

# United Nations Development Programme

Country: Serbia

## Project Document

<b>Project Title</b>	Vlasina Lake Ecotourism Promotion and Environment Protection
<b>UNDAF Outcome(s):</b>	Improved mechanisms to protect the environment, ensure sustainable management of natural resources, and mitigate and/or adapt to the impacts of global climate change on social, economic, and ecologic systems
<b>Expected CP Outcome(s):</b> <i>(linked to the project and extracted from CPAP)</i>	Improved environmental and natural resources stewardship, management and financing
<b>Expected Output(s):</b> <i>(will result from project and extracted from the CPAP)</i>	<ul style="list-style-type: none"><li>• Development of ecotourism in the Vlasina Lake</li><li>• Raise awareness of local self-government and the public utility company's officials in Surdulica on environment protection and water stewardship</li></ul>
<b>Implementing Partner:</b>	Ministry of Environment, Mining and Spatial Planning
<b>Responsible Parties:</b>	RDA Leskovac; United Nations Development Programme (UNDP)

### Brief Description

The project will support the municipality of Surdulica to pursue its strategic vision of ecotourism development through employment generation and preservation of the environmental and cultural heritage in the protected area of the Vlasina Lake. The following outputs will be produced (i) Branding and promotion of the Vlasina Lake as a tourist destination; (ii) Capacity development and awareness raising of local stakeholders on environment protection principles and standards; (iii) Construction of a part of tourist infrastructure at the Vlasina Lake; (iv) Support to the local self-government and the public utility company of Surdulica to protect the environment of the Vlasina Lake.

The project will be nationally implemented by the Ministry of Environment and Spatial Planning. The Regional Development Agency in Leskovac/ Centre for Development of Jablanica and Pcinja Districts will act as the main responsible party. This will enable the RDA/ CRJPR to further develop its management and implementation capacities and enhance its cooperation with the municipality of Surdulica.

Programme Period:	2011-2014
Key Result Area (Strategic Plan):	<b>Increased municipal capacity to promote sustainable development</b>
Atlas Award ID:	<b>00060655</b>
Project number	<b>00076465</b>
Start date:	<b>August 2011</b>
End Date	<b>August 2014</b>
PAC Meeting Date	<b>September 2010</b>
Management Arrangements	<b>NIM</b>

Total resources required	231,717 USD
Total allocated resources:	231,717 USD
• UNDP TRAC	30,000 USD
• Other:	
o Coca-Cola System	201,717 USD
o Government	_____
Unfunded budget:	N/A
In-kind Contributions:	8,583 USD

Agreed by:

   
Nebojsa Pokimica, Assistant Minister, Ministry of Environment, Mining and Spatial Planning Date

  
William Infante, Resident Representative, United Nations Development Programme Date

8-3-11

# 1. Context

## South Serbia

The region of South Serbia is administratively divided into two Districts (Jablanica and Pčinja), with thirteen municipalities, and has a population of approximately 470,000 people. This corresponds to a NUTS level 3 region<sup>1</sup> in line with EU criteria. Pčinja District consists of 7 municipalities one of which is the municipality of Surdulica on whose territory the Vlasina lake, with its surrounding protected area of nature, is situated.

## Municipality of Surdulica

**Population:** Out of 22,190 inhabitants in Surdulica municipality 49.18% lives in the main town area, while 50.81% live in surrounding villages. There are 41 settlements. The ethnic composition is: 82.35 % Serbs, 9.01 % Roma, 4.52% Bulgarian, 4.11% other. There were 24,489 inhabitants in 1999. According to the last census in 2002 the number of inhabitants fell to 22,190, indicating the trend of population decrease (2,299 inhabitants in 3 years). Possible causes are lower birth rate, increase of death rate and migration towards bigger economic centers.

### General Indicators:

- % of population with university degree: 3.0%
- No of inhabitants per physician: 281
- Income as % of Serbian national average: 83.9%
- Employed per 1000 inhabitants: 274
- % active in agricultural sector: 2.7 %

**Development opportunities and potentials:** Vlasina Lake is the biggest natural advantage of the municipality of Surdulica. It has beautiful, intact nature and favorable geographical position. It is near Bulgaria, FYRM, and Corridor 10. There are three airports situated within 100 km distance (Nis, Sofia, Skopje). It has natural resources for the development of tourism, investment and financial exploitation. Planning documentation is being systematically developed to enable these activities.

Other natural resources, such as water, are also an advantage for sustainable exploitation (Hydro power plant Vlasina and water factory "Rosa").

**Vlasina Lake** is the principal tourism destination in the municipality and one of the primary attractions of the region for domestic visitors. It is located some 20kms east of Surdulica and 30kms from the E75. The lake is roughly 10kms long and 3 km wide and is the second largest lake in Serbia located at the highest altitude (1211m) in the country. The area was dammed in the late 1940's and is used for hydro-electric power generation. The Vlasina plateau area is surrounded by the mountains (Cemernik, Vardenik and Gramada) and is part forested and part grassland. There are two small islands on the lake. In 2005, the government designated the area as a protected nature reserve of special interest. At the beginning of this year it was submitted as a candidate for Ramsar wetlands protection. Wildlife in the area include wolves, wild boar, deer, grey heron, cormorant, tufted duck and other migrating birds, as well as some rare species of mammals and reptiles.

## Environment

The lake lies on a mountain plateau called Vlasina, on the altitude of 1211m. Its average depth is 10.5 m, while the maximum depth is 34 m, near the dam. The central part of the lake is 10–15 m deep. Its eastern coastline is jagged, with two bays: larger Biljanina Bara and smaller Murin zaliv separated by Taraija peninsula. The southern part of the island, between Bratanov del peninsula and the mouth of Božički kanal is shallower (2–6 m), with swampy coasts and peat.

The dam is located in the northwestern part of the lake. It is an embankment dam, built of concrete core and earth-filled cover. It was built from 1946 to 1948, when the water was first accumulated. It is 239 m long, 139 m wide at the base and 5.5 m at the top, and 34 m high (of which 25.7 m is above the ground). The accumulation it creates has around 1.65 km<sup>3</sup> in volume. Of those, 1.05 km<sup>3</sup> is viable for hydroelectric exploitation. The system of 4 hydroelectric plants called Vrla (I-IV) lies downstream the lake, on the

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<sup>1</sup> Nomenclature of Territories (NUTS) is an EU statistical mechanism for dividing up regions.

Vlasina River, with the total capacity of 125 MW. A part of the hydroelectric system is the pump station "Lisina", which pumps in the water from the nearby Lisina Lake, chiefly in summer months. The Vlasina Lake is also fed by numerous creeks, descending from the surrounding mountains. The water level varies, depending on the water influx and drainage of the dam. Two artificial canals enter the lake near the dam: Dugi del (7.84 ha) and Stratorija (1.82 ha). Along with those islands, one of the lake's most famous features are the floating islands, occurring when the water during high levels breaks off the loose chunks of peat off the shores, 0.5–2 m thick. Driven by the wind, they float from one shore of the lake to another, carrying the flora and fauna, and serving as the shelter and food source for the fish underneath. For that reason, they are an attractive location for fishermen. The largest such island has the area of 8 ha, and is referred to as "Moby-Dick" by the local population. It is overgrown with dense vegetation, including birch trees. However, most of the time they are anchored along the shores.

The temperature of the water reaches 21-23 °C in the summer months, suitable for refreshing swimming. It freezes in the winter, and the ice crust can be as much as 2 meters thick. The temperature also varies with location and depth. In the village of Topli Do south of the lake, there is a water factory "Vlasinka", producing the high-quality oligomineral water "Vlasinska Rosa", a renowned brand in Serbia. It was purchased by the Coca-Cola System in 2005.

The lake's flora and fauna are rich, and include several endemic species. It features over 850 species of flora, 180 species of vertebrates, including rare species of mammals, reptiles and amphibians. The lake's surroundings are a mixture of meadows and high-altitude forests, especially birch, beech, pine and juniper (the former two indigenous, and the latter chiefly introduced by forestation of the western shore). The indigenous tree of downy birch and yellow beech (characteristic for its ever-yellow leaf color) stand out among the species of trees. Sundew is the only carnivorous plant in Serbia and is unique to Vlasina region. Birdlife includes gray heron, tufted duck and cormorant.

The lake is home to numerous species of fish. Species include brown and Ohrid trout, perch, minnow, barbell, grass carp, common carp, crucian carp, tench, roach and others. Ohrid trout was stocked and it successfully adapted to the environment, making it a popular destination for fishing.

By the decision of the Government of Serbia in 2006, the Vlasina region is protected as a nature preserve of special interest of category I. The total protected area covers 12,741 ha, of which 9.6 are in the 1st level of protection (islands of Dugi Del and Stratorija), 4,354 in the 2nd level and 8,377 in the 3rd level of protection.

## **Tourism**

Current tourist capacities include around 500 beds in hotels situated at the shores of the lake, Hotel Vlasina (30 rooms), Hotel Narcis (26 rooms) and Hotel Jezero (17 rooms), offering a modest range of services. There is also a semi-regulated camp with the capacity for another 650 tourists available for campers. Along with regular tourists, hotels often host sporting teams from Serbia and abroad as the lake is a popular destination for summer training due to its high altitude. Sporting grounds include a large football field, small sports field and weightlifting room. According to data from 2008 percentage of filled capacities is approximately 45%.

In addition, there is a number of around 350 privately owned country houses and cottages settled on the shores of the lake and surrounding hills with an estimated number of another 1400 beds that are being rented out during the summer and winter vacation seasons. These are not officially registered and the number of unregistered visitors during the seasons can only be estimated at over 20,000 visitors. These tourists are additionally burdening the existing infrastructure and increasing the urgent need for waste water and solid waste treatment.

There is a brass band festival in the municipality, attracting some 2,000 people, which represents a regional qualifier for the national Guca Trumpet Festival. There is also a Serbian-Bulgarian cultural festival held close to the border. In addition, there is a week allotted during March for hunting wolves and wild boar around the lakeside area. Medicinal herbs and fruits are also an attraction in the area. There are two churches close-by that are of interest, namely: the Church of Saint Ilija, on the western lakeside of Vlasina; and, the Church and Monastery of Palja (originating from the 9th Century) near the Bulgarian border.

There are proposals for the comprehensive development of the Vlasina Lake area by the Ministry of Economy and Regional Development as part of its "21 projects for the 21st Century" Plan. This will include two new tourist 'centres': one called Novi Rid for 1000 beds; and one, Krstinci, with 350 beds. There will also be a shopping centre, summer sports centre, 18-hole golf course and golf club, a 'Fantasy World' theme park (8,250sq.m), villas and apartments (roughly 570 in the Rid area), a sailing marina, ski lifts and facilities for Nordic skiing. Horwath TL (Consultancy Company) has completed a concept plan for the Vlasina Lake area and it was presented at a regional conference in Thessaloniki. The concept plan

development cost is estimated to be 280million EUR, with the government providing 50million EUR on infrastructure and the private sector the rest during the next 12 years. The draft plan and report are currently going through the approval process.

**The Coca-Cola System**, recognizing the importance of the preservation of the Vlasina lake ecosystem and at the same time seeing the need for further promotion of ecotourism, is co-financing with UNDP Serbia *Vlasina Lake Ecotourism Promotion and Environment Protection* project within its social responsibility program, aimed at the preservation of the Vlasina lake ecosystem and its environment, as well as at aiding the economic development of this area.

With great gratitude towards the local community and nature whose water resources it is using for the production of Rosa bottled water in its factory not far from the Vlasina lake, the Coca-Cola System wants to donate a portion of its profit to the area from which it receives so much and thus strive to achieve the following:

## 2. Project Outcomes:

1. Ecotourism development in the Vlasina Lake PA
2. Environment protection and water stewardship awareness raising among local stakeholders.

The achievement of the project outcomes is envisaged through four **outputs**:

1. Branding and promotion of the Vlasina Lake as a tourist destination.
2. Organizing conferences, seminars, trainings and excursions as means for capacity development of local self government officials in environment protection, assessing the possibilities for investment in the construction of tourist infrastructure at the Vlasina Lake, increasing the capacities of local tourist operators for more effective provision of services and the promotion of the lake itself.
3. Construction of a part of tourist infrastructure at the Vlasina Lake.
4. Providing support to the local self-government and the public utility company of the Surdulica municipality in protecting the environment of the Vlasina Lake.

This project will promote the policy of equal opportunities for men and women combining the principle of gender mainstreaming into all its activities and will undertake specific measures, if required, to gap the negative differences between men and women of all ethnicities in the given socio economic context.

**Time Frame:** the project will be completed within three years (August 2011 - August 2014)

### **Output1: Vlasina Lake Branding and Promotion**

Within this output, the following activities/deliverables are envisaged: 1) design of the complete visual identity of the Vlasina lake; 2) design and preparation of promotional and educational materials; 3) development of the website for the promotion of ecotourism; 4) organization of conferences; and 5) installation of sign posts to the Vlasina lake on every main road.

#### **Activity 1.1 – Creating Vlasina Lake Visual Identity**

Creating a unique, recognizable visual identity of the Vlasina Lake for the market competition for the purpose of tourism development and giving support to the work of local tourist operators.

The basic idea is that all tourist stakeholders take over the unique visual identity when it comes to the promotion of the Vlasina Lake, so that a recognizable brand could be created that will result in increased number of tourist visits to the lake.

Time frame: Taking into account that this Activity represents a precondition for the preparation of educational and promotional materials, it is necessary that it is realized at the very beginning of the project

Foreseen realization period: August 2011 – December 2011

Financing: This Activity is going to be realized as an apart, in kind contribution of the Coca-Cola System through their respective marketing experts.

#### **Activity 1.2 – Creating Promotional and Educational Materials**

Taking into account that the project envisages numerous conferences, seminars and trainings, it is necessary that they are accompanied by appropriate materials designed in accordance with the new Vlasina lake visual identity.

Responsible party: RDA will, based on agreement with the MoESP, engage an independent consultant (designer) who will produce the visual solution based on the visual identity developed under Activity 1.1, and independent consultants (coaches / marketing experts) who will be engaged in the promotional materials and trainings content development.

Time frame: Considering that this Activity depends on the creation of the visual identity, and also on the creation of the content of numerous courses and conferences the time frame cannot be specified at this point.

### **Activity 1.3 – Production of the Visit Vlasina Website**

Production of a comprehensive website will promote all aspects of the Vlasina lake tourism. The website will contain a presentation of all tourist amenities (hotels, camps, lodging houses, village tourism etc.), the Vlasina lake natural attractions (unique flora and fauna, nearby mountains, forests and the lake itself), tourist activities at the lake (bird watching, hiking, sport games, boat touring, paragliding etc.).

The website will consist of several dozens of micro websites linked into a single whole, both visually and regarding the content. Considering the fact that a very small percentage (below 10%) of tourist services providers at the Vlasina lake have their own websites, this will significantly improve their capacities and create access for all potential visitors of the Vlasina lake. This website will be part of the Regional Web Tourism Portal which has already been developed with support from the Austrian Development Agency.

From the point of view of economic justifiability, this form of Internet marketing represents the most efficient, cost-effective and fastest means of promotion. All accommodation capacities of the Vlasina lake will be presented on the website (via individual micro websites), as well as all tourist agencies and other tourist services providers, and high web traffic is expected, as well as great advertising space sale potential, which represents the key to financial sustainability and further development of the website after the project completion.

Responsible party: RDA will, based on agreement with the MoESP engage independent consultants.

Time frame: Considering that this Activity depends on the visual identity creation, but at the same time represents its part, it is necessary to realize it at the beginning of the project.

Foreseen realization period: September 2011 - January 2012

### **Activity 1.4 – Road Signs to the Vlasina Lake**

Raising visibility of the Vlasina lake and easing access for potential visitors (currently there is no road signalization in any area of the Republic of Serbia that would point to the direction, distance and turns to the Vlasina lake).

The basic idea is to install signs / tourist info billboards at the following locations:

- All bigger exits to the highway E-75 (Belgrade – at the city exit, Lapovo / Kragujevac, Niš, Leskovac, and at the entrance to Serbia from the direction of Macedonia).
- Exit from the highway to Vladičin Han (this exit coincides with the turn to Surdulica municipality, i.e. the Vlasina lake).
- In Vladičin Han, at the turn to Surdulica.
- At the Surdulica entrance and exit.
- At exit from highway E-75 to Vlasotince (via Crna Trava).

Aimed at increased visibility and marketing influence, billboards should have an unusual form (not the standard rectangle shape, but in the shape of the Vlasina lake symbol – a cartoon of one of the protected bird species which is pointing its wing at the direction of the lake).

Responsible party: RDA will, based on agreement with the MoESP, engage independent consultants / company (database design, web application programming and web site production). The visual solution produced under Activity 1.1 will be used as an input.

Time frame: Considering that the only requirement for this Activity is the visual identity creation, it is possible to realize this Activity immediately after the said requirement is met.

Foreseen realization period: January 2012 – April 2012

## **Output 2: Education and Promotion of Ecotourism and Environment Protection**

Within this output numerous seminars and conferences are envisaged aimed at the promotion of the Vlasina lake as a tourist destination, connecting private, government and non-government sector and considering possibilities for their future cooperation and a synergetic approach to tourism development. This output will also provide support and aid in the strengthening of capacities of local tourist operators as the proponents of tourism development through a series of trainings (customer communication, public appearance skills, sale, marketing, etc.), along with creating a recognizable brand and a unique marketing activity. A special part of the activity is devoted to long-term investments in environment protection, i.e. education of students on the subject of the protection of the environment and its rational exploitation.

### **Activity 2.1 – Training of local self-government representatives on environment protection and tourism development**

Informing local governments on the current ecological situation in the protected area around the Vlasina lake, potential risk factors, possible solutions, and their influence on the local community and economic growth.

The basic idea is to gather local self-government representatives from all 13 municipalities of the Jablanica and Pčinja districts, for them to get acquainted with the Vlasina lake nature, existing issues, as well as to enable them to recognize the Vlasina lake as the development potential of not only Surdulica municipality, but the whole region, and to motivate them to actively participate in the Vlasina lake environment protection and tourism development.

Time frame: This project envisages 2 conferences, in April 2012 and January 2014

Responsible Party: RDA Leskovac

### **Activity 2.2 – Enabling local travel agencies to promote the Vlasina Lake as a tourist destination more effectively, and to provide better service to customers**

This activity will gather all travel agencies from the 13 municipalities of Jablanica and Pčinja districts, so the trainings will have a widespread influence and so the Vlasina Lake as a tourist destination is properly presented to the whole population of southeast Serbia.

Trainings on the following subjects are envisaged:

- Customer communication
- Delivering presentations
- Public appearance skills
- Vlasina lake promotion

Time frame: This project envisages 4 trainings, throughout September and October 2012

Responsible Party: RDA Leskovac

### **Activity 2.3 – Education of Students on Environment Protection**

In cooperation with elementary schools from the 6 municipalities of Jablanica and Pčinja districts (Leskovac, Bojnik, Vlasotince, Lebane, Medveđa, Crna Trava), educational lectures on environment protection with a special focus on waters will be held.

The lectures are aimed at children from the third and fourth grades of elementary school and will be held within the subject that deals with science and society. After lectures, drawing and/or literary competitions on the subject of environment protection will be organized at schools. Fifty students with the best applications from all schools will be awarded with one-day educational field trip to the Vlasina Lake.

Field trips are composed of three parts:

1. The first part of the field trip envisages a visit to the Vlasinka factory located near the lake, and which uses the water from the same springs as the Vlasina lake itself.

During the factory visit a short lecture will be held on the origin of water, the way it is collected from springs, the processing which makes it suitable for consumption, its packaging and transport which makes it available to people in all parts of Serbia.

Note: Visits to companies and factories are mainly envisaged by the plan and program for the third and fifth grades of elementary school, i.e. the subjects dealing with science and society, but because of inadequate financial situation of schools they are rarely carried out, so this part of the field trip represents an addition to the syllabus in the form of pragmatic content and unique personal experience.

2. In the second part of the field trip, the children will, accompanied and educated by the lake's Rangers Department, have an opportunity to get to know its surroundings and learn more about its affluent flora and fauna.

The visit will include natural habitats of cormorants, swallows, otters, as well as some rare protected bird species.

A tour of the Vlasina lake dam will be organized, along with a lecture on its origin, as well as a walk down the former border with Bulgaria that was moved during the First World War.

A lunch will be organized at the end of the second part of the field trip.

3. The third part of the field trip envisages a visit to the protected floating islands at the Vlasina Lake. After the dam construction and formation of the lake, peat moss islands that move (float) on the lake surface appeared. They contain a unique flora and fauna, but they are in the first protection zone so access is allowed only with special permits, and in the case of scientific studies and research. Considering the fact that some birds are unique to the area and that the movement of the islands is visible, they represent an extremely appealing location for contact with nature and education.

Within this activity, an educational and entertainment website called Eco Sparrow aimed at students (7 to 14 years of age) will also be set up, and it is planned that the website, combined with educational lectures, remains as a permanent, accessible, easily maintained educational tool. All rewarded applications (650) from the competition will be scanned and put up in the website gallery. The Eco Sparrow website will also be included in the Regional Web Portal which has been produced with support of the Austrian Development Agency.

The main idea of the website is to, in a light manner and through games, acquaints children with some of the basic terms related to environment protection, to point out the significance of nature preservation and the ways they can help, as well as to enable socializing and experience exchange via forums.

In the part dedicated to educational games, children are presented with the possibility to choose one of 8 areas: living creatures, climate, energy, air, water, waste, earth or nature.

Time frame: Educational lectures and the competition will be held during March and April 2013, so awarded field trips could be organized in May 2013, when the weather conditions are most suitable. The website and educational materials should be prepared during the first project year so they would be in compliance with the budget allocation.

Responsible Party: RDA Leskovac

### **Output 3: Tourist Infrastructure Construction**

Within this output, the construction of new tourist infrastructure at the Vlasina lake and the reconstruction of the existing one are envisaged. The goal is to ease access to certain locations, to integrate and connect them, as well as to provide new content in order to increase number of visits to the Vlasina Lake.

Within this output, two tourist micro centers / rest stops, parking lot for the centers' visitors, seasonal market, and bird watching platform will be built, 20 tourist info boards will be installed and 7 kilometers of hiking trails will be marked.

Construction of a tourist micro center (VL 1) is envisaged in the southeast part of the lake, nearby the otter habitat and the swallow nesting site. Several hundred meters away, in the bank direction, there is the habitat of a special, protected cormorant species (approximately 600 birds), which makes this location ideal for the bird watching platform. The part of the tableland next to the highway (marked in red) will be transformed into the parking lot for visitors and waste disposal cans will be installed.

This tourist micro center also represents the start of the hiking trail (S1) which follows the lake bank by the contour line, and then ascends towards the inland to the next tourist micro center (VL 2). Further it goes eastward, following the historical monument, i.e. the former Serbia-Bulgaria border that was valid till the end of the First World War, when Serbia was allotted new territories as one of the winners.

The first part of the hiking trail (from VL 1 to VL 2) has a mild ascent and is suitable for family hiking, even with very small children. This part of the trail was also designed so that it facilitates an exquisite view of the entire Vlasina lake, as well as of numerous floating islands.

Construction of a tourist micro center with parking lot on the west side of the lake is envisaged, as well as landscaping of a part of the bank and a fishing pier construction. Two hiking trails begin at the center, one goes south along the lake bank, and the other goes north farther inland, passing by significant cultural and historical monuments. This trail ends at the most north point of the lake, bringing tourists right to the dam.

This part of the lake is the most developed, so it is rich in catering establishments and hotels, and a seasonal market construction is envisaged in this area. From the dam towards north there is a fitness trail 5 kilometres long.

### **Activity 3.1 – Rest Stops and Tourist Micro Centers Construction**

Within this activity two tourist micro centers will be built in the second protection zone of the lake, where the law forbids construction to the private sector, so currently there is no adequate tourist infrastructure. In cooperation with the Surdulica Municipality Construction Land Office, which is also the appointed manager of the protected park, locations suitable for the micro centers construction were defined in the process of this project's preparation.

These micro centers will enable tourists and local community to enjoy in the Vlasina lake nature protected from all weather conditions, nestled amidst intact nature, and they will also serve as places for socializing and family lunches.

Considering the fact that the Vlasina lake and its immediate surroundings represent a protected nature park, in accordance with existing laws it is possible to build only using natural materials, while use of concrete, steel, etc. is prohibited. This is why the tourist micro centers are designed in the form of wooden arboreal structures with benches and tables. Within the tourist micro centers construction, the following is planned: arrangement of the parking lot, access road, electrical lightning, instalment of trash cans and suitable info boards. Tourist micro centers will be set up several hundred meters from the lake bank, near the highway (for easier access).

Time frame: Tourist micro centers will be built from May 2012 to September 2013

Responsible Party: RDA Leskovac

### **Activity 3.2 – Seasonal market, access road and parking lot construction**

Presentation of the detailed technical and economic feasibility study of the project. Part of the funding for the tender documents production and the project implementation is already secured. The construction works should be carried out in complete accordance with the legislation and the result should provide a proper seasonal marketplace with access road enabling enhanced trade and income for the local population as well as improved commercial conditions for the visitors.

Time frame: Seasonal market will be built from March 2013 to July 2014

Responsible Party: RDA Leskovac

### **Activity 3.3 – Construction of Bird Watching Platform**

Enabling and accelerating the development of a special form of tourism – bird watching.

Time frame: Bird watching platform will be built from March 2013 to July 2014

Responsible Party: RDA Leskovac

### **Activity 3.4 – Tourist Info Boards**

Marking of all locations relevant to tourism, such as: cultural and historical monuments, rare bird habitats, catering establishments, hotels, shops.

Time frame: Info boards will be installed from March 2012 to September 2013

Responsible Party: RDA Leskovac



### **Activity 3.5 – Marking of Hiking Trails around the Lake**

The hiking trails, already identified in the detailed regulation plan of the Vlasina Lake Spatial Plan, will be marked in coordination and cooperation with the Ranger service. The trails will be designated using GPS devices and marked with proper guide signs describing the surrounding and trails marks.

Time frame: Marking of hiking trails will be done from May 2012 to September 2013.

Responsible Party: RDA Leskovac

### **Output 4: Environment Protection Support**

#### **Activity 4.1 – Procurement of a patrol boat to the Vlasina lake ranger service**

The PUC "Direkcija za izgradnju Surdulice" has been appointed by the Government of Serbia as the custodian of the Vlasina Lake Protected Area of Nature and as such has established a ranger service with the tasks to ensure full protection of the nature in the Vlasina Lake resort.

The ranger service is covering the lake itself and the surrounding area and as such has a number of people that are in the field and on the lake on daily basis. The Ranger service is facing a number of challenges and problems in their work and has an increasing need for additional training and equipment. Within this Output each activity will be dedicated to one of the needs that the ranger service has. Within this very activity the project will procure and hand over for permanent use one patrol boat for the Ranger service in order to increase the frequency and area covered during lake patrols and illegal fishing prevention.

Time frame: This activity will be implemented from March 2013 to July 2013

Responsible Party: RDA Leskovac

#### **Activity 4.2 – Procurement of containers for public waste collection**

In order to increase the efficiency in waste collection and decrease the number and quantity of illegally dumped solid waste in the Vlasina Lake area, the project will procure 15 garbage containers that will be located on key spots in the tourist settlements and alongside the key points of the shore. These will become an integral part of the existing Vlasina Lake solid waste management schedule and system and will be handed over to the PUC "Komunalac" in Surdulica that has the jurisdiction over the waste collection in the Vlasina Lake area.

Time frame: This activity will be implemented from March 2013 to July 2013

Responsible Party: RDA Leskovac

#### **Activity 4.3 – Increasing Rangers Department capacities (training)**

This activity will provide opportunities for the Rangers to acquire additional skills and knowledge on environment protection, Vlasina Lake endemic species, legal procedures, operational issues, life saving skills, relations with the population living in the PA, public relations, etc., as per a detailed TNA yet to be done in coordination and cooperation with the PUC "Direkcija". Trainings will be of the "hand-on-job" nature and will also provide an opportunity for experience exchange and best practice models introduction from other PAs in Serbia.

Time frame: This activity will be implemented from March 2013 to July 2013

Responsible Party: RDA Leskovac

#### **Activity 4.4 – Procurement of equipment for the Construction Land Office and Rangers Department**

As the Ranger service working under the auspices of the PUC "Direkcija" from Surdulica still does not have a Field Office in the Vlasina Lake PA, the service functions through 12 hours shifts travelling for each shift from Surdulica and back (30km in one direction). The construction of the field office that will enable permanent presence in the very PA is planned and will be conducted in the year 2011. However, there are funds allocated by the municipality for the mere construction, while no funding is allocated for equipping the office with furniture and needed technical devices. This project will allocated funds and procure some the needed equipment after the construction of the building is finished.

Time frame: This activity will be implemented from March 2013 to July 2013

Responsible Party: RDA Leskovac

### **3. Key Stakeholders:**

1. The Coca-Cola System
2. UNDP
3. Ministry of Environment, Mining and Spatial Planning
4. Center for Development of Jablanica and Pčinja Districts (RDA Leskovac)
5. Surdulica Municipality / Vlasina Lake PA

#### **4. Project Compliance with Existing Development Strategies**

The Vlasina Lake Ecotourism Promotion and Environment Protection joint project of UNDP Serbia and the Coca-Cola System's social responsibility program is fully in line with the following strategies, action plans and projects:

##### **National Strategy for Sustainable Development:**

Within this strategy three basic pillars of sustainable development (environment protection, economic and social infrastructure) are defined, as well as priorities in their development, and a string of measures which will enhance Serbia's activities in achieving sustainable development.

Some of the mentioned priorities such as development of economy and its development measures (e.g. tourism development), i.e. environment protection

##### **National Strategy for Regional Development:**

Within this strategy the need for uniform regional development on the entire territory of the Republic of Serbia is defined, i.e. the need for uniform local self-government development. South and southeast Serbia are included in the project and are some of the least developed areas in Serbia, so their economic and tourism development is completely in compliance and supports key priorities of this strategy.

##### **Local Strategy for Sustainable Development:**

Local self-government adopted the document Surdulica Municipality Sustainable Development Strategy, which also envisages accelerated engagement in the Vlasina lake tourism development.

##### **Vlasina Lake Tourism Development Feasibility Study:**

Within the Municipal Infrastructure Support Programme – MISPP, financed by the European Union, a complete and comprehensive technical and economic feasibility study for the Vlasina lake tourism development project was produced.

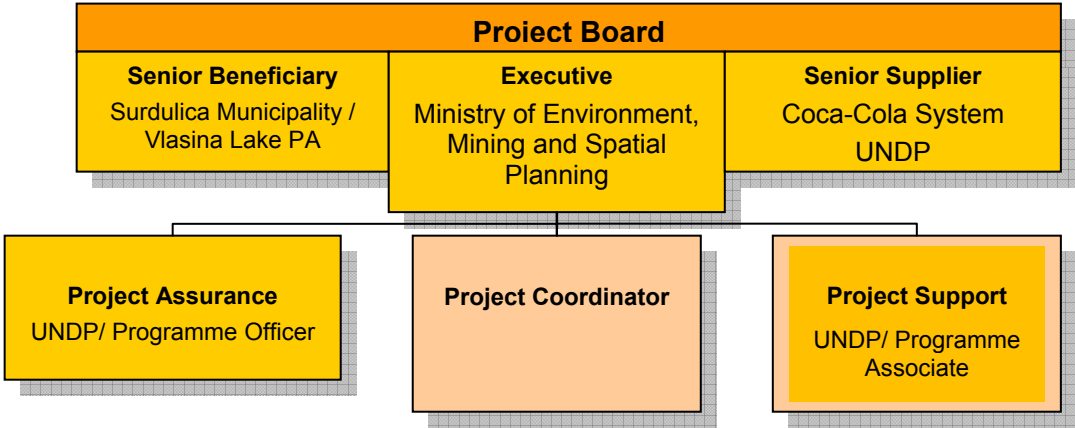
This project is fully based on the said study regarding its outputs in relation to tourist infrastructure construction, as well as education and local tourist operators' capacities building.

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## **I. MANAGEMENT ARRANGEMENTS**

The project will be implemented through national implementation (NIM) by the Ministry of Environment, Mining and Spatial Planning as Implementing Partner. The Ministry (Implementing Partner) will delegate one of its officials to act as a Project Board Executive. The Ministry will authorize through exchange of letters the Center for Development of Pčinjski and Jablanicki districts in Leskovac (CRJPR/RDA Leskovac) to act as a responsible party (i.e. will manage the use of goods and services to carry out project activities and produce outputs) and will be directly accountable to the Implementing Partner. As per UNDP Rules and Regulations, a Letter of Agreement has been prepared to be signed between the Ministry and UNDP whereby the recruitment of the Project Coordinator will be performed by UNDP.

**Project Organisation Structure**



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## II. MONITORING FRAMEWORK AND EVALUATION

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

### Within the annual cycle

- On a quarterly basis, the Project Coordinator will record progress towards the completion of key results, including the quality assessment
- An Issue Log shall be activated in Atlas or in Word document (if Atlas is not available) and updated by the Project Coordinator to facilitate tracking and resolution of potential problems or requests for change.
- Based on the initial risk analysis submitted (see annex 1), a risk log shall be activated in Atlas or in Word document (if Atlas is not available) by Project Coordinator and regularly updated by reviewing the external environment that may affect the project implementation.
- Based on the above information recorded in or outside Atlas, a Project Progress Reports (PPR) shall be submitted by the Project Coordinator to the Project Board through Project Assurance, using the standard report format (to be provided to Project Coordinator by UNDP).
- a project Lesson-learned log shall be activated and regularly updated by Project Coordinator to ensure on-going learning and adaptation within the organization, and to facilitate the preparation of the Lessons-learned Report at the end of the project
- a Monitoring Schedule Plan shall be activated in or outside Atlas and updated by Project Coordinator to track key management actions/events

### Annually

- **Annual Report** (narrative and financial) shall be prepared by the Project Coordinator and shared with the Project Board annually in accordance with the approved annual work plan.
- **Final Project Report** (narrative and financial) shall be prepared by the Project Coordinator and shared with the Project Board at the end of the project.
- **Financial Audit** for National Implementation projects will apply.

### III. RESULTS AND RESOURCES FRAMEWORK

INTENDED OUTPUTS	INDICATIVE ACTIVITIES	RESPONSIBLE PARTIES	INPUTS
<p><b>Output 1: Vlasina Lake Branding and Promotion</b></p> <p><i>Baseline: No visual identity, very low promotional visibility, no dedicated website, only three roads signs between Vladicin Han (Coridor X) and the very lake</i></p> <p><i>Indicators: yes/no</i></p> <p><i>Targets: Visual identity created, road signs installed, website created and operational.</i></p>	<p><b>Activity 1:</b> Creating Vlasina Lake Visual Identity - Coca Cola System</p> <p><b>Activity 2:</b> Creating Promotional and Educational Materials</p> <p><b>Activity 3:</b> Production of the "Visit Vlasina" Website</p> <p><b>Activity 4:</b> Construction of the Road Signs and billboards for Vlasina Lake</p>	<p><i>UNDP Centre for Development of Jablanica and Pcinja Region (RDA Leskovac)</i></p>	<p>Activity 1: in kind</p> <p>Activity 2: 14,186 USD</p> <p>Activity 3: 20,307 USD</p> <p>Activity 4: 20,307 USD</p> <p><b>Output 1 total: 54,800 USD</b></p>
<p><b>Output 2: Education and Promotion of Ecotourism and Environment Protection</b></p> <p><i>Baseline: Capacity of local Tourist Agencies on promoting Vlasina Lake is very low.</i></p> <p><i>Indicators: At least 15% increased number of tourist by end of the project</i></p> <p><i>Targets: Promotional conferences organized, increased number of tourists, school trips organized for at least 500 pupils.</i></p>	<p><b>Activity 1:</b> Organisation of two conferences</p> <p><b>Activity 2:</b> Capacity building of the local tourist agencies</p> <p><b>Activity 3:</b> Education of schoolchildren on environment protection, organisation of the educational school trips and creation of the web site</p>	<p><i>UNDP Centre for Development of Jablanica and Pcinja Region (RDA Leskovac)</i></p>	<p>Activity 2.1: 16,113 USD</p> <p>Activity 2.2: 15,715 USD</p> <p>Activity 2.3: 24,575 USD</p> <p><b>Output 2 total: 56,403 USD</b></p>

<p><b>Output 3: Tourist Infrastructure Construction</b></p> <p><i>Baseline: Rest stops do not exist, no tourist Info board, parking lot with insufficient capacity, no bird watching platforms, no marked hiking trails.</i></p> <p><i>Indicators: yes/no</i></p> <p><i>Targets: Rest stops constructed, bird watching platform constructed, hiking trail marked</i></p>	<p><b>Activity 3.1:</b> Construction of the Rest Stops / Tourist Micro Centers</p> <p><b>Activity 3.2:</b> Construction of the seasonal market, access road and parking lot construction</p> <p><b>Activity 3.3:</b> Construction of Bird Watching Platform</p> <p><b>Activity 3.4:</b> Tourist Info Boards</p> <p><b>Activity 3.5:</b> Marking of Hiking Trails around the Lake</p>	<p><i>UNDP Centre for Development of Jablanica and Pcinja Region (RDA Leskovac)</i></p>	<p>Activity 3.1: 26,781 USD</p> <p>Activity 3.2: 19,892 USD</p> <p>Activity 3.3: 11,473 USD</p> <p>Activity 3.4: 14,535 USD</p> <p>Activity 3.5: 10,707 USD</p> <p><b>Output 3 total: 83,388 USD</b></p>
<p><b>Output 4: Environment Protection Support</b></p> <p><i>Baseline: Insufficient equipment and conditions for the ranger service to function</i></p> <p><i>Indicators: yes/no</i></p> <p><i>Targets: Patrol boat procured, waste containers procured, field office constructed and equipped</i></p>	<p><b>Activity 4.1:</b> Procurement of a patrol boat to the Vlasina lake ranger service</p> <p><b>Activity 4.2:</b> Procurement of containers for public waste collection</p> <p><b>Activity 4.3:</b> Increasing Rangers Department capacities (trainings)</p> <p><b>Activity 4.4:</b> Procurement of equipment to the Construction Land Office and Rangers Department</p>	<p><i>UNDP Centre for Development of Jablanica and Pcinja Region (RDA Leskovac)</i></p>	<p>Activity 4.1: 11,192 USD</p> <p>Activity 4.2: 7,267 USD</p> <p>Activity 4.3: 7,267 USD</p> <p>Activity 4.4: 11,399 USD</p> <p><b>Output 4 total: 37,126 USD</b></p>

#### IV. ANNUAL WORK PLAN

Years: 2011, 2012, 2013 and 2014 (Note: Individual Annual Work Plans for each year will be produced upon project signature)

EXPECTED OUTPUTS	PLANNED ACTIVITIES	TIMEFRAME												RESPONSIBLE PARTY	PLANNED BUDGET		
		Year 1				Year 2				Year 3					Funding Source	Budget Description	Amount in USD
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4				
<b>Output 1</b>	<b>Activity 1.1:</b> Creating Vlasina Lake Visual Identity													In-Kind, Coca Cola Systems	In-kind	N/A	N/A
	<b>Activity 1.2:</b> Creating Promotional and Educational Materials													RDA Leskovac UNDP		Project Coordinator Promotion materials GMS (7%) <b>Total:</b>	5,000 8,584 601 <b>14,185</b>
	<b>Activity 1.3:</b> Production of the "Visit Vlasina" Website													RDA Leskovac UNDP		Project Coordinator Web site GMS (7%) <b>Total:</b>	5,000 14,306 1,001 <b>20,307</b>
	<b>Activity 1.4:</b> Construction of the Road Signs and bilbosards for Vlasina Lake													RDA Leskovac UNDP		Project Coordinator Bilboards and Road Signs GMS (7%) <b>Total:</b>	5,000 14,306 1,001 <b>20,307</b>
<b>Output 2</b>	<b>Activity 2.1:</b> Organisation of two conferences													RDA Leskovac UNDP		Project Coordinator Conferences Travel Miscellaneous GMS (7%) <b>Total:</b>	5,000 5,722 2,861 1,803 728 <b>16,114</b>

	<b>Activity 2.2:</b> Capacity building of the local tourist agencies											RDA Leskovac UNDP		Project Coordinator Trainings GMS (7%) <b>Total:</b>	5,000 10,014 701 <b>15,715</b>
	<b>Activity 2.3:</b> Education of Schoolchildren on environment protection, organisation of the educational school trips and creation of the web site											RDA Leskovac UNDP		Project Coordinator Web, education, school trips GMS (7%) <b>Total:</b>	5,000 18,294  1,281 <b>24,575</b>
<b>Output 3</b>	<b>Activity 3.1:</b> Construction of the Rest Stops / Tourist Micro Centers											RDA Leskovac UNDP		Project Coordinator Tourist micro centres GMS (7%) <b>Total:</b>	5,000 20,029  1,752 <b>26,781</b>
	<b>Activity 3.2:</b> Construction of the seasonal market, access road and parking lot construction											RDA Leskovac UNDP		Project Coordinator Seasonal market GMS (7%) <b>Total:</b>	5,000 13,591 1,301 <b>19,892</b>
	<b>Activity 3.3:</b> Construction of Bird Watching Platform											RDA Leskovac UNDP		Project Coordinator Bird platform GMS (7%) <b>Total:</b>	5,000 5,722 751 <b>11,473</b>
	<b>Activity 3.4:</b> Tourist Info Boards											RDA Leskovac UNDP		Project Coordinator Info boards GMS (7%) <b>Total:</b>	5,000 8,584 951 <b>14,535</b>
	<b>Activity 3.5:</b> Marking of Hiking Trails around the Lake											RDA Leskovac UNDP		Project Coordinator Hiking trails GMS (7%) <b>Total:</b>	5,000 5,007 700 <b>10,707</b>



<b>Output 4</b>	<b>Activity 4.1:</b> Donation of a patrol boat to the Vlasina lake ranger service												RDA Leskovac UNDP		Project Coordinator Patrol boat GMS (7%) <b>Total:</b>	3,307 7,153 732 <b>11,192</b>
	<b>Activity 4.2:</b> Donation of containers for public waste collection												RDA Leskovac UNDP		Project Coordinator Waste containers GMS (7%) <b>Total:</b>	2,500 4,292 475 <b>7,267</b>
	<b>Activity 4.3:</b> Increasing Rangers Department capacities (trainings)												RDA Leskovac UNDP		Project Coordinator Trainings GMS (7%) <b>Total:</b>	2,500 4,292 475 <b>7,267</b>
	<b>Activity 4.4:</b> Donation of equipment to the Construction Land Office and Rangers Department												RDA Leskovac UNDP		Project Coordinator Equipment Audit GMS (7%) <b>Total:</b>	2,500 7,153 1,000 746 <b>11,399</b>
<b>TOTAL</b>															<b>USD 217,602</b>	

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## **V. LEGAL CONTEXT**

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

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

The implementing partner shall:

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

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

The implementing partner agrees to undertake all reasonable efforts to ensure that none of the UNDP funds received pursuant to the Project Document are used to provide support to individuals or entities associated with terrorism and that the recipients of any amounts provided by UNDP hereunder do not appear on the list maintained by the Security Council Committee established pursuant to resolution 1267 (1999). The list can be accessed via:

<http://www.un.org/Docs/sc/committees/1267/1267ListEng.htm>.

This provision must be included in all sub-contracts or sub-agreements entered into under this Project Document.

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## **IV. DEVELOPMENT PARTNERS**

The following development partners are active (or have been active) in the Vlasina Lake area/Surdulica Municipality:

- The PBILD Joint UN programme for South Serbia.
- Austrian Development Agency through CRJPR/RDA Leskovac with its support to regional socio-economic development.
- Municipal Infrastructure Support Programme – MISP, financed by the European Union, with a complete and comprehensive technical and economic feasibility study for the Vlasina lake tourism development
- The Belgrade Fund for Political Excellence (BFPE) with its Municipal Support Project.
- The German GTZ with its Municipal Support Project.
- United States Agency for International Development (USAID) with its activities on LED.

The programme will build on results of the previous UN experience from the region:

- The UNDP SSMIRP, MIR1 and MIR2 (Municipal Improvement and Revival in South Serbia) phase I and II.

## ANNEXES

### I RDA Capacity Assessment check list

Project Title		Vlasina Lake Ecotourism Promotion and Environment Protection	
Name of the Institution		Centre for the Development of the Jablanica and Pcinja Districts (RDA Leskovac)	
Date of assessment		July 15 <sup>th</sup> 2010	
INDICATOR	AREAS FOR ASSESSMENT	APPLICABLE DOCUMENTS/TOOLS	COMMENTS
PART I – REFERENCES AND PRELIMINARY CHECKS			
1.1 History and Compliance with International Resolutions/Standards			
1.1.1 History	Date of creation and length in existence Has the institution gone through a recent re-organization/re-structuring?	Annual Reports Media Kit Website	The Centre for the Development of the Jablanica and Pcinja Districts is a registered company, established in November 2006, through support of MIR 2 programme implemented by UNDP, with the aim to support the long-term economic and social development of the region, in partnership of Public, Private and Civil sectors. <b>Founders of the Centre are:</b> <b>All the municipalities of Jablanica and Pcinja Districts:</b> Vranje, Leskovac, Bujanovac, Medvedja, Bojnik Presevo, Surdulica, Bosilegrad, Vladicin Han, Crna Trava, Trgoviste, Lebane, Vlasotince, <b>Representatives of the private sector:</b> "Zdravlje Actavis" Leskovac, "Knauf Insulation" Surdulica, "British American Tobacco Industry" Vranje, <b>Representatives of the civic sector:</b> "Resurs centar" Leskovac, "Generator", Vranje, „Council for Human Rights" Bujanovac. and <b>Regional Chamber of Commerce</b>
1.1.2 United Nations Security Council 1267	Is the institution listed in any reference list?	United Nations Security Council 1267 Committee's list of terrorists and terrorist financiers	no
1.1.3 Certification	Is the institution already certified through international standards?	ISO, Project Management standard, other standards	Center for Development has accreditation under the ISO 9001 standard: Consulting and information services in regional development. Republic of Serbia National Agency for Regional Development has awarded the first accreditation to Centre for the Development of Jablanica and Pcinja Districts as a

			regional development agency in the region of South and Eastern Serbia for activities on development and improvement of regional development.
<b>PART II. ASSESSING NATIONAL INSTITUTION CAPACITY FOR PROJECT MANAGEMENT</b>			
<b>2.1 Managerial Capacity</b>			
Ability to plan, monitor and coordinate activities			
Planning, Monitoring & Evaluation	<p>Does the institution produce clear, internally consistent proposals and intervention frameworks, including detailed workplans?</p> <p>Does the institution hold regular programme or project review meetings?</p> <p>Are there measurable outputs/deliverables in the defined project plans?</p> <p>Was the institution previously exposed to UNDP RBM approach/methodology or equivalent in other donor agencies?</p>	<p>Well-designed project and programme documents</p> <p>Action Plans/Work plans</p> <p>Log frame or equivalent</p> <p>Project reports</p> <p>Evaluation reports</p> <p>Indicators available in project plans</p> <p>Lessons-Learned reports</p>	<p>Yes, the Institution has a formally adopted Business plan for 3 years, and following the plan we have produced Action plans, Logical frameworks including detailed action workplans for every project. We are producing week plans, monthly plans, quarterly reports, inception reports, annual reports and Monthly basis trainings from various areas.</p> <p>The institution holds regular programme and project review meetings with the staff, stakeholders, founding members.</p> <p>Center was created and supported through <b>UNDP program MIR 2</b>, period 2006 until 2008; Institution has received the Operating Grant for RDA activities from the <b>EC</b> for the period from 2008 – 2012. Center received 2 projects from the <b>Austrian Development Agency</b>, from 2008 until 2011, and from 2010 until 2012.</p>
2.1.2 Reporting and performance track record	<p>Does the institution monitor progress against well defined indicator and targets, and evaluate its programme/project achievements?</p> <p>Does the institution report to its stakeholders on a regular basis?</p>	<p>Reports to donors and other stakeholders</p> <p>Reporting system</p>	<p>The Center is reporting to donors on regular basis, following well defined indicators, targets, milestones, etc.</p> <p>The evaluation process was done previously by MIR 2 programme, EC delegation, and auditing companies. Also there is a system of evaluation by the PSC.</p> <p>The Agency has Assembly meetings on regular basis, reports on monthly basis, and the system of reporting to the stakeholders as well.</p>
<b>2.2 Technical Capacity</b>			
2.2.1 Specialization	<p>Does the institution have the technical skills required?</p> <p>Does the institution have the knowledge needed?</p> <p>Does the institution keep informed about the latest techniques/competencies/policies/trends</p>	<p>Publications on activities, specific issues, analytical articles, policies</p> <p>Reports from participation in international, regional, national or local</p>	<p>The staff within the Agency has technical skills required for the AoR developed by trainings, seminars, etc. as well as long term experience achieved through previous work. Publications on activities are developed regularly, as well as articles, researches, etc.</p>

	<p>in its area of expertise?</p> <p>Does the institution have the skills and competencies that complement those of UNDP?</p>	<p>meetings and conferences</p> <p>Tools and methodologies</p> <p>Evaluations and assessments</p>	<p>The staff is highly educated with faculty diploma at least, and regularly attend local, national and international meetings and conferences and seminars, as well as trade Fairs, etc, in line with TNA recommendations and requirements of specific projects that are being prepared or implemented.</p> <p>The Agency follows all new techniques and updates all necessary information on latest progress of policies, trends etc. An assessment has been done by independent consultants occasionally.</p>
2.2.2 Ability to monitor the technical aspects of the project.	<p>Does the institution have access to relevant information/resources and experience?</p> <p>Does the institution have useful contacts and networks?</p> <p>Does the institution know how to get baseline data, develop indicators?</p> <p>Does it apply effective approaches to reach its targets (i.e participatory methods)?</p>	<p>Evaluations and Assessments</p> <p>Methodologies/training materials</p> <p>Use of toolkits, indicators and benchmarks/capacity-development tools</p> <p>Databases</p>	<p>The institution has access to the relevant information regarding the AoR and expertise, as well as resources and experience developed from implemented subprojects.</p> <p>Everyday usage of toolkits necessary for the work as well as capacity development tools. The institution is a part of large network of RDA's in country and outside the country and it is within the network of euro info centres in Europe. Center is a member of EURADA.</p> <p>The institution is in process of installation of the InDoc centre software and IT Administrator for data bases and project information.</p> <p>Effective approaches have been developed and improved continuously the staff on regular staff meetings and planning sessions to reach planned targets.</p>
2.2.3 Human Resources	<p>Does the institution staff possess adequate expertise and experience?</p> <p>Does the institution use local capacities (financial/human/other resources)?</p> <p>What is the institution capacity to coordinate between its main office and decentralized entities/branches (if relevant)?</p> <p>Have staff been trained on project management</p>	<p>Profile of staff, including expertise and professional experience</p> <p>Staff turnover</p> <p>Chart of assignments of roles and functions</p> <p>Reports on technical experience from national or international agencies for operations and capacity-building</p> <p>Individual certification on project management such as PRINCE2</p>	<p>Staff is the Centres main asset. They are well educated, committed, with in depth knowledge of their areas of expertise. They possess necessary knowledge and experience based on the education and long term work within the Agency and from previous job experience. They have network of people from municipalities and relevant national&amp; international institutions they work with and rely upon in different activities. The Agency has 9 staff members:</p>

	methodology?		<ul style="list-style-type: none"> <li>• Director</li> <li>• Project Manager for regional development</li> <li>• Financial Assistant (plus long term financial advisor)</li> <li>• PM for Infrastructural projects and spatial planning</li> <li>• PM for Economy and SME</li> <li>• PM for Rural Development</li> <li>• PM for Employment and Social Development (outsourced, long term expert)</li> <li>• PM for Environment protection, renewable energy</li> <li>• PM for Tourism development (outsourced, based on cooperation with one of the founders)</li> <li>• Legal advisor (in house, plus outsourced expert for supervision)</li> <li>• Technical Assistant /Driver</li> <li>• Office&amp; Event Manager</li> </ul> <p>All staff had an advanced PCM training, and continuous trainings through project design and implementation by several stakeholders (RSEDP2 TA programme, Operating Grant by EC, ADA etc) Training needs assessment is developed, and institution is acting accordingly. All staff are highly experienced, certified and continuously trained for relevant areas of expertise.</p>
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**PART III. ASSESSING NATIONAL INSTITUTION CAPACITY FOR ADMINISTRATIVE AND FINANCIAL MANAGEMENT**

**3.1 Administrative capacity**  
*Ability to provide adequate logistical support and infrastructure*

3.1.1 Ability to manage and maintain infrastructure and equipment	Does the institution possess logistical infrastructure and equipment? Can the institution manage and maintain equipment?	Adequate logistical infrastructure: office facilities and space, basic equipment, utilities Computer capability and library materials Proper equipment for area of specialization inventory to track property and cost	The Agency has all necessary equipment such as: computers, networks, printers, software, premises 90m2, conference room, cars, beamers, and other. It is continuously upgraded according to the project implementation and staff needs. Computer capability is excellent. Library materials are available and updated regularly for different areas of work. Inventory to track property is under the responsibility of finance department.
3.1.2 Ability to	Does the institution have the	Standard contracts	Yes, until now all procurement was

<p>procure goods services and works on a transparent and competitive basis.</p>	<p>ability to procure goods, services and works on a transparent and competitive basis?</p> <p>Does the institution have standard contracts or access to legal counsel to ensure that contracts meet performance standards, protect UNDP and the institution's interests and are enforceable?</p> <p>Does the institution have the authority to enter into contracts?</p>	<p>Examples of how procurement is done</p> <p>Written procedures for identifying the appropriate vendor, obtaining the best price, and issuing commitments</p>	<p>transparent and we have followed the Law on the procurement of goods and services of the Republic of Serbia, as well as UNDP rules, EC rules, and ADA rules and procedures.</p> <p>All standard contracts are covered by the legal advisor of the Center, checked by outsourced long term legal advisor on regular bases. The procurement is followed by all necessary tender documentations and procedures.</p> <p>The institution has its legal advisor who has the authority to enter into contracts and follow them up.</p>
<p>3.1.3 Ability to recruit and manage the best-qualified personnel on a transparent and competitive basis.</p>	<p>Is the institution able to staff the project and enter into contract with personnel?</p> <p>Does the institution use written job descriptions for consultants or experts?</p>	<p>Standard contracts</p> <p>Job descriptions</p>	<p>The Agency is following the Law on labour of the Republic of Serbia. Also Institution respects all procedures that a donor require ( UNDP procedures and forms, EC procedures and forms, ADA procedures and forms) for relevant projects implementation.</p> <p>And all ToR's and job descriptions are well defined and the contracts signed with local staff and with external consultants regularly.</p> <p>Systematization document provided by HR consultant and legal advisor and adopted by the Assembly.</p>
<p><b>3.2 Financial Capacity</b></p> <p><i>Ability to ensure appropriate management of funds</i></p> <p>In addition to the following questions, see also the questionnaire provided in the Guidelines on Micro-assessment of the Framework on Harmonized Approach for Cash Transfer (HACT):</p> <p><a href="http://www.undg.org/archive_docs/7110-Framework%20for%20Cash%20Transfers%20to%20Implementing%20Partners.doc">http://www.undg.org/archive_docs/7110-Framework for Cash Transfers to Implementing Partners.doc</a></p> <p><b>(ANNEX 3)</b></p> <p>The assessment report is reviewed by the UN agencies to select the most suitable cash transfer modality, and establish appropriate cash transfer procedures and assurance activities to be used with the Implementing Partner.</p>			
<p>3.2.1 Financial management and funding resources</p>	<p>Is there a regular budget cycle?</p> <p>Does the institution produce programme and project budgets?</p> <p>What is the maximum amount of money the institution has managed?</p> <p>Does the institution ensure physical security of advances, cash and records?</p> <p>Does the institution disburse funds in a timely and effective manner?</p> <p>Does the institution have procedures on authority,</p>	<p>Operating budgets and financial reports</p> <p>List of core and non-core donors and years of funding</p> <p>Written procedures ensuring clear records for payable, receivables, stock and inventory</p> <p>Reporting system that tracks all commitments and expenditures against budgets by line</p>	<p>Budget cycle is monitored by the Assembly, ADA and the EC regularly. And supported by the Action Plan.</p> <p>The institution produces programme and project budgets for every project.</p> <p>The maximum amount of money that institution has managed is 1.950.000 euro per project (ADA).</p> <p>The Agency has its own financial department where is ensuring its physical security of advances, cash and records, and carry out the responsibility for timely disbursement of funds in effective</p>

	<p>responsibility, monitoring and accountability of handling funds?</p> <p>Does the institution have a record of financial stability and reliability?</p>		<p>manner.</p> <p>The Institution has experience in all UNDP, EC and ADA procedures on authority, responsibility, monitoring and accountability of handling funds.</p> <p>The institution has reporting system that tracks all commitments and expenditure supported by Legal accounting office. It has a positive track record of winning projects and sound co-financing, and approved further financing upon reports by audit companies for current projects.</p>
3.2.2. Accounting System	<p>Does the institution keep good, accurate and informative accounts?</p> <p>Does the institution have the ability to ensure proper financial recording and reporting?</p>	<p>A bank account or bank statements</p> <p>Audited financial statements</p> <p>Good, accurate and informative accounting system</p> <p>Written procedures for processing payments to control the risks through segregation of duties, and transaction recording and reporting</p>	<p>The Center for Development of Jablanica and Pcinja districts has legal bank accounts (one donor – one account) and statements are provided regularly. Outsourced accountant holds responsibility for provision of reports according to national law. All financial documentation is scanned and copied in separate folders for specific programmes/projects.</p> <p>External audit reports are produced on annual basis for separate programmes/projects in cooperation with our financial department.</p> <p>Center for Development of Jablanica and Pcinja Districts follows all national regular legal written procedures for processing payments to control the risks.</p>
3.2.3. Knowledge of UNDP financial system	<p>Does the institution have staff familiar with Atlas through External Access?</p>	<p>External access provided</p>	<p>The Director is familiar with Atlas because of the previous professional engagements and 6 years experience with UNDP MIR 2 program as a Supervisor. Financial manager also has experience gained through UNDP MIR2 programme.</p>