



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

☐ NGI

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)

Executing Partner Type

Other Executing Partner(s)

Ministry of Sustainable Development and Tourism

Executing Partner Type

Government

GEF Focal Area

Biodiversity

Taxonomy

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

Rio Markers**Climate Change Mitigation**

Climate Change Mitigation 0

Climate Change Adaptation

Climate Change Adaptation 0

Duration

60 In Months

Agency Fee(\$)

311,505

Submission Date

9/10/2019

A. Indicative Focal/Non-Focal Area Elements

Programming Directions	Trust Fund	GEF Amount(\$)	Co-Fin Amount(\$)
BD-1-1	GET	2,578,995	15,011,364
BD-2-7	GET	700,000	13,000,000
Total Project Cost (\$)		3,278,995	28,011,364

B. Indicative 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	Project Outcomes	Project Outputs	Trust Fund	GEF Amount(\$)	Co-Fin Amount(\$)
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Project Component	Financing Type	Project Outcomes	Project Outputs	Trust Fund	GEF Amount(\$)	Co-Fin Amount(\$)
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"> •At least 15% increase in METT score for the targeted national PAs •150,070 ha of national PAs (85% of total PA estate in Montenegro) under improved management with better account of a) newly emerging threats to key biodiversity values and b) international nominations' •requirements (UNESCO, Ramsar) •International nominations (UNESCO, Ramsar) under improved management at 280,000 ha <p>Outcome 2: Biodiversity conservation arrangements in place for the</p>	<p><u>Output 1.1:</u> 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><u>Output 1.2:</u> Management plans for six national PAs are revised and under implementation to address the international UNESCO and Ramsar requirements and climate risks</p> <p><u>Output 1.3:</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; sustainable tourism development; outreach to local communities</p> <p><u>Output 2.1:</u> Mechanisms for protection of key biodiversity hot-spots outside PAs identified and set for implementation</p> <p><u>Output 2.2:</u> 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</p>	GET	1,000,000	13,800,000

Project Component	Financing Type	Project Outcomes	Project Outputs	Trust Fund	GEF Amount(\$)	Co-Fin Amount(\$)
2. BD mainstreaming into sectoral policies and practices	Technical Assistance	<p>Outcome 3. BD conservation considerations mainstreamed for sustainable tourism development.</p> <p>Indicators:</p> <ul style="list-style-type: none"> - at least 5 small-scale tourism operators introduce biodiversity-sensitive nature-based tourism products; - at least 10% increase in the annual number of visitors and service users in targeted PAs. <p>Outcome 4. BD conservation considerations mainstreamed into forestry policies and practices around KBAs.</p> <p>Indicators:</p> <ul style="list-style-type: none"> - at least 50,000 ha of productive landscapes under forest management that incorporates biodiversity considerations 	<p><u>Output 3.1:</u> Best-practice standards for nature-based BD friendly tourism developed and endorsed (as detailed in the narrative for the project strategy);</p> <p><u>Output 3.2:</u> Small-scale tourism business introduces biodiversity-sensitive business models (as detailed in the narrative for the project strategy and the private sector engagement section);</p> <p><u>Output 3.3:</u> A functional public-private sector partnership mechanism developed and tested for Lustica and/or Ulcinj Salina</p> <p><u>Output 3.4:</u> PAs integrated into sustainable tourism development</p> <p><u>Output 4.1:</u> Best-practice standards mainstreaming biodiversity-friendly forestry practices developed</p> <p><u>Output 4.2:</u> Strengthened resilience of High-Conservation Value forests to fire threats (cultivation of broadleaved and mixed stands, distancing forests from settlements and installation of water tanks; <i>pending feasibility studies at PPG</i>)</p> <p><u>Output 5.1:</u> Biodiversity conservation incentives for “green” small-scale farming introduced</p>	GET	2,128,995	12,700,000

Project Component	Financing Type	Project Outcomes	Project Outputs	Trust Fund	GEF Amount(\$)	Co-Fin Amount(\$)
				Sub Total (\$)	3,128,995	26,500,000
Project Management Cost (PMC)						
				GET	150,000	1,511,364
				Sub Total(\$)	150,000	1,511,364
				Total Project Cost(\$)	3,278,995	28,011,364

C. Indicative sources of Co-financing for the Project by name and by type

Sources of Co-financing	Name of Co-financier	Type of Co-financing	Investment Mobilized	Amount(\$)
Government	Ministry of Sustainable Development and Tourism	In-kind	Recurrent expenditures	90,909
Government	Ministry of Agriculture and Rural Development	In-kind	Recurrent expenditures	45,455
Government	Ministry of Sustainable Development and Tourism - National Parks of Montenegro	Public Investment	Recurrent expenditures	3,636,364
Government	Ministry of Sustainable Development and Tourism - National Parks of Montenegro	Public Investment	Recurrent expenditures	4,090,909
Government	Ministry of Sustainable Development and Tourism and Ulcinj Municipality	Public Investment	Investment mobilized	1,136,364
Government	Ministry of Sustainable Development and Tourism - Nature Protection and Environment Agency	In-kind	Recurrent expenditures	136,364
Government	Ministry of Sustainable Development and Tourism	Public Investment	Investment mobilized	2,272,727
Government	Ministry of Sustainable Development and Tourism - Nature Protection and Environment Agency	In-kind	Recurrent expenditures	272,727
Private Sector	Luštica Development AD and other SMEs to be confirmed / identified at PPG stage	Grant	Investment mobilized	1,988,637
Donor Agency	EU funded project - Ministry of Sustainable Development and Tourism	Grant	Investment mobilized	340,909
Donor Agency	Ministry of Sustainable Development and Tourism	Public Investment	Investment mobilized	363,636

Sources of Co-financing	Name of Co-financier	Type of Co-financing	Investment Mobilized	Amount(\$)
Government	Ministry of Agriculture and Rural Development	Public Investment	Investment mobilized	454,545
Government	Ministry of Sustainable Development and Tourism	Grant	Investment mobilized	3,522,727
Government	Ministry of Agriculture and Rural Development, EU IPA and IFAD	Loans	Investment mobilized	1,704,545
Government	World Bank and Ministry of Agriculture and Rural Development	Grant	Investment mobilized	5,681,818
Government	Ministry of Agriculture and Rural Development	Grant	Investment mobilized	1,136,364
Government	Ministry of Sustainable Development and Tourism	Grant	Investment mobilized	852,273
Donor Agency	German Federal Ministry for Economic Cooperation and Development (BMZ)	Grant	Investment mobilized	284,091
Total Project Cost(\$)				28,011,364

Describe how any "Investment Mobilized" was identified

Each of these co-financing commitments will be discussed at PPG with the entity providing the co-financing. The amounts will be confirmed. The linkages and relevance to specific project sites/project activities will be agreed as well. Letters of co-financing will be obtained that will confirm amounts, relevance and coordination with relevant project elements.

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

Agency	Trust Fund	Country	Focal Area	Programming of Funds	Amount(\$)	Fee(\$)	Total(\$)
UNDP	GET	Montenegro	Biodiversity	BD STAR Allocation	3,278,995	311,505	3,590,500
Total GEF Resources(\$)					3,278,995	311,505	3,590,500

E. Project Preparation Grant (PPG)

PPG Amount (\$)

100,000

PPG Agency Fee (\$)

9,500

Agency	Trust Fund	Country	Focal Area	Programming of Funds	Amount(\$)	Fee(\$)	Total(\$)
UNDP	GET	Montenegro	Biodiversity	BD STAR Allocation	100,000	9,500	109,500
Total Project Costs(\$)					100,000	9,500	109,500

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	0.00	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	WDPA ID	IUCN Category	Total Ha (Expected at PIF)	Total Ha (Expected at CEO Endorsement)	Total Ha (Achieved at MTR)	Total Ha (Achieved at TE)
Akula National Park Biogradska Gora National park	125689	SelectNational Park	5,650.00			<input type="checkbox"/>
Akula National Park Dragisnica i Komarnica Nature Park	125689	SelectProtected Landscape/Seascape	2,994.00			<input type="checkbox"/>
Akula National Park Durmitor National park	125689	SelectNational Park	32,519.00			<input type="checkbox"/>
Akula National Park Kanjon rijeke Pive i Komarnice Nature monument	125689	SelectNatural Monument or Feature	10,260.00			<input type="checkbox"/>

Name of the Protected Area	WDPA ID	IUCN Category	Total Ha (Expected at PIF)	Total Ha (Expected at CEO Endorsement)	Total Ha (Achieved at MTR)	Total Ha (Achieved at TE)
Akula National Park Komovi Nature Park	125689	Select Protected Landscape/Seascape	15,692.00			<input type="checkbox"/>
Akula National Park Orjen Nature Park	125689	Select Protected Landscape/Seascape	9,000.00			<input type="checkbox"/>
Akula National Park Piva Nature Park	125689	Select Protected Landscape/Seascape	32,478.00			<input type="checkbox"/>
Akula National Park Skadar Lake National park	125689	Select National Park	40,000.00			<input type="checkbox"/>
Akula National Park Ulcinjska Solana Nature Park	125689	Select 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	0.00	0.00	0.00

Name of the Protected Area	WDPA 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)
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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	0.00	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			

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)
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)
Female	27,000			
Male	23,000			
Total	50000	0	0	0

Part II. Project Justification

1a. Project Description

1.a.1. The global environmental and/or adaptation problems, root causes and barriers that need to be addressed, and draft Theory of Change

This project is focusing on Key Biodiversity Areas (KBAs) of Montenegro. Montenegro is one of the Mediterranean biodiversity hotspots represented in five Global 200 ecoregions. The country is one of the most diverse floristic areas in the Balkan Peninsula, with about 3,250 plant species, and the vascular flora species-to-area ratio of 0.837 is the highest in Europe. Similarly, the index of the density of nesting birds in Montenegro has a value of 0.557, which is higher than the figure for the Balkans as a whole (0.435). From a total of 526 European bird species, 297 can be regularly found in Montenegro, while a number of other species is occasionally present. Biodiversity assets of Montenegro are distributed in two main bio-geographical regions – Mediterranean and Alpine – and have a very wide range of ecosystems and habitat types for a country of its size.

In the most important biodiversity centers and KBAs, the following threats and drivers of biodiversity loss are common for most of them:

- Changes in land-use practices, particularly in agriculture and forestry;
- Unsustainable tourism development with associated infrastructure development;
- Unsustainable and illegal use of natural resources, and
- Climate-change effects.

According to the 6th CBD National Report (2019), habitat conversion associated with the uncontrolled urbanisation, land use change and development of tourism, especially in the coastal zone, as well as in several touristic centres in the mountain region remain the main threats to species and natural ecosystems.

Habitat fragmentation is associated with changes in land use practices in agriculture and forestry, primarily by abandoning traditional forms of land use, such as grazing and hay making, which used to maintain diversity of species and genes in grassland ecosystems. Unsustainable and illegal use of natural resources - harvesting of medicinal herbs, non-timber forest products, hunting and fishing practices, as well as persecution of species considered as vermin (birds of prey, wolves, foxes, badgers) - remain as the main threats to species^[1].

Impacts of climate change area increasing felt by the country's ecosystem, include first of all 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. The reduction in fresh water volumes and moisture will cause changes in the entire country, but differences will be the most obvious and drastic in the karst areas. Dry periods may be followed by periods with strong and extreme rainfall, which will cause destruction and reduction of populations of land and freshwater species in higher mountainous regions. Temperature increases in the continental part of Montenegro would eventually lead to the acceleration of eutrophication of

mountain lakes. Vegetation of higher mountain areas will gradually be replaced, wholly or in part, by the temperate zone flora. Issues such as the impact of alien and invasive species and climate change are still poorly understood but can be expected to have a high importance among threats to biodiversity in the future.

The cumulative effect of the threats to biological diversity is the loss of habitats and their associated (often endemic) species, particularly of rare or endangered species along the coast and in the mountains. This has the potential to cause a reduction in the functionality and stability of natural ecosystems, particularly of forest and water ecosystems.

The underlying causes of declining biodiversity are linked to various economic activities and management/ governance weaknesses. Tourism and associated construction, forestry and are the main economic sectors imparting negative changes in Montenegro.

Inadequate enforcement of relevant regulations remains one of the important underlying causes of biodiversity loss. Weaknesses in the management of protected areas (including insufficient funding, technical and human capacities) and the low priority this administrative group has in decision making also give rise to a range of pressures leading to negative trends in biodiversity.

Theory of Change concept. The project includes key intervention aiming to strengthen the KBA, and this includes both ecosystem protection and work with production sectors, such as tourism, agriculture, and forestry. Montenegro is a relatively small country and impacts on biodiversity that stem from PA management capacity constraints, or inadequate national response to the international status of key BD values, or biodiversity-negative development of tourism, forestry and agriculture, need and can be addressed in an integrated manner, since they all are pieces of the puzzle that puts biodiversity of the Key Biodiversity Areas under threat. Retaining the focus on the KBAs all through the project's justification and description, the proposed 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 achievement of the main objective of reducing key threats to globally-significant biodiversity.

The underlying theory of change is that combining in one project the PA management strengthening, establishment of mechanisms for conservation of KBA values outside PAs via spatial planning, and demonstrating concrete solutions for BD mainstreaming in policies and practices of the three production sectors that negatively affect the KBAs, will be likely to produce a higher and more sustainable impact than a single-sector intervention. With the current baseline of little or no consideration of BD conservation objectives in the sectoral development, a demonstration of sectoral practices that are modern, efficient and at the same time responsive to the BD conservation considerations will give way to larger scale and more systematic sectoral changes. Carefully chosen and successfully demonstrated practices, combined with viable policy changes and the appropriate knowledge dissemination effort will create enabling environment for further application of the BD-important practices. Please see Annex F for the Theory of Change diagram, which will be further elaborated at the PPG stage.

1.a.2. Baseline scenario and associated baseline projects

Biodiversity conservation and PA management baseline

Despite being exposed to numerous pressures, Montenegro's biodiversity and its other natural and landscape values are immense. Over the last two decades nature and biodiversity protection were declaratively set among top national political priorities. Since 1991 when Montenegro was proclaimed an ecological state, and as the country is declaring sustainable development as the norm, certain improvements have been made in the areas of planning and legislation. However, the institutional framework and the implementation and enforcement of regulations still lag behind.

The environmental administration system in Montenegro is under-resourced considering the extent of new environmental legislation and the current legislative and institutional framework, and it cannot guarantee that all nature conservation obligations are properly met. The lack of data and real-time information on species, habitats, changes of ecosystems and their causes are stumbling blocks to the planning and decision-making processes.

The 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 establishment of new ones. Over the last five years several new protected areas were established, raising the PA area ratio to 12%. However, in the baseline scenario many of the PA expansions may remain 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. Only half of the 72 proclaimed protected areas in Montenegro have appointed managers, and only 8 have adopted management plans. Management plans of PAs may have a reference to international status, but none of the plans have specific measures aligned with relevant guidance. In the baseline scenario, an inappropriate understanding of international guidelines and lack of incorporating and implementing these guidelines through management planning leads to further deterioration of the values with the risk of serious damages and eventual loss of the international designations.

One of the main forms of biodiversity protection funding is through investing into protected areas from public budgets, with a strong reliance on donor funds and loans. Nature protection and biodiversity conservation in Montenegro primarily rely on support from international funds. In the baseline scenario, projects focused on reducing pollution from wastewater and solid waste are the priority ones, while donor funds for biodiversity conservation are decreasing. Public investments in protected areas cover basic operational costs, but managers must ensure additional resources for protection and development programs. This is achieved through collection of fees (park admission fees), permits (for rafting, fishing etc), concessions (fishing), and other services (e.g. educational, tourism, etc.), as well as through projects and donations.

The key strategic framework documents do not contain a detailed description of measures to finance biodiversity conservation. The exception is the National Biodiversity Strategy with the Action Plan for the period 2016-2020. There is a growing need for more regular and more regulated monitoring and checks of potential “harmful” financial subsidies and investments at the national level. There are no adequate incentives for pro-environmental behaviour. The main barrier for a balanced relation between subsidies, incentives and biodiversity conservation seems to be the lack of a consistent approach among sectoral policies, especially when considering tourism and agriculture.

Nevertheless, there are systems, such as subsidies for farmers promoting traditional agricultural practices that are not disturbing to the environment, as well as some subsidies for tourist facilities that work in an environmentally friendly way.

The revised Law on Environment (Official Gazette of Montenegro, no. 52/16) elaborated the provisions pertaining to the establishment of the Eco Fund, founded by the Government of Montenegro. The idea of establishment and operation of the Eco Fund implies that the funds collected from entities whose activities result in environmental damage are earmarked for programmes and projects in the field of environmental protection at national and local levels.

Biodiversity mainstreaming baseline

Biodiversity conservation agenda is somehow mainstreamed through the following key development framework documents adopted within the last 5 years:

- National Strategy for Integrated Coastal Zone Management of Montenegro (NSICZM) was adopted in 2015 as a national strategic framework contributing to the implementation of the EU strategies for the Adriatic and Ionian Regions. It includes a considerable number of measures for ensuring conservation of ecologically valuable habitats and ecosystems.
- National Forest Strategy for the period 2014-2023 integrates biodiversity protection through an ecosystem approach in forest management and nature protection, regulation of pastures and forests use, integration of requirements from Natura 2000 into forest management plans, improvement of forest management in national parks, improvement of fire protection system, and sustainable use of non-timber forest products.

- Strategy for the Development of Agriculture and Rural Areas for the period 2015-2020 states that recovery, conservation and strengthening of ecosystems dependent on agriculture will be achieved through safeguards and sustainable use of genetic resources in agriculture, support to sustainable use of mountain pastures and to the development of organic production, but information on financial measures for those types of support is limited and unclear.

While integration of biodiversity conservation priorities into the development agenda is mainly driven by the EU accession process, there is in implementation, practical experience and enforcement where the progress is apparently lacking.

Spatial planning and relevant sectoral development baseline

The Ministry of Sustainable Development and Tourism has recently initiated a preparatory process for the two national spatial planning documents, namely the Spatial Plan of Montenegro and the General Regulation Plan of Montenegro.

According to the current Tourism Development Strategy, development of tourism in Montenegro should be based on nature potentials, and nature-based tourism should be encouraged. Over the past several years, activities have been implemented on encouraging nature-based tourism (e.g. mountaineering, cycling), directly, and through support to the development of rural tourism, for which a specific strategy had been adopted. It, however, does not define specific measures for biodiversity protection. Although there is a significant growing trend in the number of visitors in protected areas over the past several years, the assessment of carrying capacity and impact of visitors to biodiversity have not been so far conducted for any protected area.

There have been recent developments in the tourism sector related to eco-certifications: a EU Eco label for tourism accommodations was introduced with the following criteria: a) limited energy consumption; b) limited water consumption; c) reduced amount of waste; d) use of renewable resources; and e) promotion of education and communication on environmental topics with the staff, guests and partners. The Ministry of Sustainable Development and Tourism co-finances certification costs through low carbon tourism project financed by GEF and implemented by UNDP, through earmarked funds for auditing costs, while certified facilities have the obligation to pay annual membership fee (2 years for Travelife and up to 5 years for the EU Eco-label certificate^[2]), thus encouraging the certification programme.

The Strategy for the Development of Agriculture and Rural Areas envisages the support for sustainable use of mountain pastures, which are recognized as a specific resource that contributes to biodiversity conservation (specific flora and fauna, cultivated local breeds), and they are of special economic and cultural significance. The support is given to agricultural farmsteads involved in cattle breeding (their own cattle and cattle rented for milking) for at least three months a year in alpine grazelands. The support is provided through payments valid per conditional head.

The revised national forestry policies (for the period 2014-2023) envisage a range of measures aimed at achieving sustainable and multifunctional forest management. The Strategy recognizes the concept of ecosystem services and their importance for human wellbeing and development, promotes the ecosystem approach in forestry management, and calls for the improved forest management in national parks. The action plan for fighting illegal activities in the forest areas was adopted on the national level. Montenegro has also developed the action plan for forest certification, however, no forest areas have been certified so far. In 2018, a Rulebook on the manner and conditions for the collection and use of non-timber forest products was adopted, thus creating the conditions for concluding the contracts for use.

1.a.3. Proposed alternative scenario including expected outcomes and components of the project

The project geographically focuses on KBAs representing unique, vast, extensive but not sufficiently cherished biodiversity of Montenegro.

Many of the KBAs are safeguarded by the national protected area system. The project will provide for the improved management of the pilot protected areas in order to ensure compliance with the international requirements for protection of valuable biodiversity within KBAs and other international biodiversity hot-spots. The baseline management plans will be revised, and the management capacity building will be supported.

For the KBAs not yet covered by the national PA system, the project will make incremental steps moving from baseline declarations to proclaim PA towards actual implementation of the plans for PA expansion. Moreover, in order to avoid the “paper park” establishment scenario, the project will elaborate mechanisms to ensure sustainable integration of protected biodiversity values/landscapes into the overall land management pattern for the targeted municipalities, including sustainable finance solutions.

The project will endeavor to impact the development of the new Spatial Plan of Montenegro and provide it with a BD mainstreaming dimension. Through spatial planning instruments, the project will promote concrete solutions for valuable and threatened BD conservation outside PAs. The project will further assist respective stakeholders with the elaboration and testing of management options for BD conservation outside PAs.

The project area map was initially based on the biodiversity centers and corridors identified by the PA gap analysis (2012) on the basis of the species and habitat biodiversity pattern. In the course of the project strategy development, the project impact area has expanded to so-called “biodiversity buffer zones” to include existing national protected areas, internationally recognized biodiversity hot-spots, and productive landscapes outside PAs and in the vicinity of KBAs, where the project will address the sectoral threats to biodiversity via mainstreaming of BD-friendly practices and adjust the sectoral development scenarios for tourism, forestry and agriculture to take into account the potential impact on biodiversity.

Component 1: Protection of valuable and/or vulnerable biodiversity within the KBAs and biodiversity corridors

Under Component 1, the project will focus its direct impact on the internationally recognized biodiversity hot-spots (KBAs, Ramsar, UNESCO sites etc). Outcome 1 will work with the national PA system, while Outcome 2 will target biodiversity conservation outside PAs via spatial planning instruments.

Outcome 1: Capacity of the existing and newly established national protected areas strengthened to better address the key threats to globally significant biodiversity

Output 1.1 will look specifically at the linkages and gaps between the KBAs and existing nature protected areas, and re-assess the conservation requirements and management arrangements for the KBAs covered by the national PA system – taking into account newly emerging threats to biodiversity.

During the 2020 preparatory phase, the project will update the gap analysis for the national protected area system of Montenegro (2012), mapping the existing and proposed nature protected areas within the national PA system, KBAs, proposed Natura 2000 sites, Ramsar sites, Emerald sites, global biodiversity hot-spots and connectivity corridors, thus defining the geographical scope and confirming the impact area for the project main. The project will ensure the compatibility and continuity of the data to be made available to support governmental decision-making, and to prepare the new Spatial Plan of Montenegro and the General Regulation Plan by the Government.

As a follow-up to the 2012 gap analysis that confirmed that there are “substantial weaknesses existing in the management of the national parks”, the 2020 gap assessment will include Management effectiveness assessment (METT) for the selected national parks of Montenegro. In cooperation with the park management authorities and the MSDT Directorate for Environment, the project will offer and test targeted solutions for the weakness areas during the main phase.

The project will look at the newly emerging threats for the PA system and KBAs from intense agriculture, tourism, and construction sector developments in the nearby coastal and mountainous regions that may negatively affect KBAs and their biodiversity. The project will also look at the climate change-induced threats and define possible impacts. The 2012 gap analysis confirmed that the temperature and precipitation change impacts will predominantly affect the Mediterranean KBAs, as the new ecological condition will favour plants that have a high resistance to high temperatures during the spring and the summer, as well as xerophyte plant species that are resistant to extreme drought and high temperature, which will change those ecosystems in their favour. The following KBAs are likely to be negatively affected: Ada Bojana/Lake Šasko/Large Beach (this includes a

sea level rise scenario), Kotor/Tivat/Mt. Lovćen, Mt. Orjen, Lake Skadar Čemovsko Field/Cijevna Canyon, and Morača Mountains^[3]. The project will confirm PAs/KBAs which are the most vulnerable when considering climate change scenarios, and offer concrete management solutions to be further incorporated into the respective PA management plans.

The project will assist respective governmental authorities in charge for PA management, with the identification/confirmation of conflicting land use interests and interventions threatening the state and resilience of valuable biodiversity and ecosystems. The analysis will identify the areas where the PA objectives and international BD conservation requirements are compromised by the spatial development plans, and confirm the pilots with a high level of conflict between the chosen spatial development scenario and biodiversity conservation interests. The project will propose scenarios for elimination or mitigation of such conflicts, demonstrate a measurable effect from the proposed solutions, facilitate stakeholder consultations and dialogue to obtain consensus, and lobby for practical implementation of proposed scenarios.

The activities under Output 1.2. will seek to strengthen management arrangements for the existing protected areas in the country in order to ensure compliance with the international requirements for protection of valuable biodiversity within KBAs and other international biodiversity hot-spots.

Although the full geographical coverage and detailed set of activities for the project main phase will be developed during the PPG phase, some specific intervention hot-spots for the UNDP/GEF project increment have been already identified through consultations with the relevant stakeholders. Their common features are a combination of their national PA status and international recognition as global biodiversity hot-spots, and a need of 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 the Tara Watershed UNESCO Man and Biosphere Reserve, National Parks Durmitor, Biogradska Gora and Skadar Lake, and the Ulcinj Solana Nature Park as described in [Annex E](#).

Apart from these key PAs, project will support revision of the management plan for the Nature Parks Piva and Komovi, and development of a management plan and management capacity building for the Nature Park Orjen. For the coastal zone nature monuments (Beaches Pržno, Jaz, Bečići, Petrovac, Buljarica, Pećin, Čanj, Sutomore and others, to be confirmed during the PPG stage), the project can offer facilitation of the management arrangements with the respective municipalities; volunteer clean-up campaigns involving local communities; marking of the areas; awareness-raising via tourist bureaus, local mass media, schools.

Outcome 2. Biodiversity conservation arrangements in place for the hot-spots outside the PAs

Within the Output 2.1, the project will provide for identification of hot-spots and elaboration of mechanisms for 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 as identified by National Strategy for Biodiversity 2016-2020 and not yet covered either by Natura 2000 inventory of species and habitats. Specifically, the UNDP/GEF project will focus this work on Orjen, Rumija, and the potential marine protected areas (MPAs) not covered by the UNEP-GEF MCPA project: Luštica (from Mamula to Mačak Cape), the zone from cape Trašte to Platamuni excl. the latter, the zone from Volujica Cape to Dobre vode, the zone from Komina Cape to the cape by Stari Ulcinj island excluding the latter, the Valdanos cove zone to Valika cove, and Seka Djeran with the southern part of the zone from Great beach to the mouth of the Bojana River.

For the selected locations (tentatively Rumija, Hajla, Orjen – to be confirmed during project preparatory stage) the project will support an analysis of barriers towards proclamation of Nature Parks and the potential MPAs above, and elaboration of mechanisms to ensure sustainable integration of protected biodiversity values/landscapes into the overall land management pattern for the targeted municipalities, including sustainable finance solutions.

The project will provide finance for protection studies required for protection of selected biodiversity hot-spots. The project will further support the Government with the elaboration of sustainable management and finance models for the proposed protected areas above.

Output 2.2 will look at the BD mainstreaming into spatial planning as a key solution outside protected areas. The most significant intervention for BD mainstreaming into spatial planning will be the project's assistance to the Government with the preparation of the new Spatial Plan Montenegro, as the current one expires in 2020.

The project will also provide a BD mainstreaming dimension and content to the new General Regulation Plan where relevant and as requested by the Government.

Through spatial planning instruments, the project will promote concrete solutions for valuable and threatened BD conservation outside PAs. The project will further assist respective stakeholders with the elaboration and testing of management options for BD conservation outside PAs. This intervention will geographically focus on the following unprotected biodiversity centers: areas along the southern coast of the Skadar Lake; areas around Biogradska Gora National Park; area south-west from Komovi Nature Park; Čemovsko Field/River Cijevna KBA; Morača Mountains; Sinjajevina; corridors connecting the mountain hinterland with the adjacent shore: Lovcen-Kotor-Tivat.

Component 2: BD mainstreaming into sectoral policies and practices

Component 2 will focus on embedding the biodiversity conservation and sustainable use objective into the key sectoral policies and practices: tourism, forestry and agriculture.

Outcome 3: BD conservation considerations mainstreamed for sustainable tourism development

Output 3.1 will support BD mainstreaming into sectoral policy and regulatory framework used to plan, license and oversee tourism and related real estate development. Specifically, the project will offer assistance to the Ministry of Sustainable Development and Tourism in the development of best-practice standards for sustainable tourism and nature-based BD friendly tourism. In particular, the project will assist the Government with creation of a national voluntary certification system and verification mechanisms for hotels and tourism operators; the project will be built upon relevant experience of the Croatian UNDP/GEF COAST project with the development of the green certification guidelines for tourism. The project will offer a rollout of economic/fiscal and other incentives such as subsidies, tax deductions, promotion through national or regional government tourism materials/websites. The project will provide incremental finance for the establishment of BD monitoring mechanisms to allow tourism planners and BD managers to assess disturbance of habitats and key species from tourism-related pressures, and come up with management recommendations.

Output 3.2. will support the small-scale tourism business development towards the more offerings of biodiversity-sensitive nature-based tourism products. The project will provide guidance to local communities in the pilot municipalities and PAs wishing to engage in development of biodiversity-sensitive nature-based tourism products, by assessing potential services and products with regard to their viability.

New models and incentives for the tourism product diversification from the basic "bed and breakfast" mountainous tourism offering and the "sun and the sea" coastal tourism business-as-usual, will be offered and tested. The project will organize awards to the local tourism BD-friendly product providers and support model eco-tourism offerings, pilot business-case(s), and present successful business models for further replication.

Output 3.3 sets an ambitious goal of demonstrating, first ever in the country, a long-term public-private sector partnership model targeting large private sector operators and focused on biodiversity conservation. Luštica Development AD was identified as one potential partner for developing such a partnership: construction of a tourist city at the Luštica peninsula was initially planned as a project aimed at valorization of an attractive tourist location, with certain PP elements already embedded into the implementation modality[4]⁴. The project will further explore options for concrete small-scale pilot projects aimed at community involvement, valorization of nature values and support to the local nature conservation activities. The concrete mechanisms for PPP piloting will be identified through a comprehensive Stakeholder Engagement Plan during the PPG phase.

Finally, Output 3.4 will be dedicated to PA integration into sustainable tourism development, in particular, through development and implementation of sustainable finance models for IBAs as nature monuments with a unique eco-tourism offering. The project will support the management authorities in their effort to re-visit the management plans for

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the municipal PAs and see if their participation in sustainable tourism offering in the respective municipalities is sufficient for adequate income generation. The project will also take care of branding and marketing of products and services in the targeted PAs.

Outcome 4: BD conservation considerations mainstreamed into forestry policies and practices around KBAs

Outcome 4 will have forestry as the focus; the project will offer a set of practical incremental activities and measures supporting the key directions listed below as identified in the National Forest and Forest Land Administration Policy adopted by the Government of Montenegro in 2008.

Output 4.1 will offer best-practice standards for mainstreaming biodiversity-friendly forestry practices. Specifically, the project will offer mechanisms to ensure that the production of non-timber forest products such as medicinal plants, mushrooms, forest fruits, and honey are increased, generating income for the local communities. The project can help the Government in their effort to establish associations of harvesters of non-timber products and foresters.

The project will assist the Government with support and services to private forest owners, and help promote biodiversity-positive entrepreneurship in forestry. Advice on best available practice, assistance and training will be provided. The project will support establishment of a system of incentives for biodiversity-positive forest owners including services such as free-of-charge forest management planning and subsidies for re-forestation and silviculture.

Output 4.2 aims at strengthened resilience of High-Conservation Value forests to fire threats. The project will help identify, in accordance with the Forest Administration Policy directives, the targeted interventions required to preserve landscapes, protect habitats and ensure protection of High-Conservation Value forests, as well as other unprotected but valuable forested areas against fires. A study justifying the specific measures and changes in the current practices will be offered as a key best practice tool to the sectoral management authorities and enterprises.

The project will support development and testing of targeted fire prevention measures such as cultivation of broadleaved and mixed stands, distancing forests from settlements and installation of water tanks.

The project will develop explicit proposals for improving the coordination of the wildland fire management activities (i.e. planning and implementation of wildfire preparedness, wildfire suppression, hazardous fuels reduction, landscape restoration and rehabilitation, fire reporting and communication and education).

The project can further facilitate the establishment of local rapid-response community fire-fighting teams who could be deployed by any of the responsible authorities to assist in controlling the outbreak of small, localised fires. If feasible, the project may further develop the capacity of these rapid response community fire-fighting teams to locally support more proactive fire management measures (e.g. block control burning, fire education and awareness, fire records, etc.) in forests and/or pastures.

Outcome 5: BD conservation considerations mainstreamed into agricultural policies and practices around KBAs

The project Outcome 5 will target the agricultural sector and will focus on conservation and sustainable management of valuable ecosystems and habitats currently unprotected by the PA system and being used as agricultural land. The project will assist the relevant government authorities at both the national and the municipal levels to develop and implement special measures to regulate the use of such land, taking into account their high natural value.

Through its Output 5.1. the project will support the Government with the introduction of incentives (e.g. [green payments in accordance with the principles of the EU Common Agricultural Policy](#)) to support agricultural practices with the aim of restoring, preserving and promoting sustainable use of valuable agricultural land.

Montenegro is in the process of gradual introduction of rural development measures similar to those applied in the EU. According to the EU policy, farmers can apply for the green direct payments if they can show that they comply with three obligatory practices which are good for the environment (soil and biodiversity in particular) and for climate. The three greening obligations are 1) crop diversification, 2) maintenance of permanent grassland – a fixed ratio of permanent grassland plus no ploughing or converting permanent grassland in designated sensitive areas, and 3) at least 5% ecological focus areas - fallow land, landscape features, afforested areas, terraces, hedges/wooded strips and

other areas for BD conservation and protection of habitats for birds and other species. The principle behind these greening methods is to remunerate farmers for their efforts to protect the environment and biodiversity, since market prices do not reflect the work involved. Countries like Denmark and Slovenia also practice top-up payments to farmers working in the areas with natural constraints (ANCs) where farming is handicapped by natural or other specific constraints - typically mountain areas, but not limited to these.

The national direct payment schemes are not in liaison with the ones currently applied in the EU: direct payments relate mainly to the payments per animal, per area, or based on the quantity of the product (payment per cow/heifer, payment for fattening per head, payment per ewe and she-goat, payment per liter of delivered milk, payment per ha of different crops).

The UNDP/GEF project will offer a set of incremental activities aimed to create enabling environment for introduction of incentives to farmers complying with the key “greening” principles above. This support will include development of a finance scheme, with the involvement of the newly established Environmental Fund of Montenegro, for the top-up “green” payments to farmers.

Output 5.2. will support practical measures to address the threats and mainstream biodiversity-friendly practices in agriculture.

The project will co-finance implementation of agro-environmental measures such as sustainable grazing, focused on enhanced resilience of agro-ecosystems to climate-induced threats. The project can pilot technical/financial support to agricultural producers in a practical application of innovative BD-sensitive trends and techniques.

The project may provide an incremental added value for on-the-ground activities aimed at restoring, preserving and promoting sustainable use of agricultural lands within the biodiversity buffer zones mapped as the key intervention areas for the project. Targeted solutions for International Plant Areas (IPAs) to practice mixed agriculture and regulated wild plant harvesting will be offered. Support to wild fire protection and early response will be ensured. The project will also provide for targeted training and capacity building.

The project **Outcome 6: Knowledge management and M&E** will make sure that the knowledge products related to BD conservation considerations mainstreaming into sectoral policies and practices developed and disseminated within and beyond the project intervention zone through existing regional information sharing networks and forums. The project will identify and participate, as relevant and appropriate, in scientific, policy-based and/or any other networks, which may be of benefit to project implementation through lessons learned. The project will identify, analyze, and share lessons learned that might be beneficial in the design and implementation of similar future projects.

1.a.4. Alignment with GEF focal area strategy

Via its Outcome 1, the project offers an incremental effort in strengthening management of protected areas as the GEF’s traditionally most successful management response to conserve and sustainably use globally significant biodiversity.

The project interventions under Outcomes 2-5 are spatially targeted at the “biodiversity buffer zones” in and around KBAs, and designed to reduce threats, to conserve or to sustainably use globally significant BD values of Montenegro. The KBAs are conserved within the national PA system. The threats to KBAs are mostly associated with the key economic sectors: tourism, forestry and agriculture. Thus, moving outside the PAs, the project focuses on the following key directions for embedding BD conservation and sustainable use objectives in the land use and management outside the PAs:

- Policy and regulatory framework;
- Spatial and land-use planning;
- Improving and changing sectoral practices (tourism, agriculture, forestry).

The GEF 3-6 cycles' experience shows that "spatial and land-use planning projects that demonstrated high progress to impact blended work on protected areas and surrounding production landscapes (predominantly agriculture and forest production) represented one of the GEF's most successful biodiversity mainstreaming investments in this cohort. In these instances, spatial and land-use plans sought to regulate activities in the production landscapes so that they did not detract from the biodiversity objectives of the protected area sites. Linking the objective of sustaining protected areas and their conservation objectives with targeted investments in spatial and land-use planning in the surrounding geographies should continue to be a GEF investment strategy as the cohort demonstrated numerous successes with this approach at various scales in a variety of implementation environments. This kind of investment is appropriate in all countries as the focus can be quite targeted in nature."^[5]⁵

1.a.5. Incremental/additional cost reasoning and expected contributions from the baseline, GEF TF, and co-financing

Baseline	GEF scenario and increment
<i>Component 1: Protection of valuable and/or vulnerable biodiversity within the KBAs and biodiversity buffer zones</i>	
<p>The existing legal and institutional framework for the protected areas does not provide a sufficient level of management efficiency. In the baseline scenario the expanded PA system is at risk of expansion 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 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.</p> <p>Virtually no biodiversity conservation arrangements are in place for the biodiversity hot-spots outside the PAs</p> <p>Regulatory framework does not provide for practical BD mainstreaming</p>	<p>Capacity of the existing national protected areas strengthened to address the international UNESCO and Ramsar requirements and climate risks, through better management planning and incremental support for the implementation of the new management plan actions on patrolling, sustainable tourism development, community engagement</p> <p>Mechanisms for protection of app. 10,000 ha of key biodiversity hot-spots identified</p> <p>Two new country-wide spacial planning framework documents mainstream biodiversity conservation considerations</p> <p>Baseline: USD 2,700,000 Increment: GEF USD 1,000,000 and Cofinancing: USD 13,800,000</p>
<i>Component 2: BD mainstreaming into sectoral policies and practices</i>	

<p>Although certain BD conservation consideration are embedded into the sectoral policy framework documents, little or nothing is provided for implementation of biodiversity-friendly practices in the priority sectors (tourism, forestry, agriculture)</p> <p>Private business in the vicinity of KBAs (tourism, agriculture, forestry) does not mainstream biodiversity conservation as a priority</p> <p>No incentives to support biodiversity-friendly practices for the small-scale production and service businesses (tourism, farming) are in place</p>	<p>Best-practice standards for sustainable tourism, forestry and agriculture developed and endorsed</p> <p>Public-private partnership mechanism for BD-sensitive tourism development is in place</p> <p>BD-sensitive practices introduced for 70,000 ha of land under agriculture and forest management</p> <p>Incentives for “green” small-scale farming, sustainable subsistence use of NTFP and other forest resources, and biodiversity-sensitive nature-based small-scale tourism business development are in place</p> <p>Baseline: USD 3,500,000</p> <p>Increment: GEF USD 2,128,995 and Cofinancing Mobilized: USD 12,700,000</p>
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1.a.6. Global environmental benefits

The GEF investment will significantly contribute to strengthening the management effectiveness of the national PA system measured by the Management Effectiveness Tracking Tool (at least 15% increase over baseline is estimated). The project will help improve the conservation status of the Key Biodiversity Areas, wetlands of international importance, UNESCO World Heritage sites, important ecological corridors, priority habitat types, and flora and faunal species.

The project will strengthen 150,070 ha of protected areas which cover the most important KBAs of the country area with its incremental intervention. The project will further improve the status of 10,000 ha of KBAs in the productive landscape but outside the PA estate. Through BD mainstreaming in agriculture and forestry, the project will set some 50,000 ha of forests and 20,000 of agricultural land, under sustainable land management.

The project will contribute to the national effort toward meeting the Aichi targets with its incremental effort at strengthening management capacity, resilience and financial sustainability of protected areas, restoration and building resilience of key ecosystems and habitats, and PA valorisation. Specifically, and relaying on seven strategic targets defined by NBSAP 2016 – 2020 targets, project will provide direct contribution towards:

- Making biodiversity a priority topic for decision makers contributing to Aichi target 1 and providing additionally contribution to Aichi targets 2 and 19;
- Improvement and use of existing mechanisms enabling integration of biodiversity at all levels, integration of sustainable biodiversity economy into policies, strategies, plans contributing to Aichi target 2 and providing additionally contribution to Aichi target 4;
- Support the use of specific fiscal, market and pricing policy instruments as a support to biodiversity conservation, sustainable production and consumption contributing to Aichi targets 3 and 4 and providing additionally contribution to Aichi target 20;
- Decrease pressure from different sectors such as the sectors of spatial planning/construction, agriculture, forestry and water management contributing to Aichi targets 4, 5, 6 and 7 and providing additionally contribution to Aichi targets 5, 12 and 19;
- Support further development of sustainable tourism contributing to Aichi targets 2 and 4 and providing additionally contribution to Aichi target 5;

- Ensure efficiency of the biodiversity management through improved management and improved PAs network which will incorporate new protected areas contributing to Aichi targets 11 and providing additionally contribution to Aichi targets 5, 6, 7, 12, 14 and 15.
- With implementation of above-mentioned interventions the project will contribute to activities for the protection of the most endangered species and habitats contributing to Aichi targets 5, 12, 19 and providing additionally contribution to Aichi targets 6 and 19.

1.a.7. Innovation, sustainability, replication and potential for scaling up

Innovation:

The project will assist the PA management authorities with the innovative management planning that will take into account the international requirements for global nominations (UNESCO, Ramsar) and offer customized management planning options for lower category PAs, to be adopted for the first time in the national PA system. Also for the first time in the country the PA management planning will take into consideration the climate change-induced threats to the PA values.

The biodiversity mainstreaming into the Spatial Plan of Montenegro will become an unprecedented effort of this scale for the country. Another equally important increment would be for this project to come up with and test management options for BD conservation outside PAs, based on the applicable best practice in the region.

The project will offer new partnership models involving big tourism business into the BD conservation agenda for the targeted biodiversity hot-spots.

The project will provide for PA integration into sustainable tourism development and develop sustainable finance models for low-level PAs in the country.

For the forestry sector, the project will help the Government in their effort to establish associations of harvesters of non-timber products and foresters. The project will support establishment of a system of incentives for biodiversity-positive forest owners including services such as free-of-charge forest management planning and subsidies for re-forestation and silviculture.

For the agricultural component, the project will support the Government with the introduction of incentives to support agricultural practices with the aim of restoring, preserving and promoting sustainable use of valuable agricultural land.

Replication:

The management capacity strengthening measures for the individual PAs will be applicable to similar PAs in the system, as well as the transboundary PAs in the Dinaric region.

Key solutions for ensuring conservation of biodiversity within KBAs and other biodiversity hot-spots will be available for the regional community for practice as case-studies for possible adoption and replication.

The project will work on establishing a close relationship with the tourism clusters and the private sector to ensure that PAs are recognized as valuable tourism destinations, providing for their sustained interest in active BD conservation. The project will map relevant regional initiatives and organize a lessons learned exchange with them and the transboundary PAs.

A model public-private partnership for BD-sensitive tourism will be replicable for the newcomers in the tourism development business in Montenegro. Small-scale biodiversity-sensitive nature-based tourism products will be sustainable and replicable provided that the financial incentives from the Ministry of Sustainable Development and Tourism are in place.

Once the enabling environment for introduction of incentives for “green” small-scale farming is in place, this will be widely replicable for the businesses supporting agricultural practices with the aim of restoring, preserving and promoting sustainable use of valuable agricultural land.

Sustainability:

The proposed project interventions will be incremental to the baseline PA management scenarios in the country, and will be implemented in collaboration and synergy with the sectoral authorities and institutions. The project intervention strategy will ensure early buy-in and ownership at the level of individual PAs and key stakeholders, for the interventions that will create long term effects such as innovative PA management planning, the spatial planning framework ensuring sustainability of biodiversity protection outside PAs, and private sector engagement mechanisms and models. The project efforts at enhanced PA visibility, promotion of PA value and content in sustainable tourism development will be sustained and scaled up by the relevant authorities and partner initiatives.

The project is designed to be sustainable in two ways: 1) it focuses on strengthening and utilizing the capacity of existing institutions; and 2) it creates new resources and capacities that will form an increment to the existing baseline. With respect to promoting environmental and PAs sustainability, this is fundamentally embedded within the learning-by-doing project approach. In so doing, the project will engage as many of the relevant project stakeholders to think critically about new and alternative approaches, or to scale up successful models from the country or abroad. In this manner, one of the expected results is enhanced cooperation and information exchange that will result in continuous use and build up of project results.

One key sustainability element for the project is its engagement in the mainstream sustainable development planning via its direct support for the preparation of the new Spatial Plan of Montenegro and preparation of new NBSAP, as the current versions are expiring in 2020. The project will be built into the existing baseline and bring in the best practice from the region, thus enabling the key governmental stakeholders to gain a better appreciation of new and innovative development approaches for meeting environmental sustainability criteria.

[1] 6th CBD National Report, 2019

[2] Travelife is an internationally recognised certification scheme, certification criteria of which include environmental protection. EU Ecolabel – Ecological sign of the European Union/EU Eco label – has been introduced in 14 facilities throughout Montenegro.

[3] Protected area gap assessment with comprehensive plan for a representative PA system in Montenegro. University of Montenegro within the framework of the UNDP/GEF project, 2012

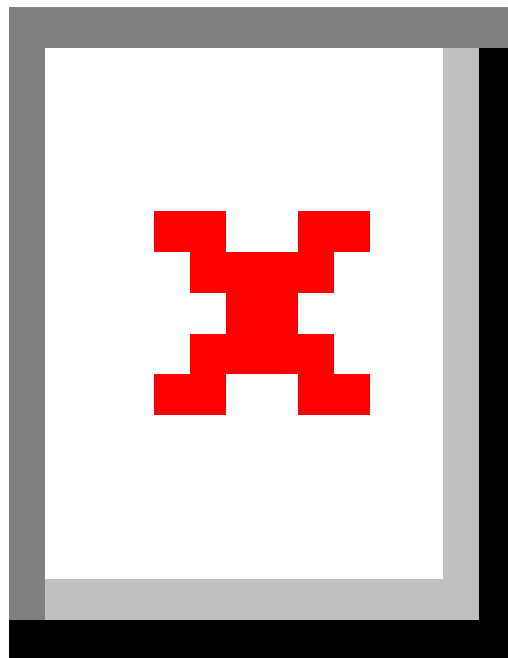
[4] Luštica Bay is a subject of a long-term concession agreement between the Government of Montenegro and the Egyptian company “Orascom Development Holding” registered in Switzerland

[5] [Biodiversity Mainstreaming in Practice: a Review of GEF Experience](#)

1b. Project Map and Coordinates

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





2. Stakeholders

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

Indigenous Peoples and Local Communities



Civil Society Organizations Yes

Private Sector Entities Yes

If none of the above, please explain why:

Government Stakeholders	Mandate and role for the project	Parallel activities and co-financing
Ministry of Sustainable Development and Tourism	The Ministry is in charge of strategy, policy, and environmental standards. The Ministry is tasked with environmental protection (land, air and water) and waste management and is responsible for the CBD implementation in the country and is host to the CBD NFP, UNFCCC NFP as well as GEF NFP. The Ministry will provide political and institutional supervision for the overall project activities on behalf of the Government of Montenegro. The Ministry will be represented in the Project Steering Committee, will coordinate project activities, assist the project with cross-sectoral communication, provide technical expertise through its personnel and networks, facilitate access to sites and locations, address logistical issues, e.g. through organization of meetings and	<p>The Ministry of Sustainable Development and Tourism will play a crucial coordination role in the project as a liaison between different governmental levels and will dedicate staff time and expertise to the project.</p> <p>In addition it will secure synergies and coordination <u>between</u> the Project and initiatives within the Ministry portfolio covering areas of:</p> <ul style="list-style-type: none">- Environmental protection- Tourism development- Spatial planning- Climate change- Donor coordination <p>The ministry provides recurrent operating expenditures for National Parks of Montenegro. The Ministry will</p>

	<p>provision of relevant facilities, and support project management and regular project reporting. The Ministry shall assist the project execution by managing/providing fulfilment of the international level obligations and collaborations, since it has the competence for the implementation of multilateral and bilateral international treaties and conventions on environmental protection.</p>	<p>design/enforce policy measures in support of project endeavors, and confirm parallel co-financing aimed at nature conservation and PA system expansion and management.</p>
Ministry of Agriculture and Rural Development	<p>In the context of the project, this Ministry performs tasks related to: establishing current and development policy proposals; agrarian and rural development policies; proposing and constituting systemic solutions in agriculture and taking measures for their implementation; protection, utilization and promotion of agricultural land; plant production; animal husbandry; organic production; freshwater fisheries and aquaculture; marine fisheries and mariculture; strengthening the competitiveness of food producers; sustainable management of agricultural resources; improving the quality of life and expanding economic activity in rural areas; application of modern technology in agriculture, proposing measures and analyzing their impact on the economic position and economic conditions of entities in the field of agriculture and agro-industry; forestry development policy; systematic solutions for forest and forest land management and protection; conservation, economic use and enhancement of forests;</p>	<p>The Ministry of Agriculture and Rural Development will play a crucial coordinating role in the project as a liaison between different governmental levels and will dedicate staff time and expertise to the project.</p> <p>In addition it will secure synergies and coordination <u>between the Project and initiatives within the Ministry portfolio</u> covering areas of:</p> <ul style="list-style-type: none"> - forestry policies - agricultural policies - <u>water</u> and fisheries management - in addition, expert input is expected in areas of spatial planning, climate change and donor coordination <p>The Ministry will design/enforce policy measures in support of project endeavours and confirm parallel co-financing aimed at sustainable agriculture management practices. The Ministry will ensure co-financing of agricultural incentives for “green” <u>small-scale farming</u></p>

	<p>monitoring of forest management planning; licensing of professional forestry jobs; international cooperation in the fields for which the Ministry was established; harmonization of domestic regulations within the scope of its competence with the administrative oversight in the areas for which the Ministry will provide political and institutional supervision for the overall project activities on behalf of the Government of Montenegro. The Ministry will be represented in the Project Steering Committee, will coordinate project activities, assist the project with cross-sectoral communication, provide technical expertise through its personnel and networks, facilitate access to sites and locations, address logistical issues, e.g. through organization of meetings and provision of relevant facilities, and support project management and regular project reporting.</p>	
Agency for Nature Conservation and Environment	<p>The internal organizational units are:</p> <ol style="list-style-type: none"> 1. Sector for nature protection, monitoring, analysis and reporting 2. Licensing Sector 	<p>Incremental funding for biodiversity research, with crucial coordination role in the project as a liaison between different</p> 

	<p>3. Department for management of information systems in the field of environmental protection</p> <p>4. Department of Radiological and Nuclear Safety and Security and Protection from ionizing and non-ionizing radiation.</p> <p>In the context of the project, the Agency will perform tasks related to: coastal ecosystem status, biodiversity status, environmental reporting, proposing measures for reducing the negative impact on the environment; issuing an act on the conditions of nature protection and for the need to develop plans, bases and programs; designing a study of protection for the designation of protected areas; conducting a strategic assessment of the process for defining the impact and process of environmental impacts of projects; developing the procedure for determining the imminent threat of environmental damage and liability for environmental damage; reporting according to international organizations (European Environment Agency, MedPOL, UNEP / MAP); monitoring of the condition and threat to habitat types, numbers and conditions of wild populations of birds, as well as other indicator species indicating and enabling the assessment of the state of nature; giving opinions on planning documentation and <u>on the nature</u> protection measures that these acts should contain.</p> <p>The Agency will be represented in the Project Steering Committee, will coordinate project activities, assist the project with cross-sectoral</p>	<p>governmental levels and will dedicate staff time and expertise to the project. </p>
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	communication, provide technical expertise through its personnel and networks, facilitate access to sites and locations, address logistical issues, e.g. through organization of meetings and provision of relevant facilities, and support project management and regular project reporting.	
Public enterprise Morsko Dobro	This enterprise manages the coastal zone, is responsible for the protection <u>for the coastal areas</u> , and concludes agreements on its use. The entity is responsible for the coastal zone management planning, and the management <u>of the coastal protected areas</u> .	Participation in PA management strengthening interventions where they are related to the coastal protected areas

In addition, provide indicative information on how stakeholders, including civil society and indigenous peoples, will be engaged in the project preparation, and their respective roles and means of engagement.

The project will cooperate closely with other relevant partners in order to secure synergies and support the visibility of actions and secure desired results.

Municipal governments will play a key role for the project activities dedicated to a) community engagement and b) collaboration with the private sector. The project will secure participation of the Union of Municipalities, and its department for environment and climate change. The Union of Municipalities (UoM) of Montenegro is a national association of local communities within the territory of Montenegro, to which local self-government units voluntarily join. The mission of the Union of Municipalities of Montenegro is to promote the development and improvement of local self-government and to more effectively exercise their competences in the interests of the local population and to protect and pursue the common interests of the members. The project will partner with the UoM in order to secure appropriate information dissemination to all municipalities regarding project implementation and results.

The project will work directly with the municipalities in the Tara Man and biosphere program territory: Pluzine, Zabljak, Mojkovac, Pljevlja, Kolasin, Andrijevica and Savnik; and municipalities in coastal areas of Montenegro, specifically Ulcinj (Ulcinj Solana Nature Park) and Herceg Novi (Orjen Nature Park).

Relevant national and local CSOs such as the Center for Protection and Research of birds, Green Home, and Natura will be encouraged to take active roles in implementing project activities, notably in the involvement of the local communities to ensure enhanced collaboration for the long-term economic sustainability of the targeted PAs. Where feasible, national and local CSOs will actively participate in the stakeholder engagement processes for project activities.

The Coalition 27 (20 associated NGOs) is conceived as an open platform for joint monitoring and participation of civil society organizations in the process of representation and promotion of European goals in the field of environment and climate change in Montenegro. The aim of the coalition is to contribute to the quality, transparency and faster implementation of EU requirements under Negotiating Chapter 27. Its expertise will take an important role in all activities concerning PA and participative processes within all project components.

3. Gender Equality and Women's Empowerment

Briefly include below any gender dimensions relevant to the project, and any plans to address gender in project design (e.g. gender analysis).

The project will rely and build on national efforts being made to meet the needs of vulnerable populations, including women. The Action Plan for Achieving Gender Equality (2013-2017) was recently implemented. Besides the Action Plan, various studies related to the status of women in Montenegro have been produced in recent years, including the socio-economic status of women in Montenegro and women in politics.

Montenegro has a legislative framework in place to ensure gender equality and equal access to opportunities. Montenegro has the Gender Equality Committee of the Parliament of Montenegro and the Office for Gender Equality, and there is also the institute of the Ombudsman. However, a practical implementation dimension is lacking despite the existence of a legal and an institutional façade. There is still a lack of personal sensibility and existence of stereotypical gender regimes of skilled workers, judges, prosecutors and other responsible people, which is caused by the continuous problem with the implementation of laws.

A number of concrete measures will be included in project design to ensure that gender based inequalities are avoided or compensated for such as:

- ensuring that training opportunities are accessible for women (restoration, sustainable harvesting, surveying, productive skills etc.);
- hiring women consultants in order to facilitate communication with women and ensure that project activities are better aligned to their needs and capacities;
- sustainable financing mechanisms will be provided in particular for products or enterprises/cooperatives developed/led by women (groups).

A Gender Action Plan will be developed to guide gender mainstreaming during project implementation and ensure that the project interventions targeting local communities are implemented with a major account of gender disparities and with the aim to promote equal benefit sharing. In line with the [Results Architecture for GEF-7](#), the project will report on direct project beneficiaries disaggregated by gender, as a co-benefit of the GEF investment.

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

closing gender gaps in access to and control over natural resources;

improving women's participation and decision-making; and/or

generating socio-economic benefits or services for women.

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

TBD

4. Private sector engagement

Will there be private sector engagement in the project?

Yes

Please briefly explain the rationale behind your answer.

While the concrete mechanisms for private sector engagement will be explored and suggested through the comprehensive Stakeholder Engagement Plan at the project PPG stage, the general directions for private sector engagement will be through the tourism, agricultural and possibly forestry components of the project.

The private tourism sector actors will be engaged in a series of activities aimed at mainstreaming biodiversity conservation considerations into baseline tourism practices. The description of project Output 3.2. gives an idea of various fronts where private tourism sector engagement will be ensured. The project is likely to work with the mountain ski 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.

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.

Project Output 3.3 sets an ambitious goal of demonstrating, first ever in the country, a long-term public-private sector partnership model targeting large private sector operators and focused on biodiversity conservation. It is likely that Luštica Development AD will be the targeted business for this endeavor. Luštica Bay – the emerging marina town set to become Montenegro’s primary greenfield investment project and the largest in South Eastern Europe at 690 hectares – is unveiling a new sustainability strategy. From green construction methods, energy efficient architecture to cooperation with local communities and businesses, Luštica Bay is on a mission to become a model of sustainable tourism development in the country. The development is located on the Luštica peninsula, in the vicinity of several nature monuments, the Tivatska Solila special nature reserve and the Kotor-Risan Bay. The company pledged infrastructure development is to cover less than 10% of the 690-hectare marina site, thus safeguarding the area’s natural beauty and ensuring ample wide-open green spaces. Attention is also given to conserving the marine environment, protecting native flora and fauna and maintaining historical and archaeological sites. All plants and trees used for landscaping are indigenous to the Montenegrin coast and have been organically cultivated. Luštica Development AD has committed to working with local neighbourhoods to create a strong community network for environmental initiatives such as community supported agriculture, a local market and efficient recycling systems.

Project Output 5.1 will ensure an enabling environment for 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 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).

Exploring the private sector interest further, and developing incentives and engagement options, will be accomplished through direct outreach to the private sector stakeholders through public-private consultations and subsequent development of a comprehensive Stakeholder Engagement Plan at the PPG stage.

5. Risks

Indicate risks, including climate change, potential social and environmental risks that might prevent the Project objectives from being achieved, and, if possible, propose measures that address these risks to be further developed during the Project design (table format acceptable)

While the detailed risk log for the project will be elaborated during the PPG stage, the following key risks are most likely to be confirmed for the project:

Risk		Mitigation
Spatial and land use planning developments involve iterative processes that take a long time, which is not always possible to factor into a 5-year project. There's a risk of underdelivery of respective outcomes without an extended project timeframe	M	Since the state government level spatial planning and sectoral development reforms, as well as the management actions for the international Ramsar and UNESCO protected areas, will be undoubtedly driven by the EU integration process with strict milestones, timelines and monitoring system, the project will be planned in integration and synergy with these mainstream processes thus ensuring the delivery of planned outcomes and their sustainability and scaling-up upon project completion.
Montenegro's planning and regulatory framework is very well developed relative to the most recent international and EU standards and best practices. However, the current capacities may be insufficient to implement them all in a timely and effective manner. There is a risk that the new strategic, regulatory and planning reforms to which this project will provide a biodiversity mainstreaming dimension will remain only as high-quality written products upon project completion but will not experience full implementation.	M	Apart from an incremental input the project will provide for elevating BD conservation considerations to spatial planning and production sectors and landscapes; it will also develop and test very practical solutions and models to address the biodiversity threats and mainstream biodiversity-friendly sectoral practices. With the knowledge sharing and awareness raising activities associated with these practical BD mainstreaming interventions the project will make sure that the key strategic and regulatory reforms find their way to the actual implementation phase.

The different management arrangements for PAs according to their category, international status and mandate might provide complications for implementation of targeted project activities within Outcome 1.	L	This risk will be mitigated through close collaboration with relevant stakeholders from the outset and by determining collaborative strategies and focal points in each of the key institutions for the Project Steering Committee.
The project impact on the status of biodiversity and KBAs might be limited by climate change as a direct driver of habitat conversion and biodiversity loss in the country.	L	The relevant project interventions will be further designed and detailed based on PPG assessments of climate change effects within the targeted PAs and ecosystems.
There is a risk that the sustainable biodiversity finance mechanisms and incentives aimed at mainstream biodiversity-friendly sectoral practices will not prove their desired financial effect, and the financial viability may not be sufficient to upscale those instruments in the long term.	L	In response to this risk, the project will perform a comprehensive cost-benefit analysis of the proposed finance opportunities.
There is a risk that the planned partnerships with the private sector partners will fail to yield the expected benefits.	L	The project will do its best to mitigate this risk already at the PPG stage, via development of a detailed private sector engagement strategy and implementing early awareness raising among potential private sector partners.
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.	M	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 marginalised groups.

6. Coordination

Outline the institutional structure of the project including monitoring and evaluation coordination at the project level. Describe possible coordination with other relevant GEF-financed projects and other initiatives.

The project will be nationally implemented (NIM) by the Ministry of Sustainable Development and Tourism as the National Implementing Partner (Executing Entity) for the project. The MSDT acting as the Executing Entity for this project, will be responsible for overall coordination of project implementation, efficient use of project resources and achievement of all the planned project results. UNDP will be the GEF Implementing Agency (IA). As the key international development agency present in the country for the last 15 years, UNDP has proven itself to be operationally successful in directly implementing and assisting in implementation of large scale projects, including those funded by the

GEF. The Government has been requesting UNDP support in management of the complex projects involving complicated procurement and technical expertise. In this manner the Government secures involvement of the UN agencies for implementation of most of the conventions (UNFCCC, LCD and CBD), and diminishes the risk associated with the insufficient capacities available within the national institutions for simultaneously efficient implementation of international commitments, national legislation and baseline environmental protection projects. The UNDP together with the NIM implementing partner, will ensure coordination and synergies of the proposed project activities with the ongoing parallel projects.

The new UNDP/GEF project will take into consideration the scope, plans and achievements of the ongoing initiatives and involve project teams and the respective national authorities to ensure complementarity, provide for synergies, and avoid duplication of activities and inputs. The project will create synergies with a number of development projects, including, but not limited to:

The UNEP-GEF MSP “Promoting Protected Areas Management through Integrated Marine and Coastal Ecosystems Protection in Coastal Area of Montenegro” project has the coastal and marine protected areas as the main focus, aiming to revise the protection status for 13,000 ha coastal PAs and establish the first marine PAs in the country. The proposed UNDP-GEF project will work with those coastal PAs that are not in the focused of the UNEP-GEF activities providing for their strengthened management, thus ensuring synergetic effect at the system-level PA management improvement.

The phases II and III of the EU Natura 2000 project will cover the management planning for Natura 2000 sites, and possible transaction costs associated with the nomination of the buffer zones and conversion of farmlands. The planned activities do not include stakeholder engagement, community outreach, or on-the-ground management of the Natura 2000 sites. The proposed UNDP/GEF project will provide an increment to the governmental effort in this regard where the future Natura 2000 coincide with the project area map.

The proposed project will cooperate with the UNDP-GEF “Growing Green Business in Montenegro” project where it concerns private sector engagement, and incentive for green businesses in the agricultural and tourism through the future Environmental Fund of Montenegro.

Direct investments in farms through the Montenegro Institutional Development and Agricultural Strengthening (MIDAS) project with the WorldBank loan stimulates the utilization of the new production technologies, renovation of barns, which results in the increase of the productivity and the higher-level hygiene standards, and assists the Government with the programme of subsidies to farmers. The proposed project will introduce a biodiversity focus to the programme of incentives to farmers and will top-up the “green” payments modality.

7. Consistency with National Priorities

Is the Project consistent with the National Strategies and plans or reports and assesments under relevant conventions

Yes

If yes, which ones and how: NAPAs, NAPs, ASGM NAPs, MIAs, NBSAPs, NCs, TNAs, NCSAs, NIPs, PRSPs, NPFE, BURs, INDCs, etc

- National Biodiversity Strategies and Action Plan (NBSAP) under UNCBD
- National Communications (NC) under UNFCCC

Biodiversity conservation through creation of protected areas has been identified as a priority in the National Biodiversity Strategy and Action Plan (NBSAP) for period 2015 – 2020, National strategy for integrated coastal zone management, National Strategy with Action plan for transposition, implementation and enforcement of the EU acquis on Environment and Climate change (2016-2020) and National Strategy of Sustainable Development Until until 2030.

The revised NBSAP (2015-2020) sets the national biodiversity targets toward mainstreaming biodiversity protection as one of the most significant social and political priorities in the overall development; protection of biodiversity through a multidisciplinary and multi-sectoral approach; improve mechanisms for financing biodiversity protection and overall management, reduction of identified direct pressures on biodiversity; improvement and systematisation of knowledge about biodiversity and creation of ecological infrastructure as the foundation for the conservation of national biodiversity. The revised NBSAP (2015-2020) calls for expansion of the areas under protection to at least 17% of the state territory (primarily those envisaged in the Spatial Plan of Montenegro), establishment of ecological network in Montenegro, including appropriate ecological corridors and proclamation of coastal and marine protected areas (to comprise at least 10% of total protected areas).

Over the past years, biodiversity has increasingly become a topic considered when designing various plans and programmes and sectoral policies. This comes because of better understanding of international and EU regulations and requirements, awareness raising as to the importance of biodiversity for the development and human well-being, greater understanding of the concept of ecosystem services, as well as previous studies of their valuation.

In the period from 2014 to 2018, a number of national strategies and plans were adopted and revised. They include two umbrella strategies defining the development: the Development Directions 2018-2021, defining the main vision of development as the increased living standards through sustainable and inclusive economic growth that implies a transition to the economy based on the efficient and sustainable use of resources, environmental protection, emission reduction, valorisation of biodiversity and the development of new technologies and production methods, and the National Strategy on Sustainable Development with Action Plan until 2030 (NSSD 2030) that transposes the transposes global targets and objectives, such as MDGs, into the national framework. This strategy provides direct measures for biodiversity: the improvement of the protected area system (including, increasing the area under protection, establishing new management structures and strengthening the existing ones, establishing the network and corridors), improving biodiversity-related data (increasing the knowledge base, availability of data to all stakeholders), and reduction of pressures on biodiversity (from economic sectors, but also in relation to climate change and invasive species).

The proposed project will contribute the “biodiversity” dimension to the new Spatial Plan of Montenegro as the current Spatial Plan is valid until 2020. The deadline for drafting this planning document is 24 months from the date of designation of the leader of the Plan development, and it is adopted for a period of 20 years, i.e. by 2040.

8. Knowledge Management

Outline the Knowledge management approach for the Project, including, if any, plans for the Project to learn from other relevant Projects and initiatives, to assess and document in a user-friendly form, and share these experiences and expertise with relevant stakeholders.

The PPG phase will develop a knowledge management plan for the project to make sure that it builds upon and learns from the very broad spectra of initiatives that have been under implementation in the country for the last 10+ years. The knowledge management plan will serve as a means for scaling up results and impacts of the project, and ensure linkages with the ongoing initiatives in the field of relevance, to support collaboration, learning, and sharing and adoption of relevant lessons. The PPG experts will plan concrete FSP activities ensuring awareness raising, advocacy, experience sharing and replication.

The knowledge management plan will make sure to engage key stakeholders in a two-fold way: learning by doing and through intense information and experience exchange. All these processes will be documented resulting in guidelines and info packages periodically shared among all relevant stakeholders. The easy-to-use guidelines and models will be designed based on the notion of general access and accessibility, meaning that the knowledge will not only be available but also be useful to a broad audience. This will have a positive impact in knowledge exchange primarily on a national level. However, the goal is to tap into international knowledge management networks and use that available information to contribute through gained experiences.

In order to achieve these goals, the project will involve, and regularly exchange information with designated representatives of relevant conventions and international organisations: GEF, UNESCO, Ramsar convention etc.

Part III: Approval/Endorsement By GEF Operational Focal Point(S) And Gef Agency(ies)

A. RECORD OF ENDORSEMENT OF GEF OPERATIONAL FOCAL POINT (S) ON BEHALF OF THE GOVERNMENT(S): (Please attach the Operational Focal Point endorsement letter with this template).

Name	Position	Ministry	Date
Mr. Igor Građević	GEF Operational Focal Point Directorate for EU Integration and International Cooperation	Ministry of Sustainable Development and Tourism	10/17/2019

ANNEX A: Project Map and Geographic Coordinates

Please provide geo-referenced information and map where the project intervention takes place

