the national program for stimulating clusters development;</p> <p>1.6.7 Strengthening the capacity of the targeted cluster managers in development and implementation of project proposals;</p> <p>1.6.9 Support to the Municipality of Kolasin in developing Strategic Development Plan</p>	<p>UNDP</p>	<ul style="list-style-type: none"> <li>• UNDP Project Team</li> <li>• International and Local Experts/Companies</li> </ul> <p><b>Total Activity:</b> 77,000 EUR</p> <p>Government of Montenegro 12,000 EUR</p> <p>UNDP core (TRAC) 15,000 EUR</p> <p>DRTF 50,000</p>
<p><i>Baseline:</i> Capacities of the municipalities, Ministry of Economy and Secretariat for Development Projects</p>	<p>At least 2 Business Zones Studies prepared and submitted to</p>	<p>Key activity: Improving municipal and ministries' management practices in order to deliver better quality of services to the citizens in a transparent,</p>		<ul style="list-style-type: none"> <li>• UNDP Project Team</li> <li>• International and Local Experts/Companies</li> </ul>

<p>limited in establishing and monitoring of the Business Zones functioning, as well in promotion and marketing of national investment potentials.</p> <p><i>Indicators:</i></p> <p>1. Number of Documents for Business zones prepared and business zones established and monitored;</p>	<p>municipalities and Ministry for adoption;</p>	<p>accountable and cost-effective manner</p> <p>4.6.1 Support to the Ministry of Economy in Amending the Business Zones Decree;</p> <p>4.6.2 Supporting the Ministry of Economy in the establishment and management of the business areas of strategic interest for Montenegro</p> <p>4.6.3 Supporting the municipalities of Berane, Bijelo Polje, Kolasin, Mojkovac and Niksic in the implementation of the recommendations identified in pre-investment studies</p> <p>4.6.4 Preparing pre-investment studies for Cetinje, Podgorica and other interested municipalities</p> <p>4.6.5 Providing support to the Capital City of Podgorica in defining incentives for the "Industrial zone KAP"</p> <p>4.6.6 Developing of the Study on the economic justification for the establishment of a free zones in municipalities</p> <p>4.6.7 Developing of the Economic Feasibility Study for a free zone in Cetinje</p> <p>4.6.8 Preparation of the Research/Analyze and identification of the potential micro and small businesses suitable for development in the Business Incubator and Innovation Centre in Cetinje</p> <p>4.6.9 Support to Bijelo Polje Municipality in further development of economic/business zones</p> <p>4.6.10 Developing of promotional materials and promotion of investment opportunities</p> <p>4.6.11 Organization of one Study Tour</p> <p>4.6.12 Organize the Second International Conference for Investors</p> <p>4.7 Support to the Secretariat for Development Projects in monitoring of the implementation of investment projects</p> <p>4.7.1 Supporting the monitoring of the</p>	<p><b>Total Activity:</b> 175,000 EUR</p> <p>GLOC 50,000 EUR Government of Montenegro 30,000 EUR Capital City Podgorica 30,000 EUR Old Royal Capital Cetinje 20,000 EUR Municipality of Bijelo Polje 15,000 EUR Unfunded 30,000 EUR</p>
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	<p>investment projects in Montenegro implemented in accordance with Public Notice</p> <p>4.7.2 Supporting the development of the databases of investment locations and local suppliers in Montenegro</p> <p>4.7.3 Supporting the development of promotional materials</p> <p>4.7.4 Supporting the organization of promotional events</p> <p>4.7.5 Supporting the organizational development</p>		
<p><b>UNDP</b></p> <ul style="list-style-type: none"> <li>• UNDP Team</li> <li>• International and Local Experts/Companies</li> </ul> <p><b>Total Activity:</b> 106,000 EUR</p> <p>UNDP core (TRAC) 20,000 EUR (</p> <p>DRTF 86,000 EUR</p>	<p>4.8 Policy paper on removing the administrative barriers and costs of doing business and mapping through an online portal of current regulatory procedures for the formalization of MSMEs and recommendations for the simplification. (UNDP-UNCTAD)</p> <p>4.9. Policy paper on stimulating innovation and application of ICT in doing business. (UNDP)</p> <p>4.10. Analysis of the regulatory framework including the cost benefit analysis based on the EU methodology (Better regulation agenda) (UNDP)</p>	<p>The Analysis of the regulatory framework finalized and shared with the Ministry of Finance</p>	<p><b>Improving municipal and ministries' management practices in order to deliver better quality of services to the citizens in a transparent, accountable and cost-effective manner</b></p> <p><i>Baseline: Inexistence of the comprehensive Analysis of the regulatory framework and platform for removing administrative barriers</i></p> <p><i>Indicators:</i></p> <p><i>Research on regulatory framework conducted and Analyses prepared;</i></p>

4. ANNUAL WORKPLAN BUDGET SHEET - Year 2016

Project ID Expected Outputs	Key Activities	Time Frame		Responsible Party	Planned Budget 2016 in EUR				
		Start	End		Donor	Budget Description	Donor	UNDP	Unfunded
Developing prioritized and mature project pipeline that is aligned with strategic priorities at national and local level in pilot municipalities		01/01/16	31/12/16	UNDP	Government of Montenegro	71300 Local Consultants	4,230		
		01/01/16	31/12/16	UNDP	Government of Montenegro	72100 Contractual Services Companies	8,230		
		01/01/16	31/12/16	UNDP	Government of Montenegro	71600 – Travel	10,000		
		01/01/16	31/12/16	UNDP	Government of Montenegro	74200 – Audio Visual and Printing Production Costs	12,524		
		01/01/16	31/12/16	UNDP	UNDP	72100 Contractual Services Companies		15,000	
		01/06/16	31/12/16	UNDP	DRTF	71200 International Consultants	10,000		
		01/06/16	31/12/16	UNDP	DRTF	72100 Contractual Services Companies	32,500		
		Activity Total without GMS:					77,484	15,000	
		GMS (5% or 7%):					5,453		
	Improving municipal and ministries' management practices in order to deliver better quality of services to the citizens in a transparent, accountable and cost-effective manner		01/06/16	31/12/16	UNDP	DRTF	72100 Contractual Services Companies	20,000	
		01/06/16	31/12/16	UNDP	DRTF	71200 International Consultants	13,800		
		01/01/16	31/12/16	UNDP	Government of Montenegro	71600 – Travel	11,444		
		01/01/16	31/12/16	UNDP	Government of Montenegro	72100 Contractual Services Companies	16,411		
		01/01/16	31/12/16	UNDP	Government of Montenegro	74200 – Audio Visual and Printing Production Costs	2,823		
		01/06/16	31/12/16	UNDP	Municipalities	71200 International Consultants	18,091		
		01/06/16	31/12/16	UNDP	Municipalities	72100 Contractual Services Companies	11,255		
		Activity Total without GMS:					93,824		
		GMS (5% or 7%):					6,192		
Project Management			01/01/16	31/12/16	UNDP	Government of Montenegro	71400 Contractual Services-Individual	3,300	
		01/01/16	31/12/16	UNDP	Government of Montenegro	73100 – Rental and Maintenance - Premises	2,470		

	01/01/16	31/12/16	UNDP	Government of Montenegro	71600 – Travel	
	01/01/16	31/12/16	UNDP	UNDP core (TRAC)	71400 Contractual Services - Individual	2,000
	01/01/16	31/12/16	UNDP	UNDP core (TRAC)	71600 – Travel	15,000
	01/01/16	31/12/16	UNDP	UNDP core (TRAC)	71600 – Travel	5,000
	Activity Total without GMS:					
	GMS 7%:					
	TOTAL ACTIVITIES WITHOUT GMS					
	GMS					
	TOTAL					

### ANNUAL WORKPLAN BUDGET SHEET - Year 2017

Project ID Expected Outputs	Key Activities	Time Frame		Responsible Party	Planned Budget 2017 in EUR					
		Start	End		Donor	Budget Description	Donor	UNDP	Unfunded	
	Developing prioritized and mature project pipeline that is aligned with strategic priorities at national and local level in pilot municipalities	01/01/17	31/12/17	UNDP	DRTF	71300 Local Consultants	8,600			
		01/01/17	31/12/17	UNDP	DRTF	72100 Contractual Services Companies	10,000			
		Activity Total without GMS:						18,600		
		GMS 7%:						1,400		
	Improving municipal and ministries' management practices in order to deliver better quality of services to the citizens in a transparent, accountable and cost-effective manner	01/01/17	31/12/17	UNDP	Municipalities	71300 International Consultants	16,000			
		01/01/17	31/12/17	UNDP	Municipalities	71200 National Consultants	5,000			
		01/01/17	31/12/17	UNDP	DRTF	72100 Contractual Services Companies	14,000			
		01/01/17	31/12/17	UNDP	DRTF	71600 – Travel	10,000			
		01/01/17	31/12/17	UNDP	DRTF	74200 – Audio Visual and Printing Production Costs	6,500			
		Activity Total without GMS:						51,500		
	Project Management	GMS 7%:						4,095		
		01/01/16	31/12/16	UNDP	DRTF	71500 Contractual	20,000			

	01/01/16	31/12/16	UNDP	Municipalities	73100 - Rental and Maintenance - Premises				2,400	
	01/01/16	31/12/16	UNDP	Municipalities	71600 - Travel				10,000	
	Activity Total without GMS:									
	GMS 7%:									
	TOTAL ACTIVITIES WITHOUT GMS									
	GMS									
	TOTAL									
									102,500	
									7,763	
									110,263	

Approved by UNDP Montenegro

Ms. Fiona McCluney, Resident Representative, UNDP Montenegro

