



## **Biodiversity Mainstreaming into Sectoral Policies and Practices and Strengthened Protection of Biodiversity Hot-Spots in in Montenegro**

### **Part I: Project Information**

#### **GEF ID**

10343

#### **Project Type**

FSP

#### **Type of Trust Fund**

GET

#### **CBIT/NGI**

CBIT **No**

NGI **No**

#### **Project Title**

Biodiversity Mainstreaming into Sectoral Policies and Practices and Strengthened Protection of Biodiversity Hot-Spots in in Montenegro

#### **Countries**

Montenegro

#### **Agency(ies)**

UNDP

#### **Other Executing Partner(s)**

Ministry of Ecology, Spatial Planning and Urbanism of Montenegro

#### **Executing Partner Type**

Government

#### **GEF Focal Area**

Biodiversity

#### **Taxonomy**

Focal Areas, Biodiversity, Protected Areas and Landscapes, Productive Landscapes, Terrestrial Protected Areas, Lakes, Biomes, Wetlands, Temperate Forests, Mainstreaming, Agriculture and agrobiodiversity, Forestry - Including HCVF and REDD+, Certification -National Standards, Tourism, Climate Change, Climate Change Adaptation, Climate resilience, Ecosystem-based Adaptation, Influencing models, Demonstrate innovative approach, Transform policy and regulatory environments, Strengthen institutional capacity and decision-making, Deploy innovative financial instruments, Stakeholders, Local Communities, Private Sector, Large corporations, SMEs, Type of Engagement, Participation, Information Dissemination, Partnership, Consultation, Beneficiaries, Civil Society, Non-Governmental Organization, Communications, Behavior change, Awareness Raising, Gender Equality, Gender results areas, Access to benefits and services, Capacity Development, Gender Mainstreaming, Sex-disaggregated indicators, Capacity, Knowledge and Research, Learning, Adaptive management, Indicators to measure change, Theory of change, Community Based Organization, Academia, Knowledge Generation, Knowledge Exchange

**Rio Markers**

**Climate Change Mitigation**

Climate Change Mitigation 0

**Climate Change Adaptation**

Climate Change Adaptation 1

**Submission Date**

6/14/2021

**Expected Implementation Start**

1/1/2022

**Expected Completion Date**

12/31/2026

**Duration**

60In Months

**Agency Fee(\$)**

311,505.00

**A. FOCAL/NON-FOCAL AREA ELEMENTS**

<b>Objectives/Programs</b>	<b>Focal Area Outcomes</b>	<b>Trust Fund</b>	<b>GEF Amount(\$)</b>	<b>Co-Fin Amount(\$)</b>
BD-1-1	Outcome 1: Financial, fiscal and development policies, as well as planning and decision-making take into account biodiversity and ecosystem values, in the context of the different tools and approaches used by Parties to achieve the Aichi Biodiversity Targets	GET	2,565,995.00	29,048,426.00
BD-2-7	Outcome 8: The area of protected areas under effective and equitable management is significantly increased, including development of sustainable financing	GET	713,000.00	3,727,058.00
<b>Total Project Cost(\$)</b>			<b>3,278,995.00</b>	<b>32,775,484.00</b>

**B. Project description summary**

**Project Objective**

To ensure strengthened capacities for protection of the internationally recognized biodiversity hot-spots of Montenegro and mainstream biodiversity conservation and sustainable use objectives into the land use planning framework and sectoral practices around the KBAs.

Project Component	Financing Type	Expected Outcomes	Expected Outputs	Trust Fund	GEF Project Financing(\$)	Confirmed Co-Financing(\$)
-------------------	----------------	-------------------	------------------	------------	---------------------------	----------------------------

Project Component	Financing Type	Expected Outcomes	Expected Outputs	Trust Fund	GEF Project Financing(\$)	Confirmed Co-Financing(\$)
Component 1. Protection of valuable and/or vulnerable biodiversity within the KBAs and biodiversity buffer zones	Technical Assistance	<p>Outcome 1: Capacity of the existing national protected areas strengthened to better address the key threats to globally significant biodiversity</p> <p>Indicators:</p> <ul style="list-style-type: none"> <li>- At least 10% increase in METT score for the targeted national PAs</li> <li>- 145,767 ha of national PAs (84% of total PA estate in Montenegro) under improved management</li> <li>- International nominations (UNESCO, Ramsar) under improved management at 280,000 ha</li> </ul> <p>Outcome 2: Biodiversity conservation arrangements in place for the biodiversity hot-spots outside the PAs</p> <p>Indicators:</p>	<p><u>Output 1.1:</u> Revised management planning of the existing national PAs addresses the KBA conservation needs, international UNESCO and Ramsar requirements, newly assessed threats, and climate risks</p> <p><u>Output 1.2:</u> Strengthened capacities of targeted PAs through incremental support for the implementation of the new management plan actions on patrolling, monitoring and enforcement, valorization of BD values; outreach to local communities</p> <p>-</p> <p>-</p> <p>-</p> <p><u>Output 2.1:</u> Baseline studies and justification of priorities for the protection of key biodiversity</p>	GET	1,337,000.00	11,008,719.00

Project Component	Financing Type	Expected Outcomes	Expected Outputs	Trust Fund	GEF Project Financing(\$)	Confirmed Co-Financing(\$)
Component 2. BD mainstreaming into sectoral policies and practices	Technical Assistance	Outcome 3. BD conservation considerations mainstreamed for sustainable <b>tourism</b> development.	<u>Output 3.1:</u> Best-practice standards for nature-based BD friendly tourism developed and endorsed;	GET	1,565,000.00	19,000,000.00
		Indicators:  - at least 5 small-scale tourism operators introduce biodiversity-sensitive nature-based tourism products;	<u>Output 3.2:</u> Small-scale tourism business introduces biodiversity-sensitive business models;			
		- at least 10% increase in the annual number of visitors and service users in targeted PAs.	<u>Output 3.3:</u> Public-private partnerships in tourism as a post-COVID resilience mechanism for responsible tourism development			
		Outcome 4. BD conservation considerations mainstreamed into <b>forestry</b> policies and practices around KBAs.	<u>Output 3.4:</u> PAs integrated into sustainable tourism development			
		Indicators:  - Comprehensive management tools in place and incentives for biodiversity-positive forest owners promoted for at least 600 ha	<u>Output 4.1:</u> Best-practice standards mainstreaming biodiversity-friendly forestry practices developed			
			<u>Output 4.2:</u> Strengthened resilience of High-Conservation Value forests built through targeted			

Project Component	Financing Type	Expected Outcomes	Expected Outputs	Trust Fund	GEF Project Financing(\$)	Confirmed Co-Financing(\$)
Component 3. Knowledge management	Technical Assistance	<p>Outcome 6. Knowledge management ensured throughout project implementation</p> <p>- at least 3 knowledge products related to BD conservation considerations mainstreaming into sectoral policies and practices developed and disseminated</p> <p>- Number of women and men getting access to the best available knowledge and practice, through project-supported knowledge products and training</p>	<u>Output 6.1:</u> Knowledge products and lessons learned documented and disseminated	GET	115,900.00	810,864.00
Component 4. Monitoring and Evaluation	Technical Assistance	Outcome 7. Project results properly monitored and evaluated	<u>Output 7.1:</u> Set of monitoring and evaluation activities implemented	GET	105,000.00	900,000.00
Sub Total (\$)					3,122,900.00	31,719,583.00

**Project Management Cost (PMC)**

GET	156,095.00	1,055,901.00
<b>Sub Total(\$)</b>	<b>156,095.00</b>	<b>1,055,901.00</b>
<b>Total Project Cost(\$)</b>	<b>3,278,995.00</b>	<b>32,775,484.00</b>



**C. Sources of Co-financing for the Project by name and by type**

<b>Sources of Co-financing</b>	<b>Name of Co-financier</b>	<b>Type of Co-financing</b>	<b>Investment Mobilized</b>	<b>Amount(\$)</b>
Recipient Country Government	Ministry of Ecology, Spatial Planning and Urbanism - MESPU (previously Ministry of Sustainable Development and Tourism)	Grant	Investment mobilized	10,880,324.00
Recipient Country Government	Ministry of Ecology, Spatial Planning and Urbanism - MESPU (previously Ministry of Sustainable Development and Tourism)	In-kind	Investment mobilized	41,816.00
Recipient Country Government	Ministry of Agriculture, Forestry and Water Management - MAFWM, previously Ministry of Agriculture and Rural Development	Grant	Investment mobilized	12,582,781.00
Recipient Country Government	Investment for Development Fund	Grant	Investment mobilized	5,518,764.00
Recipient Country Government	Investment for Development Fund	Grant	Investment mobilized	1,205,399.00
Recipient Country Government	Nature and Environmental Protection Agency (NEPA)	In-kind	Investment mobilized	14,085.00
Recipient Country Government	Public Enterprise National Parks of Montenegro (PENP)	Grant	Investment mobilized	2,532,315.00
<b>Total Co-Financing(\$)</b>				<b>32,775,484.00</b>

**Describe how any "Investment Mobilized" was identified**

?Investment Mobilized? was identified as relevant parallel investment, governmental finance, donor programming and other resources channelled through the budgets of the co-financing partners listed above. Annex 20 of the Project Document provides detailed information about the nature of parallel co-financing and the detailed breakdown of the co-financing commitments of the partners above. The co-financing commitments have been confirmed in writing as evidenced in Annex 14 to the Project Document.

**D. Trust Fund Resources Requested by Agency(ies), Country(ies), Focal Area and the Programming of Funds**

<b>Agency</b>	<b>Trust Fund</b>	<b>Country</b>	<b>Focal Area</b>	<b>Programming of Funds</b>	<b>Amount(\$)</b>	<b>Fee(\$)</b>
UNDP	GET	Montenegro	Biodiversity	BD STAR Allocation	3,278,995	311,505
<b>Total Grant Resources(\$)</b>					<b>3,278,995.00</b>	<b>311,505.00</b>

**E. Non Grant Instrument**

NON-GRANT INSTRUMENT at CEO Endorsement

---

Includes Non grant instruments? **No**

Includes reflow to GEF? **No**

F. Project Preparation Grant (PPG)  
PPG Required **false**

PPG Amount (\$)  
100,000

PPG Agency Fee (\$)  
9,500

Agenc y	Trust Fund	Country	Focal Area	Programmin g of Funds	Amount(\$)	Fee(\$)
UNDP	GET	Montenegro	Biodiversity	BD STAR Allocation	100,000	9,500
Total Project Costs(\$)					100,000.00	9,500.00

## Core Indicators

### Indicator 1 Terrestrial protected areas created or under improved management for conservation and sustainable use

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
150,040.00	145,767.00	0.00	0.00

#### Indicator 1.1 Terrestrial Protected Areas Newly created

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Total Ha (Achieved at MTR)	Total Ha (Achieved at TE)
150,040.00	0.00	0.00	0.00

Name of the Protected Area	WDP A ID	IUCN Category	Total Ha (Expected at PIF)	Total Ha (Expected at CEO Endorsement)	Total Ha (Achieved at MTR)	Total Ha (Achieved at TE)
<b>Akula National Park</b> Biogradska Gora National park	<b>125689</b>	<b>Select</b> National Park	5,650.00			<input type="checkbox"/>
<b>Akula National Park</b> Dragisnica i Komarnica Nature Park	<b>125689</b>	<b>Select</b> Protected Landscape/Seascape	2,994.00			<input type="checkbox"/>
<b>Akula National Park</b> Durmitor National park	<b>125689</b>	<b>Select</b> National Park	32,519.00			<input type="checkbox"/>

Name of the Protected Area	WDP A ID	IUCN Category	Total Ha (Expected at PIF)	Total Ha (Expected at CEO Endorsement)	Total Ha (Achieved at MTR)	Total Ha (Achieved at TE)
<b>Akula National Park</b> Kanjoni rijeke Pive i Komarnice Nature monument	<b>125689</b>	<b>Select</b> Natural Monument or Feature	10,260.00			<input type="checkbox"/>
<b>Akula National Park</b> Komovi Nature Park	<b>125689</b>	<b>Select</b> Protected Landscape/Seascape	15,692.00			<input type="checkbox"/>
<b>Akula National Park</b> Orjen Nature Park	<b>125689</b>	<b>Select</b> Protected Landscape/Seascape	9,000.00			<input type="checkbox"/>
<b>Akula National Park</b> Piva Nature Park	<b>125689</b>	<b>Select</b> Protected Landscape/Seascape	32,478.00			<input type="checkbox"/>
<b>Akula National Park</b> Skadar Lake National park	<b>125689</b>	<b>Select</b> National Park	40,000.00			<input type="checkbox"/>
<b>Akula National Park</b> Ulcinjaska Solana Nature Park	<b>125689</b>	<b>Select</b> Protected Landscape/Seascape	1,447.00			<input type="checkbox"/>

Indicator 1.2 Terrestrial Protected Areas Under improved Management effectiveness

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Total Ha (Achieved at MTR)	Total Ha (Achieved at TE)
0.00	145,767.00	0.00	0.00

Name of the Protected Area	WD PA ID	IUCN Category	Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Total Ha (Achieved at MTR)	Total Ha (Achieved at TE)	METT score (Baseline at CEO Endorsement)	METT score (Achieved at MTR)	METT score (Achieved at TE)
Akula National Park Biogradska Gora National park	1256891059	SelectNational Park		5,650.00			66.00		<input type="checkbox"/>
Akula National Park Dragisnica - Komarnica Nature Park	125689555634462	SelectProtected Landscape/ Seascape		2,994.00			37.00		<input type="checkbox"/>
Akula National Park Durmator National park	1256891051	SelectNational Park		32,519.00			64.00		<input type="checkbox"/>

Name of the Protected Area	WD PA ID	IUCN Category	Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Total Ha (Achieved at MTR)	Total Ha (Achieved at TE)	METT score (Baseline at CEO Endorsement)	METT score (Achieved at MTR)	METT score (Achieved at TE)
<b>Akula National Park</b> Komovi Nature Park	<b>125689</b> 555562755	<b>Select</b> Protected Landscape/Seascape		21,852.00			21.00		<input type="checkbox"/>
<b>Akula National Park</b> Orjen Nature Park	<b>125689</b> 555692093	<b>Select</b> Protected Landscape/Seascape		8,797.00			43.00		<input type="checkbox"/>
<b>Akula National Park</b> Piva Nature Park	<b>125689</b> 555589636	<b>Select</b> Protected Landscape/Seascape		32,478.00			60.00		<input type="checkbox"/>
<b>Akula National Park</b> Skadar Lake National Park	<b>125689</b> 16385	<b>Select</b> National Park		40,000.00			57.00		<input type="checkbox"/>



Name of the Protected Area	WD PA ID	IUCN Category	Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Total Ha (Achieved at MTR)	Total Ha (Achieved at TE)	METT score (Baseline at CEO Endorsement)	METT score (Achieved at MTR)	METT score (Achieved at TE)
Akula National Park Ulcinj ska Solan a Natur e Park	125689 5556 9197 6	SelectProtected Landscape/ Seascape		1,477.00			38.00		

**Indicator 4 Area of landscapes under improved practices (hectares; excluding protected areas)**

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
80000.00	70000.00	0.00	0.00

**Indicator 4.1 Area of landscapes under improved management to benefit biodiversity (hectares, qualitative assessment, non-certified)**

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
10,000.00	0.00		

**Indicator 4.2 Area of landscapes that meets national or international third party certification that incorporates biodiversity considerations (hectares)**

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)

Type/Name of Third Party Certification

**Indicator 4.3 Area of landscapes under sustainable land management in production systems**

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
70,000.00	70,000.00		

Indicator 4.4 Area of High Conservation Value Forest (HCVF) loss avoided

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)

## Documents (Please upload document(s) that justifies the HCVF)

Title	Submitted
-------	-----------

Indicator 11 Number of direct beneficiaries disaggregated by gender as co-benefit of GEF investment

	Number (Expected at PIF)	Number (Expected at CEO Endorsement)	Number (Achieved at MTR)	Number (Achieved at TE)
<b>Female</b>	27,000	27,000		
<b>Male</b>	23,000	23,000		
<b>Total</b>	50000	50000	0	0

## **Part II. Project Justification**

### **1a. Project Description**

*1a. Project Description. Elaborate on:*

*1) the global environmental and/or adaptation problems, root causes and barriers that need to be addressed (systems description);*

There have been no substantial changes in terms of the global environmental problems identified since the PIF was designed and approved, although they have been provided for in more detail on the Prodoc. The detailed analysis of threats from intense agriculture, tourism, and construction sector developments in the nearby coastal and mountainous regions that do or may negatively affect the KBAs and their biodiversity was performed as part of the PPG Preparatory Technical Studies & Reviews, and is presented in Annex 15 to the Project Document. The project's Theory of Change (ToC) is summarized in the Prodoc Section II, paras. 22-27, and presented as an Annex 2 to the Project Document.

*2) the baseline scenario and any associated baseline projects,*

There have been no strategic changes since the PIF was designed and approved, except that the baseline has been elaborated on further.

The baseline analysis was detailed during the PPG stage as presented in Paras 13-38 of the Project Document.

The information about the past and ongoing interventions in the field of relevance was updated as presented in Para 12 of the Project Document.

*3) the proposed alternative scenario with a description of outcomes and components of the project;*

The project design is closely aligned to the original PIF, and the structure of the project components closely resembles the PIF approved by the GEF. The statement of the Project Objective was not changed. Two 'technical' Project Components, and five Outcomes remain identical to the PIF; the project structure was reorganised into two technical Components 1 and 2 (Outcomes 1-5), Component

3 for KM, and Component 4 for M&E (Outcome 6). Monitoring and evaluation was organized into a new/separate component to ensure linkage with the GEF Budget template. The overall content of the project components closely follows the original project structure presented in the PIF. A description of the project components is provided in Section 3.1: 'Project description and expected results' of the GEF-UNDP Prodoc. The project outputs presented in the PIF have been re-arranged following the elaboration of the Project Results Framework. Some changes and clarifications were made to the project's outputs that do not signify any notable deviation from the project's strategy, the declared impact, and the scope of the project as defined originally in the PIF. These changes are described as follows:

PIF Output	Prodoc Output	Explanation for changes
<p>1.1. Conservation and management arrangements for the Key Biodiversity Areas covered by the national PA system re-assessed taking into account newly emerging threats to biodiversity</p>		<p>In the PIF, this 'baseline' output was initially strategized to identify the linkages and gaps between the KBAs and existing nature protected areas, to look at the prospective coverage of the KBAs by any relevant protection/spatial planning measures, in order to provide a basis for justification of the future project interventions targeting the KBAs inside and outside the national PA system.</p> <p>Specifically, the project preparatory phase was expected to commission an updated gap analysis for the national protected area system of Montenegro (2012). At the PPG, the scope of this analysis was fine-tuned to more urgent information gathering that should result in mapping and analyzing the spatial coverage of the KBAs versus existing and proposed nature protected areas within the national PA system, as well as potential Natura 2000 sites, Ramsar sites, Emerald sites, global biodiversity hot-spots and connectivity corridors, with an overall goal of defining the geographical scope and confirming the impact area for the project main phase.</p> <p>The result is summarized in the introductory sub-section 'Justification of conservation and management requirements for the Key Biodiversity Areas', paras 32-36, and through Prodoc Annex 15.</p> <p>Based on the detailed consultations at the PPG phase and an analysis of the baseline and planned PA management framework, the priority areas for an impactful GEF increment were identified as presented in the strategy for the project Outputs 1.1 and 1.2. The PPG consultations have indicated that the two KBAs to be given priority action for project interventions will be Durmitor and Ulcinj Salina, as detailed in the strategy for the KBAs covered by the national PA system.</p>

PIF Output	Prodoc Output	Explanation for changes
1.2. Management plans for six national PAs are revised and under implementation to address the international UNESCO and Ramsar requirements and climate risks	1.1 Revised management planning of the existing national PAs addresses the KBA conservation needs, international UNESCO and Ramsar requirements, newly assessed threats, and climate risks	The pilot protected areas/international nominations for the project PPG phase were confirmed as a result of the feasibility analysis and extensive consultations with the stakeholders. The common features of these areas are a combination of their national PA status and international recognition as global biodiversity hot-spots, and a need for urgent actions preventing biodiversity loss and securing the BD values within the parameters of eligibility for international protection status. The project interventions will focus on National Park Durmitor and Nature Park Dragisnica and Komarnica in relation to UNESCO World Heritage status; National Park Biogradska Gora, Nature parks Piva and Komovi in relation to Tara River Watershed UNESCO Man and Biosphere Reserve; National Park Skadar Lake and Ulcinjska Solana Nature Park in relation to Ramsar. The justification for the UNDP-GEF interventions is presented in Annex 15 to the Prodoc.
1.3. Strengthened capacities of targeted PAs through incremental support for the implementation of the new management plan actions on patrolling, monitoring and enforcement, valorization of BD values; sustainable tourism development; outreach to local communities	1.2 Strengthened capacities of targeted PAs through incremental support for the implementation of the new management plan actions on patrolling, monitoring and enforcement, valorization of BD values; sustainable tourism development; outreach to local communities	No change

PIF Output	Prodoc Output	Explanation for changes
2.1. Mechanisms for protection of key biodiversity hot-spots outside PAs identified and set for implementation	2.1. Baseline studies and justification of priorities for the protection of key biodiversity hot-spots outside PAs	The revised and detailed project strategy for t Output 2.1. is consistent with the PIF narrative for this Output: ?the project will provide for identification of hot-spots and elaboration of mechanisms for the protection of key biodiversity values that do not have a protection status. The project will provide targeted resources for the survey, inventory and mapping of key biodiversity values within the zones of valuable and/or vulnerable biodiversity?? ?The project will provide finance for protection studies required for protection of selected biodiversity hot-spots.? At the request of the Government, this element of the project strategy received a more significant focus (as reflected in the overall narrative, the justification, and the proposed funding for the activities described in the strategy and workplan for Output 2.1.
2.2. The Spatial Plan for Montenegro and the General Regulation Plan are developed and adopted with due consideration of biodiversity conservation priorities and concrete solutions for valuable BD conservation outside PAs	2.2 The Spatial Plan for Montenegro and the General Regulation Plan are developed and adopted with due consideration of biodiversity conservation priorities and concrete solutions for valuable BD conservation outside PAs	No change. The project strategy, the logic behind the intervention, and its scope were discussed and presented in detail to address, inter alia, various comments from the PIF review

PIF Output	Prodoc Output	Explanation for changes
3.1. Best-practice standards for nature-based BD friendly tourism developed and endorsed	3.1 Best-practice standards for nature-based BD friendly tourism developed and endorsed	<p>The initial content was expanded following the tourism sector breakdown as a result of COVID 19 pandemic in 2020 and 2021. As agreed with the Government, the project Within the project impact area, the project will support the new Ministry of Economic Development with an assessment and evaluation of how the COVID-19 crisis has affected the tourism sector so far. The project will gather expertise and resource to offer a set of recommendations aimed to ensure that the economic recovery and development plans are prepared with due account of increased environmental pressure and possible biodiversity loss associated with the speedy recovery measures. For the tourism recovery scenarios, the project experts will make sure that the economic incentives and on-the-ground support measures are environmentally sensitive and do not impose additional risks of biodiversity loss.</p>

PIF Output	Prodoc Output	Explanation for changes
3.2. Small-scale tourism business introduces biodiversity-sensitive business models	3.2 Small-scale tourism business are stimulated to introduce biodiversity-sensitive business models	<p>The overall economic recession and particularly the tourism sector crisis following the lockdowns in 2020 and 2021 make it impossible to confirm specific commitments with the private tourism businesses. The wording 'stimulated to introduce' would capture the project increment and yet present a fair picture of the current deficiencies in terms of private sector commitment.</p> <p>A new dimension for Output 3.2. will be to support the business associations and the small-scale tourism businesses to mitigate the impact of the COVID-19 pandemic and adapt to the new reality of the tourism and travel industry while minimizing the potential negative side-effects on vulnerable ecosystems and biodiversity</p>



PIF Output	Prodoc Output	Explanation for changes
3.3. A functional public-private sector partnership mechanism developed and tested for Lustica and/or Ulcinj Salina	3.3. Public-private partnerships in tourism as a post-COVID resilience mechanism for responsible tourism development	<p>Same as above.</p> <p>The strategy for Output 3.3. was amended to include the management response to the COVID-19 induced effects, as follows:</p> <p>The project will review the current status and initiatives of public-private partnership in tourism with a view to advising on improvements for the communication channels between public and private sectors to stimulate confidence, build mutual trust and accelerate tourism recovery and to identify opportunities to build on successful multi-stakeholder mechanisms when developing joint actions in the COVID-19 aftermath.</p> <p>The project will outreach to the municipal tourist organisations, the tourism operators and individual businesses in order to establish a dialogue and a multi-stakeholder consultation process to identify and reach consensus on priority initiatives to undertake for responsible tourism recovery through public-private partnerships. The project will offer an action plan for public-private partnership initiatives for responsible tourism recovery, with clear descriptions of activities to be carried out, roles and responsibilities of each organization, timeframe, and proposed budget and funding sources.</p> <p>The multi-stakeholder dialogue will help identifying the viable partnership models involving tourism businesses, municipal authorities, and local communities</p>

PIF Output	Prodoc Output	Explanation for changes
3.4. PAs integrated into sustainable tourism development	3.4. PAs integrated into sustainable tourism development	No change
4.1. Best-practice standards mainstreaming biodiversity-friendly forestry practices developed	4.1. Best-practice standards mainstreaming biodiversity-friendly forestry practices developed and endorsed	Minor revision of syntax for clarity. The project strategy is detailed as presented in the Project Document. A model partnership with the private forestry business introduced as the key element to the project strategy and workplan
4.2. Strengthened resilience of High-Conservation Value forests to fire threats	4.2 Improved management and conservation of High-Conservation Value forests	Minor syntax change and definition of the project focus in order to strategize the project intervention in synergy with the IPA Floods and Forests Programme where it concerns assessment of fire management capacities, capacity building and training for fire fighting, and fire management arrangements and protocols.
5.1. Biodiversity conservation incentives for 'green' small-scale farming introduced	5.1. Biodiversity conservation incentives for 'green' small-scale farming introduced	No change
5.2. Agro-environmental measures introduced to promote sustainable use of agricultural lands within the biodiversity buffer zones	5.2. Agro-environmental measures introduced to promote sustainable use of agricultural lands within the biodiversity buffer zones	No change
6.1: Knowledge products and lessons learned documented and disseminated	6.1: Knowledge products and lessons learned documented and disseminated	No change
6.2: Project monitoring and evaluation	6.2: Project monitoring and evaluation	No change

*4) alignment with GEF focal area and/or impact program strategies;*

There have been no changes since the PIF was designed and approved in terms of strategic alignment with the GEF Focal area.

*5) incremental/additional cost reasoning and expected contributions from the baseline, the GEFTF, LDCF, SCCF, and co-financing;*

There have been no changes since the PIF was designed and approved in terms of overall planned financial input. The distribution of the GEF increment across the project components has been slightly altered: US\$ 337,000 has been moved from Component 2 to Component 1, following the significant increase in cofinancing confirmed for Component 2 and a repeated recommendation from the project Implementing Partner. At the same time, a separate Component 3 for KM was budgeted with USD 115,900, and M&E budget was included as Component 4 with USD 105,000 from the GEF resources.

Project Management Cost allocation (PMC budget) has been slightly increased in comparison with PIF; the change is associated with the change of requirements for budgeting (NIM audit to be budgeted within PMC and not under M&E). PMC budget stays within the limit of 5%.

Planned overall co-financing has slightly risen, although some of the organizations have changed and the amounts in cash parallel and in-kind have changed. Please refer to the cofinancing tables on the Prodoc front page and please also see the previous Table C in this CEO Endorsement Request.

*6) global environmental benefits (GEFTF) and/or adaptation benefits (LDCF/SCCF);*

There have been no substantive changes in the expected global environmental benefits since the PIF was designed and approved. The project's quantitative contributions to the GEF's Core Indicators are summarized in Section I.F. above, and further detailed in the Core Indicators Worksheet in Annex 7 of this CEO Endorsement request.

*7) innovativeness, sustainability and potential for scaling up. ?*

There have been no changes to these aspects of the project since the PIF was designed and approved, though each of these aspects has been given further consideration, and more comprehensive detail and analysis has been provided. An updated description of the project's innovativeness, sustainability, and

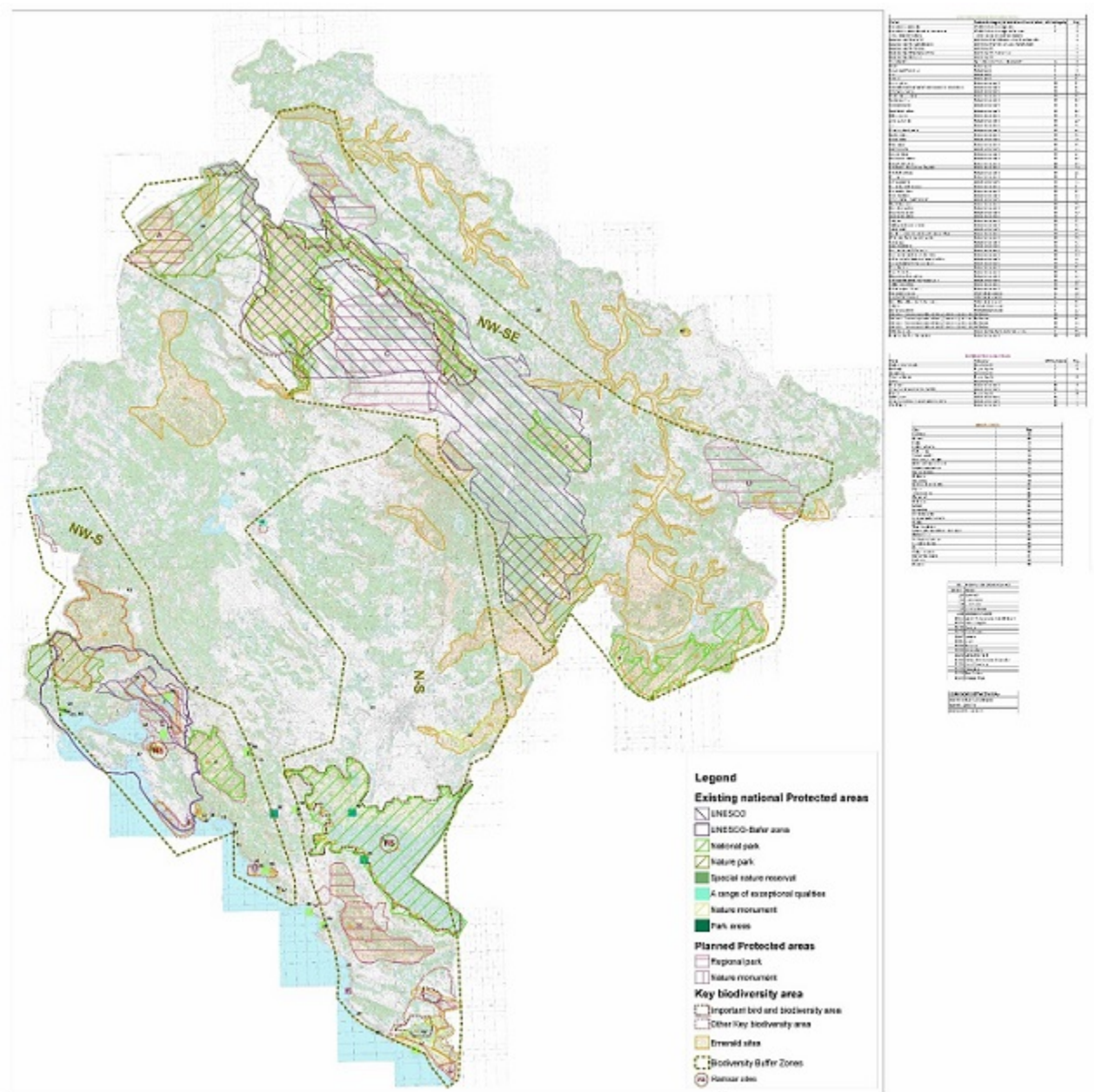
potential for scaling-up is included in Section 3.5. of the Prodoc on ?Innovativeness, sustainability, and potential for scaling up?.

## 1b. Project Map and Coordinates

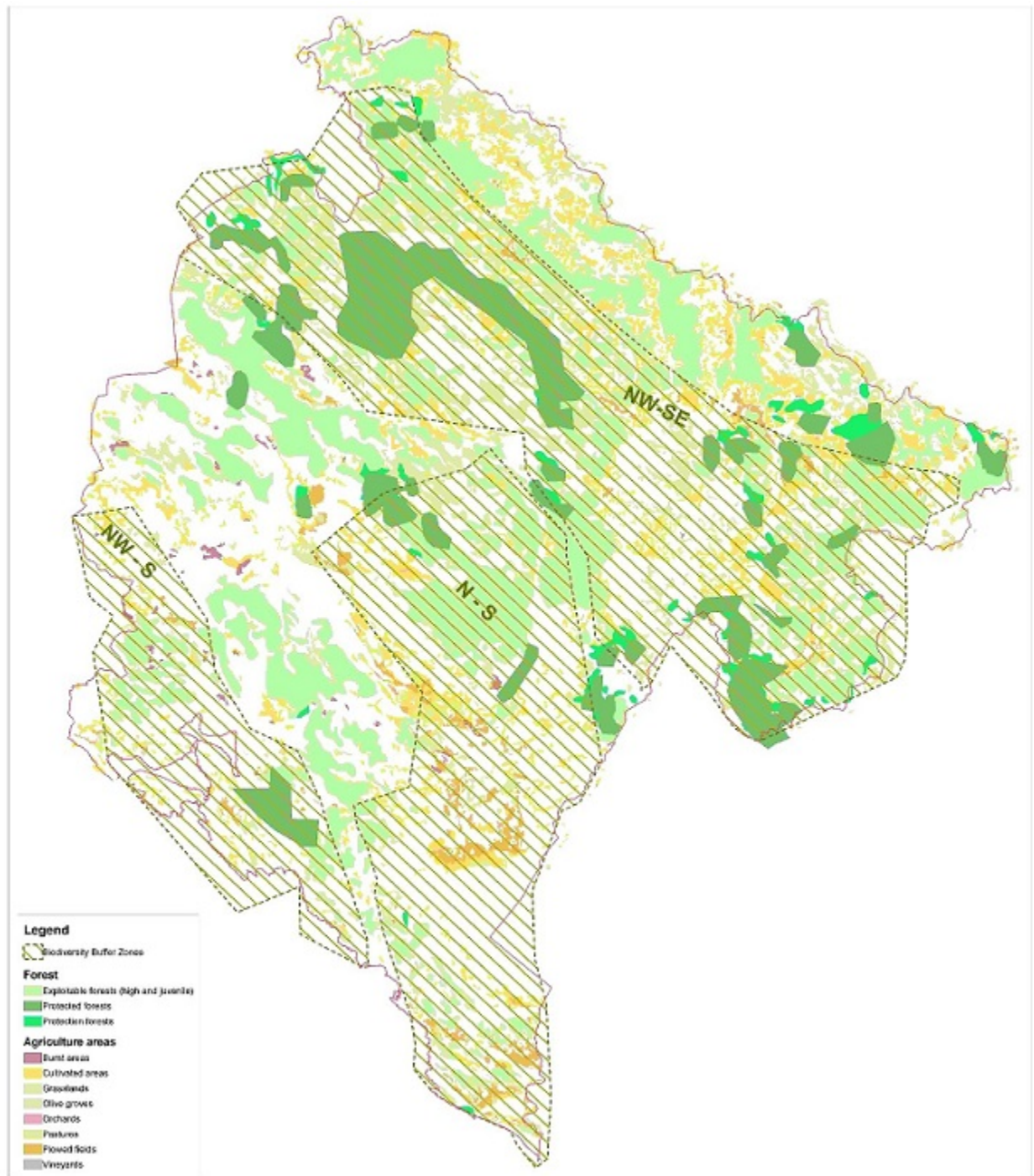
Please provide geo-referenced information and map where the project interventions will take place.

Please refer to Annex 1 to the Project Document.

Map 1: Project pilot protected areas and KBAs

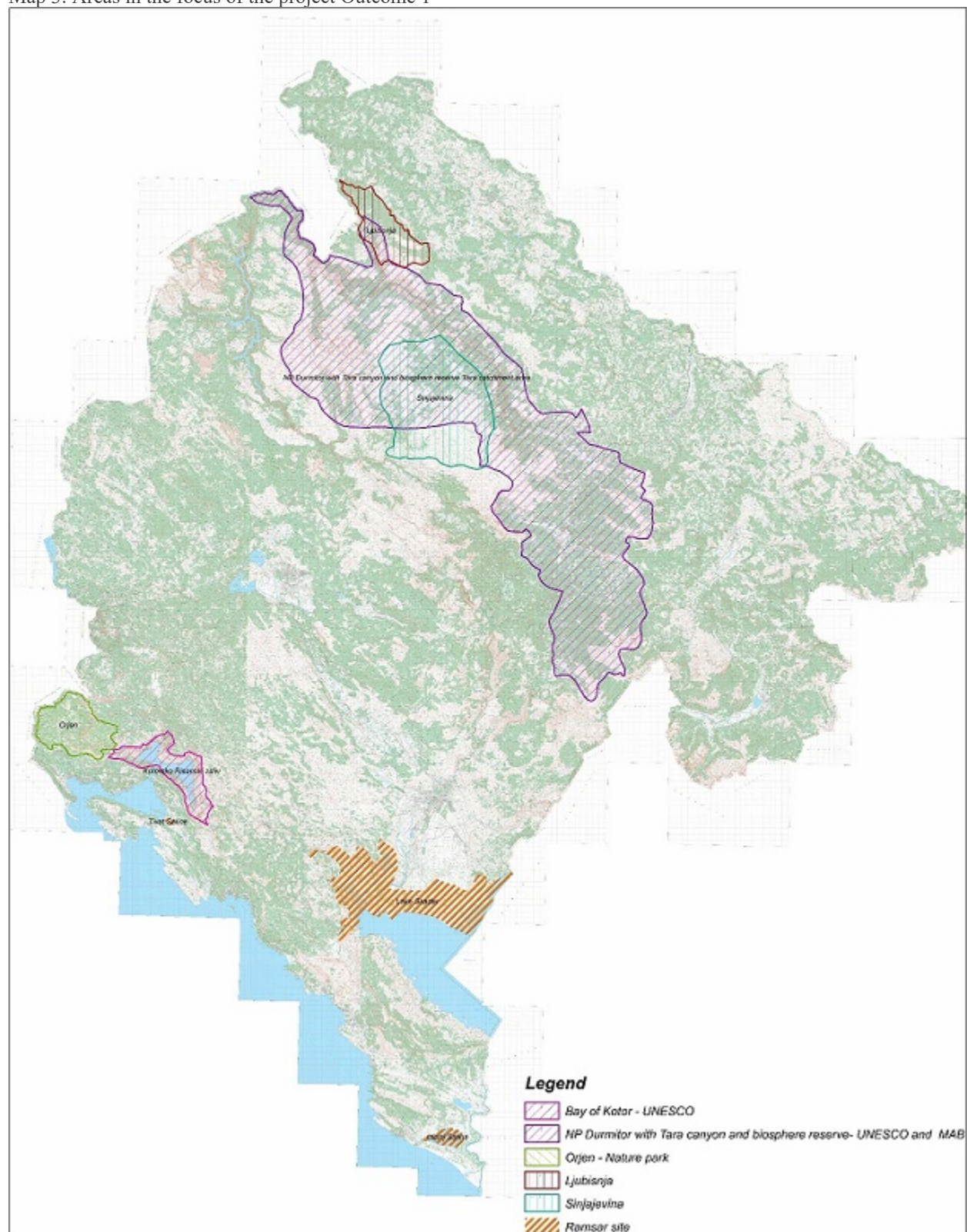


Map 2: Project pilot focus areas for Outcomes 4 and 5 (forestry and agriculture within KBAs and biodiversity corridors)





Map 3: Areas in the focus of the project Outcome 1



**1c. Child Project?**

**If this is a child project under a program, describe how the components contribute to the overall program impact.**

**2. Stakeholders**

**Select the stakeholders that have participated in consultations during the project identification phase:**

**Civil Society Organizations** Yes

**Indigenous Peoples and Local Communities** Yes

**Private Sector Entities** Yes

**If none of the above, please explain why:**

**Please provide the Stakeholder Engagement Plan or equivalent assessment.**

In addition, provide a summary on how stakeholders will be consulted in project execution, the means and timing of engagement, how information will be disseminated, and an explanation of any resource requirements throughout the project/program cycle to ensure proper and meaningful stakeholder engagement

The project stakeholder analysis and engagement strategy has been updated and more fully elaborated during the PPG phase. The project stakeholder analysis is summarized in Section 3.2 of the Prodoc, on ?Partnerships, Stakeholder Engagement and Coordination?, Table 1 that provides a summary of the project?s stakeholder partnerships, current and expected roles of identified stakeholders as well as relevant engagement mechanisms. A more detailed ?Comprehensive Stakeholder Engagement Plan? is included as Annex 11 of the Prodoc; this includes information on how stakeholders will be consulted in project execution, the means and timing of engagement, how the information will be disseminated, resource requirements throughout the project cycle to ensure proper and meaningful stakeholder engagement, and coordination with other relevant initiatives including GEF projects. The summary of stakeholders consulted during project development is included as Annex 11 of the Prodoc. Section VI of the Prodoc on ?Governance and Management Arrangements? also provides detailed information on how stakeholders will be involved and consulted in project execution.

**Select what role civil society will play in the project:**

**Consulted only;**

**Member of Advisory Body; Contractor;** Yes

**Co-financier;**

**Member of project steering committee or equivalent decision-making body;**

**Executor or co-executor;**

**Other (Please explain)** Yes

### **3. Gender Equality and Women's Empowerment**

**Provide the gender analysis or equivalent socio-economic assesment.**

During the PPG analysis of the gender aspects of the project were significantly enhanced and further detailed, to support the implementation of both the GEF and UNDP gender mainstreaming policies and strategies. Gender aspects of the project are summarized in Section 3.3 of the Prodoc, on "Gender equality and women's empowerment". In addition, gender is addressed in the project's Social and Environmental Screening Protocol (Annex 5 of the Prodoc), with gender-related risks assessed. The detailed Gender Analysis and Action Plan included in Annex 12 to the Project Document. The project Strategic Results Framework includes gender-disaggregated indicators.

**Does the project expect to include any gender-responsive measures to address gender gaps or promote gender equality and women empowerment?**

Yes

**Closing gender gaps in access to and control over natural resources;** Yes

**Improving women's participation and decision making** Yes

**Generating socio-economic benefits or services or women** Yes

**Does the project's results framework or logical framework include gender-sensitive indicators?**

Yes

### **4. Private sector engagement**

**Elaborate on the private sector's engagement in the project, if any.**

The general directions for private sector engagement will be through the project Outcomes 3,4, and 5.

The private tourism sector actors will be engaged in a series of activities aimed at mainstreaming biodiversity conservation considerations into baseline tourism practices. Output 3.2. will support the business associations and the small-scale tourism businesses to mitigate the impact of the COVID-19 pandemic and adapt to the new reality of the tourism and travel industry while minimizing the potential negative side-effects on vulnerable ecosystems and biodiversity. The project will work with the tourism operators in the vicinity of the northern KBAs, and engage coastal tourism businesses within the



southern 'biodiversity buffer zone'. The project will establish partnerships with existing and emerging tourism clusters in various regions of the country to introduce PAs as attractive tourism destinations which are viable for investment. The project will support the pilot tourism businesses with the development/amendment of the Destination Plans/Master Plans/Business recovery models, with due recognition of the natural values and biodiversity threat assessments for the tourism destinations/offers in the post-COVID environment. On top of the recovery measures adopted by the Government, the project will propose incentives, such as awards to the local tourism BD-friendly product providers, targeted financial support to model eco-tourism offerings, pilot finance of biodiversity-sensitive business recovery scenarios, and present successful business models for further replication. The project will support small-scale tourism business development towards the more offerings of biodiversity-sensitive nature-based tourism products.

The project will outreach to the municipal tourist organizations, tour operators and individual businesses in order to establish a dialogue and a multi-stakeholder consultation process to identify and reach consensus on priority initiatives to undertake for responsible tourism recovery through public-private partnerships. The project will offer an action plan for public-private partnership initiatives for responsible tourism recovery, with clear descriptions of activities to be carried out, roles and responsibilities of each organization, timeframe, and proposed budget and funding sources. The multi-stakeholder dialogue will help to identify the viable partnership models involving tourism businesses, municipal authorities, and local communities.

One important stakeholder engagement mechanism the project is going to support is the work of local PA advisory boards ('social-economic forums') that involve the local community and the private sector in PA management. Such advisory boards have been established for the Biogradska Gora National Park and Piva Nature Park so far – both pilot PAs for the project. The forums are formed by representatives of local authorities, managing authorities working on specific areas (forestry and agriculture, tourism and sustainable development), local community representatives, and NGO and private sector representatives. The forums focus on the issues relevant to PAs management such as preparation for the tourism season and coordination between service providers, national/local authorities and PA management; coordination of promotional activities; and, management issues (forestry, infrastructure development, etc.). Similar mechanisms are replicated for Lovcen National Park and Dragisnjica-Komarnica Nature Park, in order to respond to the management constraints for the Tara River Biosphere Reserve. The project will work with existing advisory boards and form at least an additional two forums (for Ulcinjska Solana and Orjen Nature Park). It is expected that the project, together with the PA management and advisory boards, will assess the existing products and services provided by the private sector within PAs, identify the key issues with community and private sector engagement, and develop community outreach and private sector engagement strategies.

Under Outcome 4, the project project will assist the Government with support and services to private forest owners, and help promote biodiversity-positive entrepreneurship in forestry. The project will pilot incentives for biodiversity-positive forest owners including services such as free-of-charge forest management planning and subsidies for re-forestation and silviculture. A concrete partnership with a private forestry business was identified and confirmed through the consultations at the PPG stage – a private forestry business in the municipality of Kotor (600 ha). The new management model and detailed guidelines for Forest Management Plan development will be disseminated among private forest owners.

Project Output 5.1 will ensure an enabling environment for the introduction of incentives for 'green' small-scale farming businesses. The project will outreach to small businesses and develop engagement mechanisms during the PPG stage. Lessons learned and experience of the ongoing GEF project 'Growing green businesses in Montenegro' will be used to secure the active engagement of SMEs. The project will further explore developing incentives and engagement options creating synergies with ongoing national programs (focusing on tourism and agriculture).

The opportunities for direct outreach to the private sector partners during the PPG stage were largely limited by the COVID-19 restrictions and the economic crisis associated with the pandemic. The PPG team relied on parallel processes and extracted relevant information and recommendations, as follows:

- Assessment of the impact of COVID-19 on the business sector and the growth prospects of the Montenegrin economy, This report presented the results of two waves of research (in May and September 2020) on the impact of COVID-19 on the sector of small and medium enterprises and entrepreneurs in Montenegro;
- Identification of Green Added Value Products and Feasibility Assessment of Related Value Chains. The study identified concrete green products with high market value and job creation potential, possibilities for greening products for these products and implement the identified solutions;
- Study on policies and incentives for green business in Montenegro with a focus on agriculture, energy and tourism, with a roadmap for future climate action in these areas was developed with the goal to help the Government to design or reform economic instruments related to environmentally harmful projects in order to provide incentives for both reducing pollution and introducing greener products.
- In summer of 2020 the team conducted the online survey with the intention of further understand impacts of the COVID 19 on private sector and COVID 19 impact on planned investments and willingness to participate in possible granting/support schemes. The survey was sent to approximately 250 SMEs through Chamber of Commerce of Montenegro with 67 replies providing valuable insight to planning private sector interventions.

The individual inputs of more than 350 private sector players and state institutions were analyzed to serve as a basis for private sector engagement elements in the project. Conclusions from the desk study and the consultation process can be summarised as follows:

- Most businesses report a drastic reduction in workload during the pandemic, while a significant number, mainly from the tourism and hospitality sector, have suspended their operations for some time (due to border closures and a ban on certain activities to prevent the spread of coronavirus).
- Considering what can be done to ensure long-term development, over three-fifths of companies propose cooperation with financial institutions that would provide companies with grants, concessional loans and special credit lines for micro, small and medium enterprises, while companies from the north are significantly more likely to propose a social policy that would support employment and the resumption of work and production.
- Agriculture and small producers represent a vital opportunity for post-COVID recovery of Montenegro economy. Product groups were identified with the least impact on the environment, high employability, competitiveness, and export opportunities, i.e. have the greatest potential to improve the value chain. The products, such as fresh lamb, beef prosciutto, delicate cow's milk cheeses, wild fruit

products, organic cereals, value chains for honey and olive oil etc. could present significant income generation opportunity and producers will benefit from project support,

- For the forthcoming period, any investment will be decided primarily on the basis of incentive measures and achieving financial effects of the investment project (return on investment based on proposed studies of justification of investment in a particular economic activity). It is necessary to gradually introduce incentive measures strengthening those economic activities that, in addition to economic, meet environmental and social development goals - protect the environment, reduce GHG emissions, increase energy efficiency, strengthen renewable energy sources, protect water resources and preserve the ecosystems.

## **5. Risks to Achieving Project Objectives**

**Elaborate on indicated risks, including climate change, potential social and environmental risks that might prevent the project objectives from being achieved, and, if possible, the proposed measures that address these risks at the time of project implementation.(table format acceptable):**

The risks to the project and the risks posed by the project were updated and further elaborated during the PPG, including the update of the UNDP Social and Environmental Screening Protocol (SESP), included as Annex 5 to the Prodoc. The risks to the project, and associated mitigation measures, are detailed in the table in Annex 6: UNDP Risk Register. Furthermore, general project governance risk management procedures are detailed in Section X. ?Risk Management.

## **6. Institutional Arrangement and Coordination**

**Describe the institutional arrangement for project implementation. Elaborate on the planned coordination with other relevant GEF-financed projects and other initiatives.**

The project will be implemented according to the UNDP NIM modality for country projects. The Ministry of Ecology, Spatial Planning and Urbanism (MESPU, former Ministry of Sustainable Development and Tourism) of Montenegro will act as an Implementing Partner for the project. The project Steering Committee will be formed by the representatives of the Ministry of Ecology, Spatial Planning and Urbanism, the Ministry of Economic Development, the Ministry of Agriculture, and UNDP. Due to the multi-sectoral and multi-stakeholder nature of the project, geographical scope, and diversity of planned activities, the work of the Project Steering Committee will be supported by an advisory panel to ensure the realization of project results from the perspective of project beneficiaries. This advisory panel, or Partnership Committee, will be formed of project beneficiaries, directly or indirectly affected, either positively or negatively, by the project decisions or actions, due to available expertise and possible benefits to the implementation. The Partnership Committee will serve as a platform for coordination between complementary projects and initiatives, current and future, information exchange, coordination and co-financing monitoring The Partnership Committee will include representatives of the key project beneficiaries, as follows: the Directorates for Environment and for Special Planning within the Ministry of Ecology, Spatial Planning and Urbanism; Directorates for Payments, for Forestry and for Agriculture within the Ministry of Agriculture, Forestry and Water Management; Forestry Administration; Tourism Directorate within the Ministry of Economic Development; Nature and Environment Protection Agency; Public Enterprise National Parks; Public enterprise Morsko Dobro; Managers of Protected Areas;

Investment and Development Fund of Montenegro; Eco Fund; , Local tourism organisation, University of Montenegro, Natural History Museum, UN agencies and GIZ and other international organisations in Montenegro implementing projects in the area of biodiversity protection, agriculture, tourism and forestry, Office for Cooperation with NGOs, Community of Municipalities of Montenegro, representative of civil society (elected on the basis of a public call), local sustainable tourism businesses, local farmers applying ?green? technologies and principles and eligible for green subsidies stimulated by the project, private forest owners supported by the project-driven incentives etc.

The project?s institutional arrangements are described in Prodoc Section VI. ?Governance and Management Arrangements?. Coordination aspects are also described in this section, and will include representation by other development partners on the Project Steering Committee. Coordination aspects are also described in the Comprehensive Stakeholder Engagement plan, as discussed in Section 2. above.

#### **7. Consistency with National Priorities**

Describe the consistency of the project with national strategies and plans or reports and assesments under relevant conventions from below:

NAPAs, NAPs, ASGM NAPs, MIAs, NBSAPs, NCs, TNAs, NCSAs, NIPs, PRSPs, NPFE, BURs, INDCs, etc.

The project remains fully consistent with national priorities as originally outlined in the PIF.

#### **8. Knowledge Management**

**Elaborate the "Knowledge Management Approach" for the project, including a budget, key deliverables and a timeline, and explain how it will contribute to the project's overall impact.**

The project?s Knowledge Management approach is summarized in Section 3.6 of the Prodoc. Outcome 6 of the project encompasses a variety of activities that support Knowledge Management.

#### **9. Monitoring and Evaluation**

**Describe the budgeted M and E plan**

The budgeted M&E plan is included in Prodoc Section V. ?Monitoring and Evaluation (M&E) Plan?, which also refers to the Prodoc Section IV Project Results Framework. The budgeted M&E plan is also consistent with the Total Budget & Work Plan in Prodoc Section VIII.

The Project Monitoring and Evaluation Plan is copied below.

GEF M&E requirements	Indicative costs (US\$)	Time frame

<b>GEF M&amp;E requirements</b>	<b>Indicative costs (US\$)</b>	<b>Time frame</b>
<b>Inception Workshop</b>	3,000	Within 60 days of CEO endorsement of this project.
<b>Inception Report</b>	None	Within 90 days of CEO endorsement of this project.
<b>M&amp;E of GEF core indicators and project results framework</b>	3,000	Annually and at mid-point and closure.
<b>GEF Project Implementation Report (PIR)</b>	None	Annually typically between June-August
<b>Lessons learned and knowledge generation</b>	2,000	On-going
<b>Monitoring of indicators in project results framework</b>	3,000	On-going
<b>Risk monitoring, including SESP risks, SES screening, ESMP development and monitoring</b>	3,000	On-going
<b>Monitoring of Gender Action Plan indicators</b>	3,000	On-going
<b>Supervision missions</b>	None	Annually
<b>Mid-term and Terminal GEF Tracking Tool (an independent assessor)</b>	4,000	Prior to MTE PIR and TE PIR
<b>Independent Mid-term Review (MTR)</b>	40,000	September 30, 2024
<b>Independent Terminal Evaluation (TE)</b>	40,000	November 30, 2026
<b>Translation cost associated with M&amp;E</b>	4,000	MTR and TE
<b>TOTAL indicative cost</b>	USD 105,000	

## 10. Benefits

**Describe the socioeconomic benefits to be delivered by the project at the national and local levels, as appropriate. How do these benefits translate in supporting the achievement of global environment benefits (GEF Trust Fund) or adaptation benefits (LDCF/SCCF)?**

Project socio-economic benefits are associated with the following individual elements of the project intervention strategy:

- Improved management of the PA estate holding a unique recreational value for the local population and visitors. Diversification and improved quality of tourist offer within the PAs
- Enhanced financial sustainability of protected areas, innovative business planning and other finance tools providing for more sustainable PA finance;
- Support to small businesses in tourism, forestry and agriculture;
- Support to and incentives for private forest owners;
- Promotion of biodiversity-positive entrepreneurship in forestry;
- Support to green farming.

Project beneficiaries are listed in the Prodoc in Section 3.2 on Partnerships, Stakeholder Engagement, and Coordination, and in Annex 12 of the Prodoc, the Comprehensive Stakeholder Engagement and Communication Plan. The project is expected to have a minimum of 50,000 direct beneficiaries, and provide gender-disaggregated reporting as stated in the Section IV of the Project Document ?Project Results Framework?.

## 11. Environmental and Social Safeguard (ESS) Risks

Provide information on the identified environmental and social risks and potential impacts associated with the project/program based on your organization's ESS systems and procedures

**Overall Project/Program Risk Classification \***

PIF	CEO Endorsement/Approval	MTR	TE
<b>Medium/Moderate</b>			

**Measures to address identified risks and impacts**

Elaborate on the types and risk classifications/ratings of any identified environmental and social risks and impacts (considering the GEF ESS Minimum Standards) and any measures undertaken as well as planned management measures to address these risks during implementation.

<p><b>What are the Potential Social and Environmental Risks?</b></p> <p><i>Note: Describe briefly potential social and environmental risks identified in Attachment 1 ? Risk Screening Checklist (based on any ?Yes? responses). If no risks have been identified in Attachment 1 then note ?No Risks Identified? and skip to Question 4 and Select ?Low Risk?. Questions 5 and 6 not required for Low Risk Projects.</i></p>	<p><b>What is the level of significance of the potential social and environmental risks?</b></p> <p><i>Note: Respond to Questions 4 and 5 below before proceeding to Question 6</i></p>			<p><b>What social and environmental assessment and management measures have been conducted and/or are required to address potential risks (for Risks with Moderate and High Significance)?</b></p>
<p><b>Risk Description</b></p>	<p><b>Impact and Probability (1-5)</b></p>	<p><b>Significance (Low, Moderate, High)</b></p>	<p><b>Comments</b></p>	<p><i>Description of assessment and management measures as reflected in the Project design. If ESIA or SESA is required note that the assessment should consider all potential impacts and risks.</i></p>



<p>Risk 1: Vulnerable and marginalized groups could be excluded from project decision-making and benefit sharing that may affect them.</p> <p>(Principle 1: q2, q4, q5)</p>	<p>I = 2</p> <p>P =3</p>	<p><b>Moderate</b></p>	<p>The average poverty rate for the country is above 9%; vulnerable and marginalized groups include poor and deprived, the long-term unemployed, elderly, low-income pensioners, persons with disabilities, refugees and internationally displaced persons etc. While the proposed project poses no direct risks of human rights violation, it will work in the rural areas and affect the resident marginalized groups there. Marginalized groups face significant barriers to securing resource rights, especially as they relate to the governance of natural resources. These groups include vulnerable groups, youth and women who are underrepresented in positions of responsibility within civil society organizations and local institutions, including groups for land planning and natural resource management</p>	<p>As the project will be working in the areas where the poverty rate is high and vulnerable and marginalized groups rely mainly on opportunities for small-scale business development, the project design, stakeholder engagement and assessment of benefits should be sensitive to human rights, inclusion and equality principles.</p> <p>The project activities aimed directly to benefit local communities (e.g. ?green? farming incentives), as well as all the capacity-building activities within the project, have been designed with due account of human rights and equality principles.</p> <p>The Comprehensive Stakeholder Engagement Plan for the project was prepared to ensure appropriate engagement and representation of all relevant stakeholder interests.</p> <p>The project team will maintain close communication with line ministries and local governments as holders of relevant registers (unemployment, social welfare, disability, migration, elderly support etc) in order to extract localized data and information on the distribution and profile of target groups.</p> <p>The data will inform decision-making process and secure the inclusion and participation of group representatives in decision-making process, primarily through the Partnership Committee.</p> <p>The project develops integrated strategies and activities geared to raise awareness on these issues, engage said stakeholders in the project process and implementation, and develop income-generating activities aimed at securing and, when appropriate, enhancing the economic, social and environmental benefits to the marginalized groups.</p>
---	--------------------------	------------------------	---	---

<p>Risk 2:</p> <p>The project might aggravate the already existing gender issues and trigger the unequal sharing of benefits for the local communities in the rural areas</p> <p>(Principle 2 q. 2)</p>	<p>I = 3</p> <p>P = 2</p>	<p><b>Moderate</b></p>	<p>Due to persisting gender-based disadvantages in the country, women are vulnerable, lack political and economic empowerment and have a considerably lower income. This is particularly characteristic for rural Montenegro. Local livelihoods in the rural areas where the project will work depend on small-scale business development based on subsistence use of natural resources. It is mainly family businesses in highly patriarchal communities where women are often disadvantaged. The proposed project has no activities directly dealing with equity considerations or gender disparities, however, the decision-making and local capacity development processes within the project should be sensitive to these issues.</p>	<p>A detailed gender analysis was carried out during the PPG phase to fully consider the different needs, roles, benefits, impacts, risks, differential access to and control over resources of women and men given a project's context, and to identify appropriate measures to address these and promote gender equality and women's empowerment. A Gender Action Plan and Budget were developed to guide gender mainstreaming during project implementation. In accordance with identified gaps and inequalities, the project will implement the following gender-responsive strategic approaches:</p> <ul style="list-style-type: none"> <li>? Develop a solid evidence base to ensure that both women and men are equally represented and covered by the Project;</li> <li>? Strengthen women' participation in decision-making in all Project components;</li> <li>? Raise the possibilities for women to benefit from the Project.</li> </ul> <p>The key gender mainstreaming elements in the project strategy can be summarised as follows:</p> <ul style="list-style-type: none"> <li>- Balanced representation and meaningful participation of women and men in key project activities, including those related to capacity building and management planning for protected areas, BD research and valorization studies, BD threat and risk assessments, spatial planning, development of responsible BD-sensitive sectoral practices and standards;</li> <li>- Engagement and mobilization of individuals, local women groups, women NGOs, etc. to participate in its implementation of the Project and to benefit from business opportunities that are created under the particular Project</li> </ul>
---	---------------------------	------------------------	--	---

<p>Risk 3:</p> <p>Indirect or consequential project impact from sectoral interventions could potentially lead to adverse environmental effects if the project activities are designed and/or implemented poorly.</p> <p>(Standard 1: q 1.1, 1.10)</p> <p>The project will work with the development sectors and plans to provide an input to the spatial development planning and sectoral development priority setting where conflicting interests meet, e.g. those between low-impact tourism development and plans for ski resort expansion, or excessive development of the coastal zone in the vicinity of MCPAs. While the project input is not likely to cause any conflicts, the indirect effect associated with aggravating stakeholder interests? conflicts in particular areas is possible.</p> <p>(Principle 1 q 8)</p>		<p><b>Moderate</b></p>	<p>Biodiversity and ecosystem services are in the core of sectoral development. It is especially valid for tourism: amenities and recreational services provided by a range of ecosystems are not preserved at current levels or improved, Montenegro?s attractiveness for tourism as the primary economic sector will also significantly diminish. Serving as a source of additional income and by supporting traditional economic activities of the rural population, biodiversity is also important for the livelihoods of local communities in the country. Conversion of habitats, biodiversity loss and degradation of ecosystem quality affect rural populations to a great extent. The majority of rural inhabitants live at or below the poverty line and they depend on these services for their survival. This particularly affects women, as they are mainly involved in traditional cattle breeding</p>	<p>Project activities have been designed to avoid adverse indirect/consequential impacts to critical and/or sensitive habitats and/or ecosystems and ecosystem services. The project design so far does not foresee any project-driven sectoral interventions that can produce <u>direct negative</u> environmental impact. However, to ensure environmental and social safeguards are implemented throughout the project, consistent with national regulation and UNDP?s Social and Environmental Standards, subject to the agreement between UNDP and the National Implementing Partner, an Environmental and Social Management Framework (ESMF) will be developed for the project during the Inception Phase.</p> <p>The very project concept streamlines the necessity to prioritize biodiversity considerations and mainstream biodiversity-friendly sectoral policies and practices. The design and sequence of the project activities have been made in a manner to create efficiencies and be effective. By acquisition of relevant information regarding the status of species and habitats through assessments and establishment of detailed monitoring programs, data sets will be provided for planning purposes (both entity-level and municipal level land use and management plans and nationally through higher planning documents) identifying areas of potential future conflicts and unsustainable resources use and create preconditions for timely prevention of these negative scenarios.</p> <p>For all three sectors in the project focus (tourism, forestry and agriculture), the project will support only the ?green? practices and endeavors: nature-based tourism, BD-sensitive forest management, and green farming.</p>
---	--	------------------------	--	--

<p>Risk 4:</p> <p>Project impact on the status of biodiversity and ecosystems might be limited by climate change as a direct driver of habitat conversion and biodiversity loss in the country.</p> <p>(Standard 2: q 2.2 Standard 3: q 3.5)</p>	<p>I = 3</p> <p>P = 3</p>	<p><b>Moderate</b></p>	<p>Impacts of climate change on the ecosystems include primarily the effects of hot and dry periods on forest habitats which cause wildfires. Current assessments predict shifting of vegetation zones, habitat loss and fragmentation, and changes in qualitative and quantitative aspects of biocoenoses as a result of climate change. A reduction in number of species is expected, primarily related to freshwater ecosystems, as well as the impact of significant fluctuations in temperature and humidity in the environment on species vulnerable to these effects.</p>	<p>Climate risks to project endeavours and the management response were formulated as part of the project design documentation, focusing on improved management planning with considerations of the climate change risks and with focus on identifying gender-specific vulnerabilities.</p> <p>Assessments of climate change effects within the targeted PAs and ecosystems will be included in the revised protection studies and advanced management planning instruments to be developed with the project support for the targeted PAs: Durmitor NP, Dragisnica-Komarnica PN, Skadar Lake NP (Outcome 1). Targeted BD assessments and the baseline studies for the unprotected KBAs under Outcome 2 will include climate change threats and effects. Project Output 4.2 is aimed at strengthened resilience of High-Conservation Value forests to fires and other climate-induced threats. Finally, under Output 5 the project will develop and test agro-environmental measures that will respond to the climate threats to the vulnerable agricultural lands within the biodiversity buffer zones and KBAs. Embedding CC issues and risk mediation measures at the design stage for the key project endeavours mentioned above is seen as a principal risk mitigation measure.</p>
--	---------------------------	------------------------	--	---

<p>Risk 5: New zonation of protected areas and enforcement of existing regulations could impinge on the livelihoods of nearby communities, potentially restricting access to land and/or resources (including ecosystem services).</p> <p>(Principle 1 q3; Standard 5, q5.2)</p>	<p>I = 3 P = 3</p>	<p><b>Moderate</b></p>	<p>The project will seek to strengthen management arrangements for the existing protected areas in order to ensure compliance with the international requirements for the protection of valuable biodiversity. Specifically, the project will help develop scenarios for the Tara River Basin UNESCO Biosphere reserve and the Durmitor WH site to be properly managed with the balanced interests of the local communities and the biodiversity conservation.</p>	<p>The ESMF for the project will identify procedures to ensure that Process Framework(s) are in place if it is confirmed that project activities may cause restrictions in access to natural resources in legally designated parks and protected areas. The purpose of a process framework is to establish a process by which members of potentially affected communities participate in the design of project components, determination of measures necessary to address the requirements of SES Standard 5.</p> <p>The social baseline for the PA management plans will confirm current land use/ownership, affected peoples, and possible social and economic impacts of the new zonation. In any case, there will be no physical displacement as a result of enhanced management and new zonation developed with the project support. Before any significant changes are included into the revised PA management plans, they will be subject to an assessment of various impacts including that on community livelihoods. Environmental studies, as well as social and economic baseline assessments, are part of the PA valuation process before proclamation/new zonation. All the changes to be introduced for the Tara River UNESCO Biosphere reserve and the Durmitor WH site will go through the consultative process through the recently established multi-stakeholder management board. Through its activities, the project will contribute to the substantial increase of scientific knowledge of the sites, the contribution of non-governmental organizations and local populations, the adequate network design in terms of area and representativeness, and the adequacy of the EU and national legal frame.</p> <p>With the implementation of legal framework prescribing and defining consultation</p>
--	------------------------	------------------------	--	--

<p>Risk 6: Project interventions associated with tourism development in the vicinity of historical sites might cause unintentional adverse impacts on historical sites and objects with cultural value.</p> <p>(Standard 4: q 4.1)</p>	<p>I = 3</p> <p>P = 1</p>	<p><b>Low</b></p>	<p>It is possible that the project will be somehow engaged with the tourism development in the vicinity of historical sites and cultural objects (Kotor-Risan Bay, Lustica Bay, Old Ulcinj, Durmitor world heritage sites etc.).</p>	<p>The project will rely on and conform to the national guidelines and framework set by the Protection and preservation program cultural goods, Cultural Tourism Development Program of Montenegro with Action Plan and the Law on Culture. Chance find procedures will be elaborated in the project ESMF.</p> <p>The World Heritage Convention and the Operational Guidelines for the Implementation of the World Heritage Convention will be at the core of any development affecting historical sites.</p> <p>The Spatial Plan of Montenegro (that also concerns World Heritage) will undergo a Strategic Environmental Assessment. the core team responsible for elaboration and synthesis of the project activities to support the new Spatial Plan, will specifically look at the section related to spatial planning for the protection of nature and cultural heritage (as noted in Prodoc).</p>
--	---------------------------	-------------------	--	--

<p>Risk 7: Generation of non-hazardous waste and pollution as a result of tourism development, as well as practice interventions for forestry and agriculture (e.g. use of pesticides)</p> <p>(Standard 7: q 7.2,7.4)</p>	<p>I = 3</p> <p>P = 1</p>	<p><b>Low</b></p>	<p>The project will control sectoral impacts, which may adversely affect the quality of nature values in and create waste and noise.</p>	<p>The ESMF to be developed will identify procedures for site-specific management plans that may be needed to address potential waste and pollution (including noise pollution) impacts, to ensure consistency with national requirements and UNDP's SES.</p> <p>The project will rely and conform to the national guidelines and framework set bylaws on waste management, food safety and forestry.</p> <p>Pesticide use is regulated by agricultural policies and law. The direct payment scheme is run in accordance with the existing rules and regulations. Pesticide use will be tackled as one of the principal criteria for the 'green' payments scheme to be supported by the project. In general, the eligibility criteria for the green payments scheme will be aligned with the SES principles.</p> <p>UNDP will ensure that the Project will not use products that fall in Classes Ia (extremely hazardous) and Ib (highly hazardous) of the World Health Organization Recommended Classification of Pesticides by Hazard. For the agricultural pilots supported through Outcome 5, pesticides (allowable in accordance to the eligibility criteria for green practices established for the project) will be handled, stored, applied and disposed of in accordance with international good practice such as the FAO International Code of Conduct on the Distribution and Use of Pesticides.</p>
---	---------------------------	-------------------	--	---

<p>Risk 8: The project involves capacity building of firefighters and the establishment of local firefighting crews. The project will also support ?patrolling? and ?enforcement? within the pilot protected areas. These activities might be associated with safety risks.</p> <p>(Standard 3: q 3.7,3.9)</p>	<p>I = 3</p> <p>P = 1</p>	<p><b>Low</b></p>		<p>Safety risk for firefighting is by definition included as a principal aspect in any training program on the subject. The country has accumulated vast experience on the subject and has benefited from the best available resources outside during major fire outbreaks in 2017 and earlier. The capacity-building effort of the project will be based on the existing experience and best practices available. It is not something that will be developed from scratch with a zero baseline; the best practice does exist and it includes safety issues as a primary priority.</p> <p>Patrolling and enforcement activities within the protected areas are performed in strict accordance with the regulations, by qualified personnel with appropriate licenses. Qualified trainers with the necessary certifications will be engaged. Training programmes are standardized and include safety issues. These processes are strictly regulated in accordance with the existing law; there is long-term practice that?s collected, analyzed, and used for trainings.</p>
	<p><b>QUESTION 4: What is the overall Project risk categorization?</b></p>			
	<p>Select one (see <a href="#">SESP</a> for guidance)</p>		<p><b>Comments</b></p>	
	<p><i>Low Risk</i></p>		<p>?</p>	



		<p><i>Moderate Risk</i></p>	<p>X</p>	<p>The overall social and environmental risk category is Moderate, as determined by the highest level of significance of identified risks. The SESP has identified several Moderate risks summarized above, associated with a very limited impact that will be avoided or mitigated via straightforward management instruments, such as a comprehensive Stakeholder Engagement Plan and a Gender Action Plan.. The PPG studies revealed no substantive background or detail for developing the specific management plans. Certain elements of an ESMF were incorporated into the SESP and SEP, subject to further detalization and planning through an ESMF during the project inception phase. The NIM Implementing Partner will make sure that the detailed management measures for specific risks are proposed in accordance with the existing national law and regulations. UNDP will ensure consistency with UNDP's SES as part of UNDP's assurance role in the project. No activities that may have potential adverse impacts on people or the environment will be implemented until relevant environmental and social assessments are conducted and management measures/plans put in place. Related project procedures to ensure these safeguards are in place will be elaborated in the ESMF. Preparation of ESMF is considered as a priority capacity-building exercise that would require the close engagement of both UNDP and the NIM Implementing Partner as</p>
--	--	-----------------------------	----------	---

	<i>High Risk</i>	?	
	<b>QUESTION 5: Based on the identified risks and risk categorization, what requirements of the SES are relevant?</b>		
	Check all that apply	<b>Comments</b>	
	<i>Principle 1: Human Rights</i>	X	As the project will be working in the areas where the poverty rate is high and vulnerable and marginalised groups rely mainly on opportunities for small-scale business development, the project design, stakeholder engagement and assessment of benefits should be sensitive to the human rights, inclusion and equality principles.
	<i>Principle 2: Gender Equality and Women's Empowerment</i>	X	Local livelihoods in the rural areas where the project will work depend on small-scale business development based on subsistence use of natural resources. It is mainly family business in highly patriarchal communities where women are often disadvantaged. The proposed project has no activities directly dealing with equity considerations or gender disparities, however, the decision-making and local capacity development processes within the project should be sensitive to these issues.

	<b>1. Biodiversity Conservation and Natural Resource Management</b>	<b>X</b>	The positive impact of the project on the status of biodiversity values and the quality of ecosystem services can be very limited, due to conflicting sectoral interests combined with the enforcement capacity constraints. There is a risk that the business-as-usual approach will prevail, leading to the deterioration of the biodiversity values and loss of vitally important ecosystem services.
	<b>2. Climate Change Mitigation and Adaptation</b>	<b>X</b>	Climate change effects and consequences, such as extreme climatic events and habitat conversion may become a significant factor determining the project impact on biodiversity and ecosystems.
	<b>3. Community Health, Safety and Working Conditions</b>	<b>?</b>	
	<b>4. Cultural Heritage</b>	<b>?</b>	
	<b>5. Displacement and Resettlement</b>	<b>X</b>	While the project will not result in physical displacement, economic displacement may occur as a result of restricted access to natural resources and ecosystem services.
	<b>6. Indigenous Peoples</b>	<b>?</b>	
	<b>7. Pollution Prevention and Resource Efficiency</b>	<b>?</b>	

#### Supporting Documents

Upload available ESS supporting documents.

Title

Module

Submitted

Title	Module	Submitted
Annex 5_SESP_UNDP 6461 Montenegro	CEO Endorsement ESS	

**ANNEX A: PROJECT RESULTS FRAMEWORK** (either copy and paste here the framework from the Agency document, or provide reference to the page in the project document where the framework could be found).

Please see Section IV. "Project Results Framework" of the Prodoc.

<b>This project will contribute to the following Sustainable Development Goal (s):</b> <i>SDGs 2, 5, 8, 12, 13, 15</i>				
<b>This project will contribute to the following country outcome (UNDAF/CPD, RPD, GPD):</b> <i>By 2021, people of Montenegro benefit from sustainable management of natural resources, combating climate change and disaster risk reduction</i>				
	<b>Objective and Outcome Indicators</b>  (no more than a total of 20 indicators)	<b>Baseline</b>	<b>Mid-term Target</b>	<b>End of Project Target</b>
<b>Project Objective: To ensure strengthened capacities for protection of the internationally recognized biodiversity hot-spots of Montenegro and mainstream biodiversity conservation and sustainable use objectives into the land use planning framework and sectoral practices around the KBAs</b>	<b><u>Mandatory</u></b> <b>Indicator 1:</b> # direct project beneficiaries disaggregated by gender (individual people) (GEF Core Indicator 11)	0	20,000 (incl. 10,000 women)	50,000 (incl. 27,000 women)
	<b><u>Mandatory GEF Core Indicators:</u></b>  <i>Indicator 2:</i> Terrestrial protected areas under improved management for conservation and sustainable use (Hectares) (GEF Core Indicator 1)	0	145,767 ha	145,767 ha
	<i>Indicator 3:</i> Area of landscapes under sustainable land management in production systems (GEF Core Indicator 4.3)	0	0	70,000 ha
<b>Project Component 1</b>	<b>Protection of valuable and/or vulnerable biodiversity within the KBAs and biodiversity buffer zones</b>			

<b>Project Outcome 1: Capacity of the existing national protected areas strengthened to better address the key threats to globally significant biodiversity</b>	<i>Indicator 4: At least 10% increase in METT score for the targeted national PAs</i>	<i>Durmitor National park - 64</i>  <i>Biogradska Gora National park - 66</i>  <i>Skadar Lake National Park - 57</i>  <i>Orjen Nature Park - 43</i>  <i>Dragisnica-Komarnica Nature Park - 37</i>  <i>Piva Nature Park - 60</i>  <i>Komovi Nature Park - 21</i>  <i>Ulcinjaska Solana Nature Park - 38</i>	<i>n/a</i>	<i>Durmitor National park - 70</i>  <i>Biogradska Gora National park - 72</i>  <i>Skadar Lake National Park - 62</i>  <i>Orjen Nature Park - 46</i>  <i>Dragisnica-Komarnica Nature Park - 42</i>  <i>Piva Nature Park - 65</i>  <i>Komovi Nature Park - 22</i>  <i>Ulcinjaska Solana Nature Park - 40</i>
	<i>Indicator 5: International nominations (UNESCO, Ramsar) under improved management at 280,000 ha</i>	<i>0</i>	<i>0</i>	<i>287,707 ha</i>
<b>Outputs to achieve Outcome 1</b>	<i>Output 1.1: Revised management planning of the existing national PAs addresses the KBA conservation needs, international UNESCO and Ramsar requirements, newly assessed threats and climate risks</i>  <i>Output 1.2: Strengthened capacities of targeted PAs through incremental support for the implementation of the new management plan actions on patrolling, monitoring and enforcement, valorization of BD values; outreach to local communities</i>			

<b>Outcome 2: Biodiversity conservation arrangements in place for the biodiversity hot-spots outside the PAs</b>	<i>Indicator 6:</i> Biodiversity conservation considerations mainstreamed at the national scale through spatial planning framework (Spatial Plan and General Regulations Plan of Montenegro)	Limited BD conservation aspects mainstreamed through the national spatial development framework	The Spatial Plan for Montenegro and the General Regulation Plan are developed and adopted with a due consideration of biodiversity conservation priorities and concrete solutions for valuable BD conservation outside PAs	The Spatial Plan for Montenegro and the General Regulation Plan are developed and adopted with a due consideration of biodiversity conservation priorities and concrete solutions for valuable BD conservation outside PAs
	<i>Indicator 7:</i> KBAs covered by specific protection mechanisms developed with the project assistance and set for implementation	0	0	<i>Long beach/Velika plaža, Ada Bojana and Žasko jezero with its surroundings (Briska gora) ? spatial coverage for Output 2.3; the exact coverage in ha tbc pending the parallel research and conservation effort</i>
	<i>Indicator 8:</i> Unprotected KBAs and valuable BD hotspots justified for enhanced protection status and included as priorities into the spatial development framework	0	130,000 ha	130,000 ha
<b>Outputs to achieve Outcome 2</b>	<i>Output 2.1: Baseline studies and justification of priorities for protection of key biodiversity hot-spots outside PAs</i>  <i>Output 2.2: The Spatial Plan for Montenegro and the General Regulation Plan are developed and adopted with a due consideration of biodiversity conservation priorities and concrete solutions for valuable BD conservation outside PAs</i>  <i>Output 2.3: Concrete mechanisms for KBA protection outside PAs identified and set for implementation</i>			
<b>Project Component 2</b>	<b>BD mainstreaming into sectoral policies and practices</b>			

<b>Outcome 3: BD conservation considerations mainstreamed for sustainable tourism development</b>	<i>Indicator 9:</i> at least 5 small-scale tourism operators introduce biodiversity-sensitive nature-based tourism products as BAU alternative (gender-disaggregated)	0	0	5
---	---	---	---	---



	Indicator 10: at least 10% increase in the annual number of visitors in targeted PAs	0	3%	10%
		Baseline visitation data for the pilot PAs:		
		Durmitor National park 270315		
		Biogradska Gora National park 72209		
		Skadar Lake National Park 145.237		
		Orjen Nature Park 14		
		Dragisnica-Komarnica Nature Park 2785		
		Piva Nature Park 33000		
		Komovi Nature Park No data		
		Ulcinjaska Solana Nature Park 2983		

<b>Outputs to achieve Outcome 3</b>	<p><i>Output 3.1: Best-practice standards for nature-based BD friendly tourism developed and endorsed</i></p> <p><i>Output 3.2: Small-scale tourism business are stimulated to introduce biodiversity-sensitive business models</i></p> <p><i>Output 3.3: Public-private partnerships in tourism as a post-COVID resilience mechanism for responsible tourism development</i></p> <p><i>Output 3.4: PAs integrated into sustainable tourism development</i></p>			
<b>Outcome 4: BD conservation considerations mainstreamed into forestry policies and practices around KBAs</b>	<i>Indicator 11: Comprehensive management tools in place and incentives for biodiversity-positive forest owners promoted for at least 600 ha of privately owned forests</i>	0	600 ha	600 ha
	<i>Indicator 12: Targeted adaptation and resilience measures developed and implemented for at least 1000 ha of HCVF</i>	0	1,000 ha	1,000 ha
<b>Outputs to achieve Outcome 4</b>	<p><i>Output 4.1: Best-practice standards mainstreaming biodiversity-friendly forestry practices developed and endorsed</i></p> <p><i>Output 4.2: Strengthened resilience of High-Conservation Value forests built through targeted technical assistance</i></p>			
<b>Outcome 5: BD conservation considerations mainstreamed into agricultural policies and practices around KBAs</b>	<i>Indicator 13: A sustainable mechanism for agro-environmental incentives is in place to encourage uptake of sustainable BD-friendly agricultural practices</i>	0	<i>Agro-environmental incentive scheme (top-up of green direct payments to farmers) developed</i>	<i>Agro-environmental incentive scheme (top-up of green direct payments to farmers) institutionalized and tested</i>
	<i>Indicator 14: at least 20 small-scale farming enterprises benefit from top-up ?green? payments (gender-disaggregated)</i>	0	10	20

<b>Outputs to achieve Outcome 5</b>	<i>Output 5.1: Biodiversity conservation incentives for ?green? small-scale farming introduced</i>  <i>Output 5.2: Agro-environmental measures introduced to promote sustainable use of agricultural lands within the biodiversity buffer zones</i>			
<b>Project Component 3</b>	<b>Knowledge management</b>			
<b>Outcome 6: Knowledge management ensured through project implementation</b>	<i>Indicator 15: at least 3 knowledge products related to BD conservation considerations mainstreaming into sectoral policies and practices developed and disseminated. Project knowledge products include an analysis or showcasing of the interplay of gender equity/empowerment with the specific knowledge topic</i>	0	1	3
	<i>Indicator 16: Number of women and men getting access to the best available knowledge and practice, through project-supported knowledge products and training</i>	tbd	tbd	tbd
<b>Outputs to achieve Outcome 6</b>	<i>Output 6.1: Knowledge products and lessons learned documented and disseminated</i>  <i>Output 6.2: Project monitoring and evaluation</i>			

**ANNEX B: RESPONSES TO PROJECT REVIEWS (from GEF Secretariat and GEF Agencies, and Responses to Comments from Council at work program inclusion and the Convention Secretariat and STAP at PIF).**

Responses to Comments from Council, and responses to comments from the Convention Secretariat and STAP).

Comment	Response
STAP Comments:	

STAP Overall Assessment:

Minor issues to be considered during project design: STAP welcomes the project entitled "Biodiversity mainstreaming into sectoral policies and practices and strengthened protection of biodiversity hot-spots in Montenegro" submitted by UNDP. STAP is pleased to see such a strong focus on improved management of protected areas and biodiversity mainstreaming in the tourism, forestry and agricultural sector. The development of a national spatial plan is similarly a positive development; however, STAP cautions against viewing the plan as an outcome; rather it is a means by which to achieve changes in sector policies and practices by combining and analyzing data in a common system with diverse stakeholders. STAP is concerned that this project, while worthwhile, suffers from

attempting to accomplish too much without a clear, logical theory of change that describes how each of the components related to each other, including underlying assumptions. The TOC provided in this project reads more like a general hypothesis than a coherent linked set of outcomes that combined, will lead to conservation of biodiversity in and around protected areas and for that reason STAP recommends that during PPG phase, a concerted effort is made to revise the TOC in a way that more clearly links proposed interventions with barriers to success in achieving a more focused objective.

The project developers appreciate the STAP Overall Assessment and specifically the validation of the relevance of the proposed project intervention approach that combines improved management of PA estate and works on BD mainstreaming in the productive landscape in and around KBAs. Development of the Spatial Plan of Montenegro is not considered a project outcome, as it is a mainstream policy development process of the Government. The project will endeavor to impact the development of the new Spatial Plan of Montenegro ensuring a BD mainstreaming to its content where feasible - specifically for the section related to spatial planning for the protection of nature and cultural heritage in the future Spatial Plan. The main idea would be to emphasize the necessity for assigning the national protection status of the internationally recognized KBAs is adequately reflected in the main strategic framework document related to spatial planning and land use in Montenegro, and developing the concept of corridors important for biodiversity conservation. The project ToC follows the project intervention logic approved at the concept stage and refers to the updated Results Framework and detailed Project Strategy presented in the Project Document. The ToC narrative was revised to directly link problems, barriers and threats to project results objectives, suggesting a clear path towards achievement of the overall project objective.

The stated project objective highlights the fact that the project may be attempting to accomplish too many things and would benefit from greater focus.

The project scope, its Objective and focus have been defined in closed consultation with the key Governmental stakeholders. As clarified at the project endorsement, the project indeed includes many different activities and involves various protection and production sectors: PA estate management, tourism, agriculture, and forestry. The biodiversity-negative impacts (be it management capacity constraints for the PA system, or inadequate national response to the international status of key BD values, or biodiversity-negative development of tourism, forestry and agriculture), all pose serious risks to the globally-significant biodiversity of the country hosted by the KBAs. The project with its sectoral interventions is therefore focused on KBAs, the biodiversity values they host, and their key sectoral threats. The proposed project Component 1 deals with the management constraints associated with the PA estate, and unprotected biodiversity hotspots, while Component 2 is focused on BD mainstreaming into development policies and practices for three production sectors that impact KBAs in Montenegro. In a small country like Montenegro, removing an element from this picture would mean considerably less impact towards the achievement of the main objective of reducing key threats to globally significant biodiversity.

<p>Re indicators, the increase in visitors to PAs used as an indicator in Outcome 2 is not necessarily a good indicator for biodiversity mainstreaming into tourism - unless the model of tourism followed here is biodiversity-positive or at least biodiversity-"friendly". This isn't the case for many examples of tourism in PAs, so this is an important distinction. Note too there is a difference between the output 3.2 of small-scale tourism business introducing biodiversity-sensitive business models, which implies they change their business model, to the indicator of operators introducing biodiversity-sensitive tourism products, which could mean they continue the biodiversity-unfriendly products as well as introducing biodiversity-friendly ones. It is questionable whether the latter really represents biodiversity mainstreaming. Outcome 4 needs an output that involves actually implementing the standards developed in Output 4.1. Also, the indicator here should specifically refer to forests around KBAs, in order to support the Outcome 4. Likewise for Outcome 5.</p>	<p>The project indicators have been revisited as presented in the project Results Framework in the Project Document. Project Outcome 3 is focused on sustainable, nature-based tourism development; in this sense, the increase in the annual number of PA visitors seems an appropriate indicator.</p> <p>Output structure for Outcome 3 changed as presented in the Prodoc, following drastic implications of COVID pandemic on the tourism sector.</p> <p>As advised, Indicator for Output 3.2. reads at least 5 small-scale tourism operators introduce biodiversity-sensitive nature-based tourism products as BAU alternative?.</p> <p>It is outside the project scope and influence to ensure that the standards developed in Output 4.1. are implemented and enforced. The project might consider revision of the indicator in the course of adaptive management, provided that the key stakeholder (recently reformed MED) commitment is in place.</p> <p>The indicators for Outcome 4 have been revised with a specific reference to the targeted forest coverage.</p> <p>For Outcome 5, special coverage is presented as Objective level indicator 3. As the methodology for assessing the target 20,000 of agricultural land inside the BD buffer zone is not ideal, the project might consider revision/clarification of the indicator once a better methodology for assessing direct impact coverage is available and agreed with the sectoral stakeholders.</p>
<p>Outcome 1 is strengthened capacity of existing national PAs, which doesn't make sense - perhaps they mean improved capacity of PA management personnel? Outcome 2 is BD conservation arrangements in place outside of PAs; however, it is unclear what is meant by arrangements and this in and of itself doesn't seem to be an outcome, but rather an output that would lead to an outcome whereby biodiversity is mainstreamed in certain sectors (which is Outcome 3 - 5)</p>	<p>Outcome 1 ?Strengthened capacity? refers to PA management capacity. The spatial planning instruments for better protection of currently unprotected KBAs have been elaborated in detail as presented in the Project Strategy for Outcome 2 and Annex 15 to the Project Document.</p>

<p>The project expects 150,040.00 ha in new terrestrial protected areas; however, all of the parks are already protected so they can't be 'newly created.' Perhaps these areas should be moved to Indicator 1.2 re improved management effectiveness? An additional 80,000 hectares is expected to be under improved management outside of protected areas which accounts for BD mainstreaming under Component 2. Slightly troubling is the statement that much of this will be accomplished through spatial planning. Spatial planning is a critical first step, but it is only a tool that can bring people together to make decisions but until specific action is taken beyond spatial plans, biodiversity will not be conserved.</p>	<p>The core indicator 1.2 in the project context reads as Terrestrial protected areas under improved management for conservation and sustainable use; the target indicator value is 145,767 ha. An additional 80,000 ha refer to Outcome 2 (ca. 10,000 ha of valuable biodiversity hot-spots justified for protection through spatial planning within the natural landscapes that are not under productive forestry or agriculture inside the biodiversity buffer zones), Outcomes 4 and 5 ( Direct impact on the area of land under productive forestry 50,000 ha and agriculture 20,000 ha).</p>
<p>There are a total of 15 outputs for this project. While many of them make sense and are valuable, in some cases they are not sufficient or in the wrong order to achieve the desired outcome (for example, Outcome 2 is BD conservation arrangements in place for BD hot-spots outside of PAs and the first output is mechanisms for protection identified and set for implementation and the second output is a spatial plan for the whole country developed and adopted that includes BD. Wouldn't the development of the plan need to preceed the development and implementation of mechanisms?) In sum, there are many good outputs but the don't seem to follow a logical sequence that begins with gathering data to inform a spatial plan, etc.</p>	<p>The proposed project strategy revisited, detailed, iteratively discussed with and subsequently endorsed by the key governmental stakeholders, with hopefully sufficient logic and sequence sufficient for the National Implementing Partner to use the Project Document as sufficient strategic guidance for the project implementation.</p>
<p>Given that the project focuses on PA management and practices in tourism, agriculture and forestry, the problem statement should clarify what the roles of these sectors are in contributing to the current problems in more detail.</p> <p>Also, a clear description of the KBAs in the country - the number, extent, types of habitats and overlap with PAs - is necessary in order to understand the project rationale. Re projected impacts of climate change, it is good that these are specifically described, but more specificity would be helpful. Threats are described (as above) but not the barriers to possible solutions for overcoming these threats. Little or no data is referenced.</p>	<p>The specific threats to KBA values from the production sectors are described in Annex 15 to the Project Document. A description of each KBA has been added there as well. Climate screening has been provided. Barrier analysis provided. References added were available.</p>

<p>While there is a section called TOC, this does not really constitute a TOC, which should set out a pathway or pathways the project</p> <p>will follow in order to reach its objectives, with accompanying assumptions/risks at each stage. The TOC presented here supports</p> <p>an integrated approach that includes both protected areas and key sectors outside of PAs (tourism, forestry and agriculture) with</p> <p>the assumption that by including all of these elements into one project it will likely be more successful than if doing so sector by sector. This has some merit; however, the flip side is that if all of these are not successful together than no progress will be made for any of the parts. And since the project is spread out so thinly across many activities, there is a risk that the whole thing will fall apart.</p>	<p>The ToC was elaborated as presented in the Prodoc. The assumption was that the integrated approach that includes both protected areas and key sectors outside of PAs (tourism, forestry and agriculture) increases the likelihood for the intervention to have durable and transformative impact. If one element (such as support to private forest owners) fails, the overall impact will be less significant but still this won't mean an ultimate failure towards achievement of the project declared objective. The possible ?patchy? intervention scenario discussed in ToC section of the Prodoc.</p>
<p>The focus of the project is on KBAs, but this is not well justified by the problem statement - are these negative impacts on biodiversity occurring in KBA areas?</p>	<p>A specific annex to Prodoc has been commissioned to describe threats and negative impacts on KBAs</p>



The initial description of the proposed alternative scenario is very unclear ( p 11 section 1.a.3). What are the "pilot" PAs? For KBAs outside of PAs, it is not clear if the plan is to start the process to make them PAs, or to look at other management options for conservation of these areas. What "project area map" is referred to in the final paragraph? What hotspots are referred to here, and

how do these relate to the KBAs? The term hotspot generally refers to this CI categorisation (<https://www.cepf.net/ourwork/>

biodiversity-hotspots), and the whole of Montenegro is within one - using the term in the way used here is very confusing.

Output 1.1: these newly emerging threats could have usefully been described in the problem statement. The description of output 1.1 here does not seem to be consistent with the output 1.1 described in section B. Indicative Project description summary. The latter is focused on KBAs covered by PAs, whereas the activities described here seem to be in part about assessing whether the coverage of PAs is adequate.

Outcome 3 seems to rest entirely on voluntary measures - is there some reason regulatory standards

are not foreseen? The biodiversity component of Output 3.3 appears rather weak. Re Output 3.4, the link to improved biodiversity conservation needs to be articulated. Outcome 4.1 focuses on increasing production of various NTFPs - but this, as it is written, could be highly dangerous for biodiversity. Sustainable use of NTFPs can be extremely beneficial if it incentivises conservation through e.g. returning benefits to local communities, but there is nothing necessarily beneficial about increasing production of these, particularly as the problem statement suggests over-harvest is a current problem. Should this not rather be focused on improving management of harvest and increasing benefits to local people? In Output 4.2, referring to cultivation of mixed forests in relation to HCV forests is confusing, given the latter will be natural forests rather than plantations.

A specific annex was develop to clarify the KBA status in the country. The pilot PAs are indicated in the Core Indicator Worksheet. The conservation options for unprotected KBAs will be presented in the spatial planning framework based on the data and evidence base collected and discussed by relevant stakeholders, to be supported by the project.

The term "hotspots" refers to KBAs and other internationally recognised areas with globally significant BD, as well as landscapes and ecosystems of outstanding BD value that are exposed to various threats as described in the project problem statement and supported by 2012 PA gap analysis.

The project strategy for Outcome 1 as presented in the Prodoc clearly defines the project interventions within and outside the PA estate.

Outcome 3 does not include development of obligatory regulations, as validated by the key governmental stakeholders (former MSDT and MED). Project Outcome 3 was restructured following the drastic change in implementation environment and drastic effect of COVID pandemic on the tourism sector.

NTFP-related activities within Outcome 4 were proposed and endorsed in close linkage with the forestry strategy and regulations; as stated in the problem analysis, the country has strategies, policies and regulations in place but experiences capacity constraints in implementing and enforcing those. More advanced aspects, such as ultimate return of benefits to local communities, will be analysed once the project commences and initial workplaning with the sectoral stakeholders? involvement takes place.

No mixed forest plantations are mentioned in the Prodoc project strategy.

<p>In many ways, the spatial plan is seen as the main mechanism of change that will glue together all of the various pieces. While spatial planning is key, this should be the first step in the process and used to bring together stakeholders and gather data (which apparently is lacking) to justify activities that are proposed in this project). One of the underlying problems identified at the forefront is the inadequate enforcement of relevant regulations and yet nowhere in the project outcomes or outputs is this addressed directly. Even the best spatial plan will be inadequate if this underlying cause is not addressed</p>	<p>Spatial planning is not central in the project strategy presented in the project document. Lack of implementation and enforcement of regimes and regulations is streamlined in project strategy for Output 1.1, 1.2, 4.1, 4.2, 5.1.</p>
<p>A comparison of baseline and GEF scenario for Components 1 and 2 (page 26) shows that for Component 1 the GEF project will strengthen management of PAs and provide mechanisms and spatial planning which are incremental; however, the baseline case shows that the existing legal and institutional framework are not sufficient so it's not clear that those incremental changes are specifically addressing this problem. For Component 1 on biodiversity mainstreaming, the incremental scenario does specifically address the lack of incentives, best practices, etc. that have been lacking to date.</p>	<p>As per Prodoc problem statement, "existing legal and institutional framework for the protected areas does not provide a sufficient level of efficiency regarding these protected areas; neither does it provide a good framework for the establishment of new ones?". Deficiencies in the regulatory framework will be tackled by advanced management planning and provision of international conservation requirements (Ramar, UNESCO) into the regulatory framework for the pilot PAs. Project capacity building actions will tackle, to some extent, institutional inefficiencies. The obstacles towards establishment of new PAs are in the focus of a parallel UNEP project.</p> <p>The project strategy addresses the summary statement of the conservation baseline, presented in the prodoc as follows: "In the baseline scenario, many individual elements of the PA system are at risk of existence in name only, in the register, and on paper. Inadequate management and business planning have stalled the appropriate understanding of the potential role that PAs can play. The lack of understanding, incorporating, and implementing international best practice guidelines through management planning leads to deterioration of the biodiversity values with the risk of serious damages and eventual loss of the international designations. Virtually no biodiversity conservation arrangements are in place for the biodiversity hot-spots outside the PAs?"</p>
<p>The project seeks to accomplish too many things for a limited budget and no clear indication of support in terms of regulatory, policy, enforcement action.</p>	<p>As mentioned above, this multi-sectoral intervention with a geographical focus on the internationally recognized biodiversity values of the country was specifically requested by the Government back at the project scoping and concept stage in 2018, confirmed through the PPG phase, and validated in December 2020.</p>

Climate change is mentioned as a threat, but no specific activities are outlined to address this challenge through the project.	<p>Resilience measures to address climate risks and impacts have been addressed through the following project activities:</p> <ul style="list-style-type: none"> <li>-climate-resilient management planning for the PA estate;</li> <li>-spatial planning framework development with due account of climate threats and sensitivities;</li> <li>-forest fire threat reduction for HCVF within and outside PAs;</li> <li>-sustainable climate-smart agro-environmental practices.</li> </ul>
Given the underlying drivers of biodiversity loss and lack of planning, regulation and enforcement, it is likely that fundamental transformation change will be needed to solidify new policies, incentives, practices, etc. to promote long term change that preserves biodiversity in PAs and across key sectors.	The country has a substantial stimulus for a transformational change and specifically for the implementation and enforcement of new policies and regulatory frameworks, as the governmental agenda includes clear milestones and targets related to the EU accession. The GEF project will hopefully provide an essential increment where it concerns greening of the policies and providing a BD-sensitive dimension to the regulatory framework instruments.
The main stakeholders for this project appear to be government agencies and the public sector. Since this is such a wide-ranging project that includes the development of a spatial plan for the entire country and which focuses on key sectors such as tourism, forestry and agriculture then it makes sense that representatives from these sectors (i.e. tourism operators, hotels, farmers, etc) be included as key stakeholders. Other key stakeholders that would be good to involve include research organizations, academia, etc. Also, it would be nice to see consultation of municipal and local stakeholders at this stage, rather than only later.	The Stakeholder Engagement elements in the Project Document have been elaborated with a full account of the STAP recommendation. Indeed, the main stakeholders are government and public sector agencies. Tourism operators, private forest owners, farmers will be engaged as described in the 'private sector engagement' section of the CEO ER. Participation of academia and NGOs described in SEP, CEO ER and Prodoc sections on stakeholders.
Gender elements of the PIF are rather weak, with little specific information about barriers facing women or how they will be addressed.	A gender analysis and Gender Action Plan have been commissioned as key deliverables of the PPG phase

<p>Many of the risks identified are internal to the project (i.e. length of time required to do spatial planning, lack of financial viability of proposed actions, unsuccessful partnership with the private sector, etc.). The only external risk has to do with barriers faced by marginalized groups (not sure if that is a barrier?). Climate change is mentioned earlier as a threat but not as a specific risk to the project. The project relies a lot on uptake of voluntary measures in identified sectors - isn't there a risk that these have little impact in changing damaging practices?</p>	<p>Project risks have been re-assessed during the PPG stage.</p>
<p>The PIF devotes a paragraph to the impacts of climate change on various ecosystems so it is clear that some work has been done in this area. But no references are cited or information about how this information can be used to assess climate risks that may impact the proposed project or inform specific interventions.</p>	<p>The climate change risks and effects have been analyzed as presented in the Annex 15 to the Project Document. The CC risk management strategy has been supported with a reference to concrete project activities designed to integrate CC effects assessment and response measures.</p> <p>Evidence-based climate risk statement, including sectoral sensitivities to climate change, is provided in the problem statement section of the Prodoc.</p> <p>Specific project interventions targeting resilience and adaptation have been listed above.</p>
<p>Social and Environmental risks are not described in this section apart from the aforementioned risk of marginalized groups.</p>	<p>Social and Environmental risks are presented as a separate SESP annex to the project document.</p>
<p>Several prior GEF projects are mentioned. There may be other relevant EU, GTZ, DfID, etc. projects but they are not mentioned in this section. Some lessons are clearly flagged, but this could be considerably strengthened. In the KM section the PIF states that during the PPG phase, the project will build on prior lessons from other projects.</p> <p>It seems like this type of information would have been good to inform the TOC and project components.</p>	<p>An analysis of relevant initiatives was commissioned during the PPG phase as presented in the Prodoc.</p>
<p>Knowledge management: General information provided about knowledge exchange between stakeholders, etc. No metrics provided.</p>	<p>Knowledge management aspects elaborate in accordance with the prodoc template and guidance available</p>
<p><b>GEF Council Members? Comments</b></p>	

<p>The project proposal states that the management plans of PAs correspond to (international) guidelines, which is particularly important considering the country's efforts to join the European Union. Germany would recommend clearly defining this aspect in the Logframe of the proposal</p>	<p>The project is committed to ensure improved management of 280,000 ha of internationally recognized BD hot-spots (KBAs, Ramsar, UNESCO sites). The activities within project Output 1.1 designed in detail to strengthen management arrangements for the existing protected areas in the country in order to ensure compliance with the international requirements for the protection of valuable biodiversity within KBAs and other international biodiversity hot-spots. The project will provide for improved management planning of the existing national PAs that would address the KBA conservation needs, international UNESCO and Ramsar requirements.</p>
<p>Germany recommends linking indicators and policy changes more explicitly. Component 2 of the project aims at 'BD mainstreaming into sectoral policies and practices'. However, the indicators proposed under Outcome 4 and 5 so far do not seem sufficient to achieve a policy change (in particular those indicators relating to 'ha of landscapes' and 'knowledge products')</p>	<p>The indicators for the project Outcome 2 have been re-visited during the PPG stage. Under Outcome 3, the project will assist the Government with an introduction of a biodiversity-sensitive dimension to the existing mechanisms within the national voluntary certification system and verification mechanisms for hotels and tourism operators. Through Output 5.1. the project will support the Government with the introduction of incentives to support agricultural practices with the aim of promoting sustainable use of valuable agricultural land. The project will provide a 'greening' increment to the regulatory framework development, however, it is outside the project mandate to commit (through specific indicators) to endorsement, implementation and enforcement of the regulatory and policy reforms within the limited project timeframe.</p>
<p>In order to align biodiversity related processes in the country and region, the project should seek linkages with other ongoing projects, such as</p> <ul style="list-style-type: none"> <li>? Open Regional Fund for Southeastern Europe for the Implementation of Biodiversity Agreements</li> <li>? Conservation and sustainable use of biodiversity at Lakes Prespa, Ohrid and Shkodra/Skadar (CSBL)</li> <li>? Support to Economic Diversification of Rural Areas in Southeast Europe (SEDRA)</li> </ul>	<p>Noted and incorporated in the project design as relevant.</p>

<p>In order to ensure local ownership of the project, Germany recommends revising the following aspects:</p> <p>? Review of the risk section to account for the recent resignation of Montenegro's sustainable development and tourism minister: Support of the ministry for this project might have to be re-evaluated under new leadership,</p> <p>? Broaden stakeholder engagement: In order to achieve the intended mainstreaming targets of the project and mitigate above risk, it is advisable to involve different directorates of the sustainable development and tourism ministry as well as other line ministries (agriculture, forestry, etc.)</p>	<p>The country went through a profound governmental reform in late 2020 that resulted in the transfer of the tourism development domain from the Ministry of Sustainable Development and Tourism (now Ministry of Environment) to the Ministry of Economic Development. The project strategy and the intended partnership and synergies were confirmed with the new partners in the final months of the PPG phase.</p> <p>The project will work directly with the two Directorates within the Ministry of Environment, three Directorates within the Ministry of Agriculture, and the Tourism Directorate in the Ministry of Economic Development. The details are provided in Section 3.2 of the Project Document.</p>
--	---

**ANNEX C: Status of Utilization of Project Preparation Grant (PPG).**  
**(Provide detailed funding amount of the PPG activities financing status in the table below:**

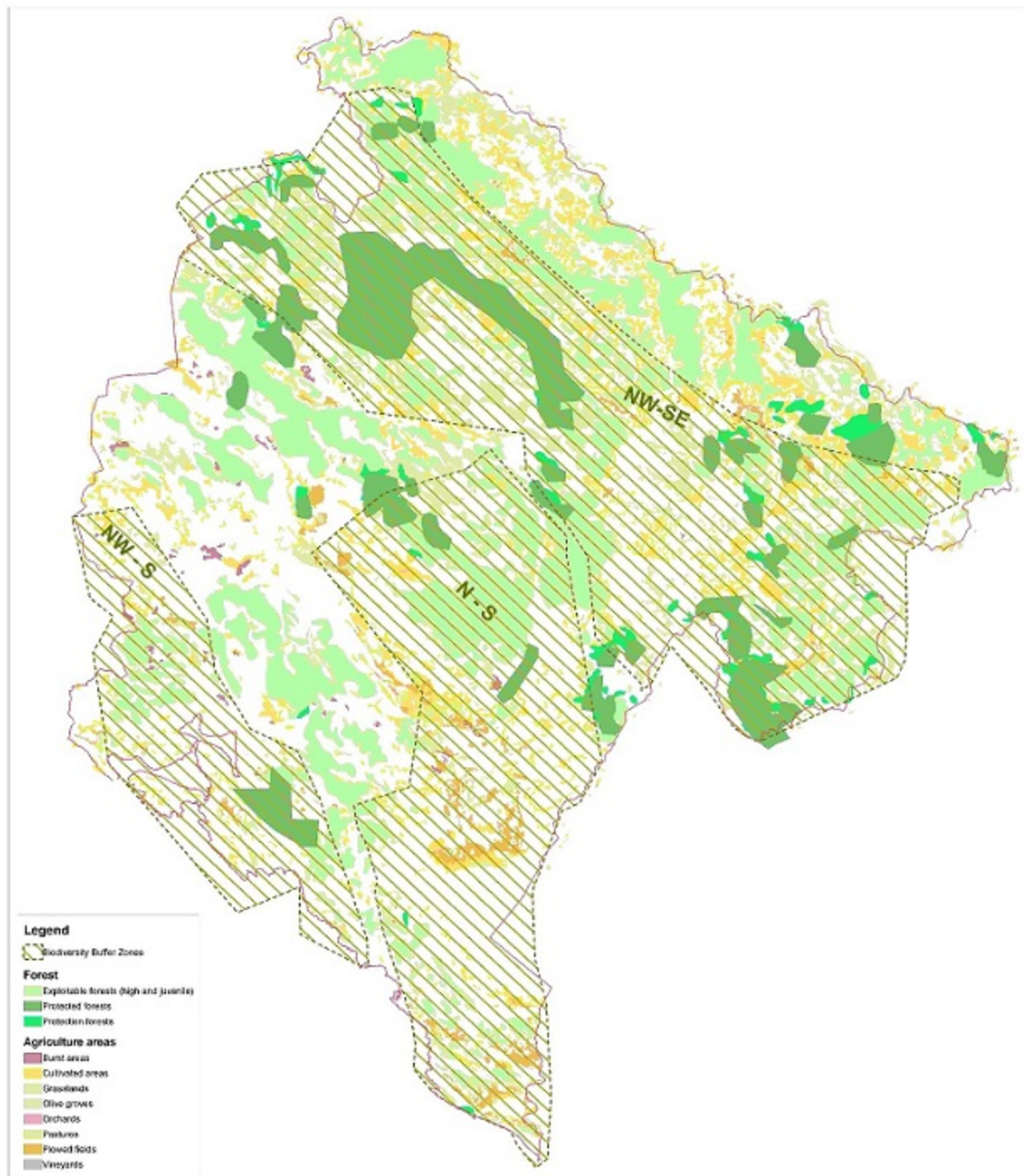
<i><b>Project Preparation Activities Implemented</b></i>	<i><b>GEF TF Amount (\$)</b></i>		
	<i><b>Budgeted Amount</b></i>	<i><b>Amount Spent To date</b></i>	<i><b>Amount Committed</b></i>
Preparatory Technical Studies & Reviews	\$55,100.00	\$36,029.00	\$9,200.00
Formulation of the UNDP-GEF Project Document, CEO Endorsement Request, and Mandatory and Project Specific Annexes	\$40,400.00	\$27,091.00	\$13,309.00
Validation Workshop and Report	\$4,500.00	\$1,900.00	\$2,600.00
<b>Total</b>	\$100,000.00	\$65,020.00	\$25,109.00

The unused PPG funds will be returned to the GEF.

**ANNEX D: Project Map(s) and Coordinates**

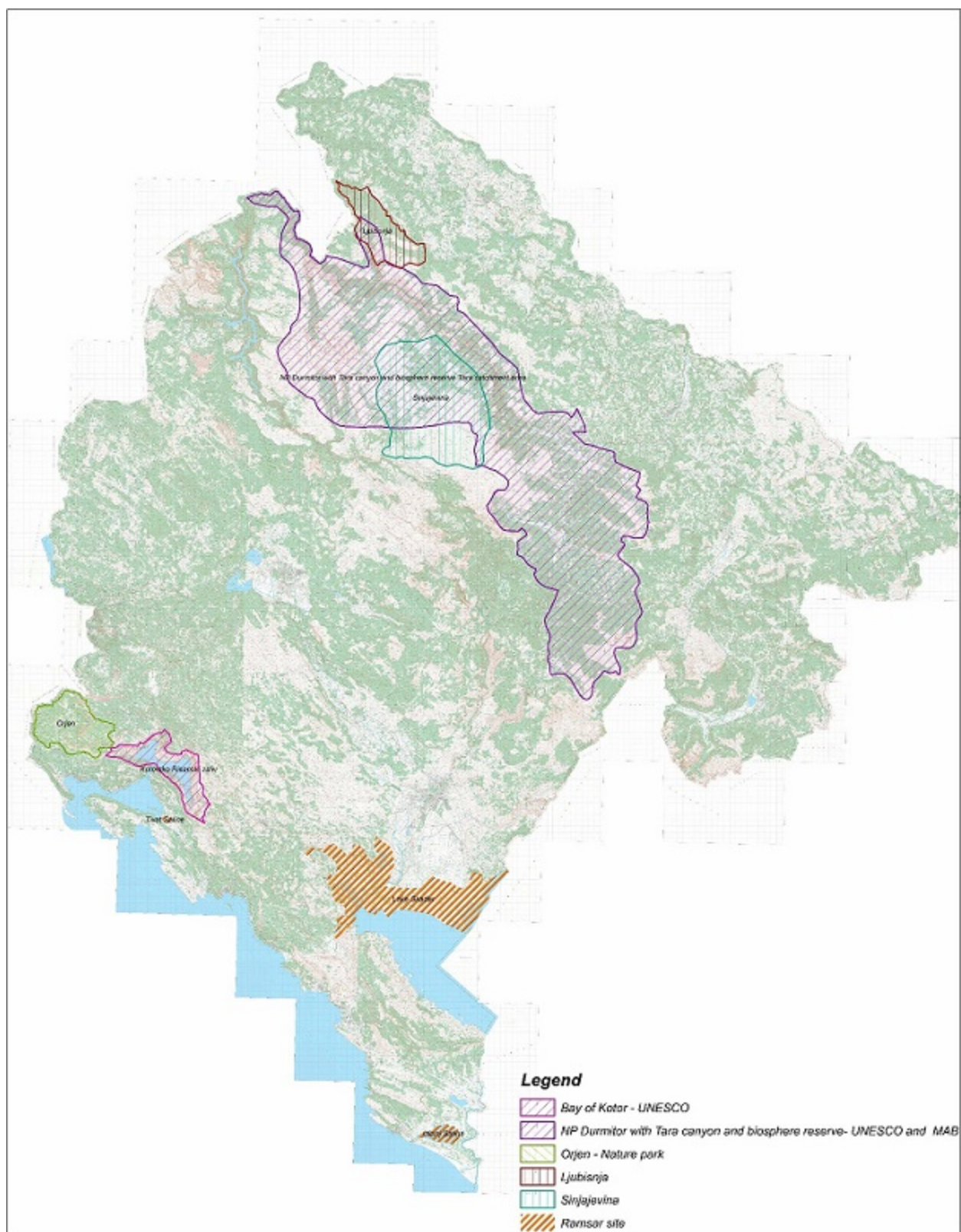






Map 3: Areas in the focus of the project Outcome 1





## ANNEX E: Project Budget Table

Please attach a project budget table.

Project Budget Table

Expenditure Category	Detailed Description	Component (USD eq.)						Total (USD eq.)	Responsible Entity
		Component 1	Component 2	Component 3	Sub-Total	M&E	PM C		(Executing Entity receiving funds from the GEF Agency) [1]
<b>Furniture/ Equipment ? Vehicle</b>	Material capacity building (equipment) for patrolling, monitoring and research under Output 1.2: Enhanced capacities for patrolling and monitoring (PAs: Skadar Lake, Durmitor, Biogradska Gora) \$70,000; Monitoring and research for informed management (PAs: Orjen, Piva, Komovi) \$20,000;	90,000			<b>90,000</b>			<b>90,000</b>	Ministry of Ecology, Spatial Planning and Urbanism
<b>Furniture/ Equipment ? Vehicle</b>	Procurement of equipment and goods (tbc once the reforestation support details agreed upon) under Output 4.2: Demonstration of best practice for fire remediation and testing of applicable restoration techniques; support to reforestation and private nurseries \$75,000		75,000		<b>75,000</b>			<b>75,000</b>	Ministry of Ecology, Spatial Planning and Urbanism

<b>Furniture/ Equipment ? Vehicle</b>	Office Equipment				-		1,595	<b>1,595</b>	Ministry of Ecology, Spatial Planning and Urbanism
<b>Contractual Services ? Individual</b>	Project Manager 40% \$40,000; PA management planning expert \$70,000; Outcome 1 PA capacity building coordinator \$60,000; Outcome 2 Coordinator for support to KBA protection status \$40,000	210,000			<b>210,000</b>			<b>210,000</b>	Ministry of Ecology, Spatial Planning and Urbanism
<b>Contractual Services ? Individual</b>	Project Manager 60% \$60,000; Outcome 3 Individual and corporate tourism business engagement specialist \$ 70,000; Outcome 4 HC VF Expert \$ 70,000; Outcome 5 Green payment scheme coordinator \$ 60,000;		260,000		<b>260,000</b>			<b>260,000</b>	Ministry of Ecology, Spatial Planning and Urbanism
<b>Contractual Services ? Individual</b>	KM, M&E & communication consultant \$70,000;			56,000	<b>56,000</b>	14,000		<b>70,000</b>	Ministry of Ecology, Spatial Planning and Urbanism
<b>Contractual Services ? Individual</b>	Project Assistant Admin/Finance \$60,000; Project Procurement Specialist \$60,000				-		120,000	<b>120,000</b>	Ministry of Ecology, Spatial Planning and Urbanism

<b>Contractual Services ? Company</b>	Output 1.1. Biodiversity threat&value assessment for the Durmitor National Park, Development of scenarios for compensation of WH property, re-assessment of zonation USD 20,000; A Model Protection Study for Dragisnica-Komarnica Nature Park \$18,000; Revised management planning and proposals for WH-compliant management arrangements for Durmitor and Dragisnica-Komarnica; Targeted implementation of new management plans USD 39,000; Assessment of acceptable ecological change for sustainable tourism development and carrying capacity for flagship ecosystems in Durmitor and Dragisnica-Komarnica \$ 13,000; Capacity building for implementation of the new management planning and tourism devt instruments (Durmitor&Dragisnica-Komarnica) with focus on promotion of WH property values,establishment of the visitors' monitoring and management schemes \$20,000; Revised management plans and design of buffer zones for Nature parks Piva and Komovi and National park Biogradska Gora \$52,000; Skadar Lake National Park: targeted re-assessment of habitats and BD values, development of recommendations for spatial planning and zonation, support to Ramsar buffer zone designation, boating regulations, valorisation activities \$40,000;	891,000			891,000			891,000	Ministry of Ecology, Spatial Planning and Urbanism
---------------------------------------	---	---------	--	--	---------	--	--	---------	--

<b>Contractual Services ? Company</b>	<p>Output 3.1: BD dimension (criteria, verification mechanisms etc.) to the existing national voluntary certification system for hotels and tourism operators. Introduction/testing of a BD-sensitive certification system \$15,000;</p> <p>Output 3.2: Targeted support to pilot tourism businesses with the development/amendment of the Destination Plans/Master Plans/Business recovery models \$50,000; Targeted support to small-scale tourism business development towards the more offerings of biodiversity-sensitive nature-based tourism products. Access to best practice and guidance for local business actors, municipal tourist organisations and local communities wishing to engage in development of biodiversity-sensitive nature-based tourism products. Assessment of potential services and products \$150,000;</p> <p>Output 3.3: Action plan for public-private partnership initiatives for responsible tourism recovery \$20,000; Support to model partnership(s) - targeted implementation of the Action plan \$40,000;</p> <p>Output 3.4: Development and packaging of tourism products for targeted PAs \$80,000; Targeted investment support for promotion of tourism products and development of marketing plans \$50,000; Branding and marketing of products and services in the targeted PAs \$40,000;</p>	1,067,000	1,067,000		1,067,000	Ministry of Ecology, Spatial Planning and Urbanism
---------------------------------------	---	-----------	-----------	--	-----------	--

<b>Contractual Services ? Company</b>	KM and M&E products not covered under Outcomes 1-5			19,000	<b>19,000</b>			<b>19,000</b>	Ministry of Ecology, Spatial Planning and Urbanism
<b>International Consultants</b>	International Consultant for the Green Payment Scheme design, \$21,000 (milestone-based IC contract)		21,000		<b>21,000</b>			<b>21,000</b>	Ministry of Ecology, Spatial Planning and Urbanism
<b>International Consultants</b>	MTR and Final Evaluation - intl team lead \$32,000 each (milestone-based IC contract)				-	64,000		<b>64,000</b>	Ministry of Ecology, Spatial Planning and Urbanism

<b>Local Consultants</b>	<p>Local Consultants for Output 1.1: Trainers and experts for capacity building for MAB management and best practice presentation \$13,000; Development of Amendments of the Action Plan and relevant internal regulations for the Tara River MAB Reserve \$8,000;</p> <p>Local Consultants for Output 2.1: Development of Management and/or action plan(s) for the specific areas to ensure protection and minimising negative effects of potential development \$10,000; development of Restoration plans (Bojana River) \$10,000;</p> <p>Local Consultants for Output 2.2: Baseline studies (former Protection Study) on BD mainstreaming dimension to cover the unprotected KBAs and biodiversity centres \$35,000; expert input into Spatial Plan content development where it concerns the concept of corridors important for biodiversity conservation \$5,000</p>	81,000			<b>81,000</b>			<b>81,000</b>	Ministry of Ecology, Spatial Planning and Urbanism
--------------------------	---	--------	--	--	---------------	--	--	---------------	--

<b>Local Consultants</b>	Local Consultants for Output 3.1: Expert input for BD conservation dimension in the post-COVID tourism sector recovery plans \$10,000; Local Consultants for Output 4.1: Development of regulations and incentives for increased production of NTFP generating income for local communities \$15,000; Development of Amendments to Law on Forests clarifying the use of NTFP \$ 8,000; Local Consultants for Output 5.1: SWOT analysis of the existing agricultural subsidies \$10,000; Support to "green" payment scheme: preparation and dissemination of the information package; consultation with proponents; screening of proposals; M&E of the "green" payment programme ; results and lessons learned \$54,000; Output 5.2 Agro-environmental pilots: Assessment of results, analysis of effectiveness and efficiency \$15,000		112,000		112,000			112,000	Ministry of Ecology, Spatial Planning and Urbanism
<b>Local Consultants</b>	MTR and Final Evaluation - national consultant \$8,000 each; METT assessment \$2,000*2				-	20,000		20,000	Ministry of Ecology, Spatial Planning and Urbanism



<b>Training s, Worksho ps, Meetings</b>	Output 1.1 Trainings for MAB management (Tara MAB Reserve coordination body, Management of Piva, Komovi, Biogradska Gora) \$15,000; Output 1.2 Capacity building for law enforcement (Skadar Lake, Ulcinjska Solana, Orijen, Dragisnica-Komarnica) \$20,000; Community engagement training and capacity building (Durmitor, Biogradska Gora, Sinjajevina, Skadar Lake, Ulcinjska Solana) \$20,000;	55,000			<b>55,000</b>			<b>55,000</b>	Ministr y of Ecology , Spatial Plannin g and Urbanis m
<b>Training s, Worksho ps, Meetings</b>	Output 3.1 Training for the local community to introduce the certification schemes and gain better understanding of their benefits \$15,000;		15,000		<b>15,000</b>			<b>15,000</b>	Ministr y of Ecology , Spatial Plannin g and Urbanis m
<b>Training s, Worksho ps, Meetings</b>	Support to KM events not covered under Outcomes 1-5			14,000	<b>14,000</b>			<b>14,000</b>	Ministr y of Ecology , Spatial Plannin g and Urbanis m
<b>Training s, Worksho ps, Meetings</b>	Project Inception Workshop				-	3,000		<b>3,000</b>	Ministr y of Ecology , Spatial Plannin g and Urbanis m
<b>Travel</b>	Travel Outcome 1 and Outcome 2	10,000			<b>10,000</b>			<b>10,000</b>	Ministr y of Ecology , Spatial Plannin g and Urbanis m

<b>Travel</b>	Travel Outcomes 3, 4, 5		15,000		<b>15,000</b>			<b>15,000</b>	Ministry of Ecology, Spatial Planning and Urbanism
<b>Travel</b>	Travel Outcome 6			11,000	<b>11,000</b>			<b>11,000</b>	Ministry of Ecology, Spatial Planning and Urbanism
<b>Office Supplies</b>	Supplies				-		2,500	<b>2,500</b>	Ministry of Ecology, Spatial Planning and Urbanism
<b>Other Operating Costs</b>	Web design, layout, presentation costs, KM product distribution, connectivity costs and other KM-related costs			15900	<b>15,900</b>			<b>15,900</b>	Ministry of Ecology, Spatial Planning and Urbanism
<b>Other Operating Costs</b>	Translation costs related to M&E					4,000			Ministry of Ecology, Spatial Planning and Urbanism
<b>Other Operating Costs</b>	Premises maintenance				-		20,000	<b>20,000</b>	Ministry of Ecology, Spatial Planning and Urbanism

<b>Other Operating Costs</b>	NIM Project audit				-		12,000	<b>12,000</b>	Ministry of Ecology, Spatial Planning and Urbanism
<b>Grand Total</b>		1,337,000	1,565,000	115,900	3,017,900	105,000	156,095	<b>3,278,995</b>	

#### **ANNEX F: (For NGI only) Termsheet**

Instructions. Please submit an finalized termsheet in this section. The NGI Program Call for Proposals provided a template in Annex A of the Call for Proposals that can be used by the Agency. Agencies can use their own termsheets but must add sections on Currency Risk, Co-financing Ratio and Financial Additionality as defined in the template provided in Annex A of the Call for proposals. Termsheets submitted at CEO endorsement stage should include final terms and conditions of the financing.

#### **ANNEX G: (For NGI only) Reflows**

Instructions. Please submit a reflows table as provided in Annex B of the NGI Program Call for Proposals and the Trustee excel sheet for reflows (as provided by the Secretariat or the Trustee) in the Document Section of the CEO endorsement. The Agencies is required to quantify any expected financial return/gains/interests earned on non-grant instruments that will be transferred to the GEF Trust Fund as noted in the Guidelines on the Project and Program Cycle Policy. Partner Agencies will be required to comply with the reflows procedures established in their respective Financial Procedures Agreement with the GEF Trustee. Agencies are welcomed to provide assumptions that explain expected financial reflow schedules.

#### **ANNEX H: (For NGI only) Agency Capacity to generate reflows**

Instructions. The GEF Agency submitting the CEO endorsement request is required to respond to any questions raised as part of the PIF review process that required clarifications on the Agency Capacity to manage reflows. This Annex seeks to demonstrate Agencies? capacity and eligibility to administer NGI resources as established in the Guidelines on the Project and Program Cycle Policy, GEF/C.52/Inf.06/Rev.01, June 9, 2017 (Annex 5).