# REQUEST FOR CEO ENDORSEMENT

**PROJECT TYPE: Full-sized Project**
**TYPE OF TRUST FUND: GEF Trust Fund**

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## PART I: PROJECT INFORMATION

| | | | |
|---|---|---|---|
| Project Title: Achieving Biodiversity Conservation through Creation and Effective Management of Protected Areas and Mainstreaming Biodiversity into Land Use Planning | | | |
| Country(ies): | FYR Macedonia | GEF Project ID:[1] | 5528 |
| GEF Agency(ies): | UNEP | GEF Agency Project ID: | 01201 |
| Other Executing Partner(s): | UNEP ROE, Ministry of Environment and Physical Planning | Re-Submission Date: | March 07, 2016 |
| GEF Focal Area (s): | Biodiversity | Project Duration(Months) | 48 |
| Name of Parent Program (if applicable):<br>➢ For SFM/REDD+ ☐<br>➢ For SGP ☐<br>➢ For PPP ☐ | N/A | Project Agency Fee ($): | 319,269 |

### A. FOCAL AREA STRATEGY FRAMEWORK[2]

| Focal Area Objectives | Expected FA Outcomes | Expected FA Outputs | Trust Fund | Grant Amount ($) | Cofinancing ($) |
|---|---|---|---|---|---|
| BD-1 | Improved biodiversity conservation and sustainability of protected area systems | Improved management effectiveness of existing and new protected areas. | GEF TF | 1,141,553 | 16,926,500 |
| BD-2 | Mainstream Biodiversity Conservation and Sustainable Use into Production Landscapes, Seascapes and Sectors | Measures to conserve and sustainably use biodiversity incorporated in policy and regulatory frameworks. | GEF TF | 2,219,178 | 5,000,000 |
| | | **Total project costs** | | 3,360,731 | 21,926,500 |

### B. PROJECT FRAMEWORK

**Project Objective:** To support the expansion of national protected areas system and enabling capacity conditions for effective management and mainstreaming of biodiversity conservation into production landscape

| Project Component | Grant Type | Expected Outcomes | Expected Outputs | Trust Fund | Grant Amount ($) | Confirmed Cofinancing ($) |
|---|---|---|---|---|---|---|
| 1. Increase of protected areas network and connectivity | TA | 1.1 Improved biodiversity conservation through creation of new protected areas and pilot projects on PA corridors management implementation | 1.1.1. Supported Establishment of at least One Protected Area (Shara Mountain – 42,000 ha) as National Park<br><br>1.1.2. Two pilot corridors from the proposed National Ecological Network (MAK-NEN) selected for development and testing of site-specific measures involving local stakeholders for management and restoration of High Nature | GEF TF | 1,035,824 | 7,926,500 |

[1] Project ID number will be assigned by GEFSEC.
[2] Refer to the Focal Area Results Framework and LDCF/SCCF Framework when completing Table A.

| | | | | | | |
|---|---|---|---|---|---|---|
| | | | Value Forests and other habitats | | | |
| 2. Increased effectiveness of biodiversity management | TA | 2.1 Improved management effectiveness and capacity building as a tool for biodiversity conservation and protection of threatened species and habitats | 2.1.1. A "Red List Index" for Macedonia is generated, reflecting the prioritized list of threatened species within the country and guiding the creation and effective management of new and existing Protected Areas<br><br>2.1.2. Identified High Nature Value Forests and at least two (2) developed guidelines for their management in favor of biodiversity conservation.<br><br>2.1.3. Protected areas management plans are prepared according to new methodologies and PA staff, environmental inspectors, rangers and forest guards are trained under the updated biodiversity management regime<br><br>2.1.4. One first red data book in Macedonia for at least one taxonomic group is developed | GEF TF | 1,094,000 | 8,900,000 |
| 3. Land use planning and biodiversity mainstreaming | TA | 3.1 Biodiversity conservation mainstreamed in national planning | 3.1.1. Guidelines are prepared for proposed revision of National Spatial Plan that relates to biodiversity conservation and a spatial planning database (spatial and urban planning) is developed, and capacities of spatial planners on mainstreaming biodiversity conservation into national planning are built.<br><br>3.1.2. Supporting documents for proposed revision of Forest Management Plans for areas managed by Macedonian Forests are developed with an aim to introduce ecologically sustainable forest management practices and inclusion of specific elements for threatened biodiversity<br><br>3.1.3. Identified quotas for sustainable use of non-timber forest products are piloted in at least one region with highest potential and need | GEF TF | 1,070,907 | 5,000,000 |

| | | | | | | |
|---|---|---|---|---|---|---|
| | | | 3.1.4 Lessons learned and Sustainability Strategy Developed | | | |
| | | | | Subtotal | 3,200,731 | 21,826,500 |
| | | | | Project management Cost (PMC)[3] GEF TF | 160,000 | 100,000 |
| | | | | **Total project costs** | 3,360,731 | 21,926,500 |

## C. SOURCES OF CONFIRMED COFINANCING FOR THE PROJECT BY SOURCE AND BY NAME ($)

Please include letters confirming cofinancing for the project with this form

| Sources of Co-financing | Name of Co-financier (source) | Type of Cofinancing | Cofinancing Amount ($) |
|---|---|---|---|
| National Government | Ministry of Environment and Physical Planning | In-kind | 7,943,525 |
| National Government | Ministry of Environment and Physical Planning | Cash | 5,082,975 |
| Others | Macedonian Academy of Sciences and Arts | In-kind | 450,000 |
| Others | Forestry Faculty, UKIM Skopje | In-kind | 4,500,000 |
| Bilateral Aid Agency(ies) | Swiss Development Cooperation (SDC) | In-kind | 3,800,000 |
| Private Sector | Macedonian Wood Industry Cluster | In-kind | 50,000 |
| GEF Agency | UNEP | In-kind | 100,000 |
| **Total Co-financing** | | | 21,926,500 |

## D. TRUST FUND RESOURCES REQUESTED BY AGENCY, FOCAL AREA AND COUNTRY[1]

| GEF Agency | Type of Trust Fund | Focal Area | Country Name/ Global | (in $) | | |
|---|---|---|---|---|---|---|
| | | | | Grant Amount (a) | Agency Fee (b)[2] | Total c=a+b |
| UNEP | GEF TF | Biodiversity | FYR Macedonia | 3,360,731 | 319,269 | 3,680,000 |
| **Total Grant Resources** | | | | | | |

[1] In case of a single focal area, single country, single GEF Agency project, and single trust fund project, no need to provide information for this table. PMC amount from Table B should be included proportionately to the focal area amount in this table.

[2] Indicate fees related to this project.

## F. CONSULTANTS WORKING FOR TECHNICAL ASSISTANCE COMPONENTS:

| Component | Grant Amount ($) | Cofinancing ($) | Project Total ($) |
|---|---|---|---|
| International Consultants | 15,000 | 45,000 | 60,000 |
| National/Local Consultants | 10,000 | 30,000 | 40,000 |

## G. DOES THE PROJECT INCLUDE A "NON-GRANT" INSTRUMENT? N/A

(If non-grant instruments are used, provide in Annex D an indicative calendar of expected reflows to your Agency and to the GEF/LDCF/SCCF/NPIF Trust Fund).

# PART II: PROJECT JUSTIFICATION

## A. DESCRIBE ANY CHANGES IN ALIGNMENT WITH THE PROJECT DESIGN OF THE ORIGINAL PIF[4]

[3] PMC should be charged proportionately to focal areas based on focal area project grant amount in Table D below.

[4] For questions A.1 –A.7 in Part II, if there are no changes since PIF and if not specifically requested in the review sheet at PIF stage, then no need to respond, please enter "NA" after the respective question.

A.1 National strategies and plans or reports and assessments under relevant conventions, if applicable, i.e. NBSAPs, national communications, TNAs, NCSA, NIPs, PRSPs, NPFE, Biennial Update Reports, etc.

*Legislation:* National resources, flora and fauna are defined as goods of general public and as such enjoy special protection under the Constitution of Macedonia. An impressive amount of national legislation has been developed covering the environmental and forestry issues, particularly within the framework of the accession process to the European Union, where by the Government has transposed most of the EU Acquis[5].

Major pieces of pertinent legislation include:

- ***Law on Environment*** (2005) as a framework law regulating the protection and improvement of the environment,
- ***Law on Nature Protection*** (2004) regulating the protection of the nature through protection of biological and landscape diversity and protection of natural heritage within and outside of protected areas,
- ***Law on Forests*** (2009) that regulates the issues related to planning, management, use, protection of forests and its provisions are applied to all forests and forest land regardless of use and ownership (including forest products) as well as relevant by-laws.

Regarding spatial planning, separate law regulates the conditions, methods and dynamics of implementation of the National Spatial Plan, the rights and responsibilities of entities in the implementation of the Spatial Plan, funding and supervision. The Law on Land/Soil to complement the existing Law on Environment, Law on Water and other relevant laws has not been adopted yet. This law is in its drafting phase, carried out by MEPP. The table below provides an overview of legislation relevant for nature protection and land use planning in Macedonia. This legislation lays the foundation for policy-driven interventions envisaged in this project to occur.

**Table 1: Existing legal framework for biodiversity protection and land use planning**

| Legislation | Official Gazette of RM no. |
|---|---|
| Law on Nature Protection | 67/04, 14/06, 84/07, 35/10, 47/11, 148/11, 59/12, 13/2013, 163/13, 41/14 |
| Rulebook on the content of the Valorization Study, Official Gazette of the FYR of Macedonia | 26/2012 |
| Rulebook of the content of the management plan, Official Gazette of the FYR of Macedonia | 26/2012 |
| Lists of threatened and protected wild species of plants, fungi and animals and their parts | 15/2012 |
| Lists of determining the strictly protected and protected wild species | 139/2011 |
| Law on Environment | 53/05, 81/05, 24/07, 159/08, 83/09, 48/10, 124/10, 51/11, 123/12, 13/13, 163/13, 41/14 |
| Law on Forests | 64/09, 24/11, 53/11, 25/13, 79/13, 147/13 and 43/13 |
| Rulebook on non-timber forest products species and the manner of use and collection | 155/2011 |
| Rulebook for the content of special plans for management of forests with economic purpose and forests with protective purpose and their preparation, adoption and approval | Draft Rulebook is already prepared and currently under review |
| Law on implementation of the Spatial Plan of the FYR of Macedonia | 39/04 |
| Law on spatial and urban planning | 51/05, 137/07, 91/09, 124/10, 18/11, 53/11 and 144/12 |

*Strategies and Plans:* Macedonia has developed a number of strategic documents relevant to biodiversity and nature conservation and land use planning including:

- The ***Spatial Plan of the FYR of Macedonia*** (2002-2020) is an integral strategic development document defining the spatial organization of the State and the goals and concepts of the spatial development of certain areas, as well as the conditions for the implementation thereof. Some of the main goals are: to acquire rational usage, organization and spatial management in accordance to the needs rational relocation of production, achieve more stable regional development and

[5] The EU acquis is the accumulated legislation, legal acts, and court decisions which constitute the body of European Union law. Environment is one of the 31 chapters of the acquis for the purpose of negotiation between the EU and the candidate member states.

enhancement of material, cultural, sociological and other living and working conditions of the citizens, etc. The National Spatial Plan (NSP) is elaborated through spatial plans of the planning regions and spatial plans for areas of special interest of the country. Furthermore, spatial plans have been elaborated through urban plans. The 'Natural Heritage' chapter of the Spatial Plan deals only with the network of national protected areas and the areas planned for protection with the aim to protect all areas of exquisite natural values and preserve important flora and fauna by protecting larger spatial entities. One of the goals is establishment of eco network of protected objects and green corridors. Projection of increasing the territory under protected areas to almost 12% by 2020 is foreseen. The National Spatial Plan also contains projection for the development of forestry until year 2020. The goals under 'Forestry and forest land' part are mainly concentrated to enlargement of forest land, restoration of degraded forests and shrubs and their transformation into more productive forests, taking cultivation measures in all development phases of forests and afforestation of different areas with projection of 79,220 ha to be afforested by 2020.

- The ***Second National Environmental Action Plan (NEAP 2)*** (2006–2011) is a strategic document providing general instructions and directions for the Country in the field of the environment. It defines the problems of the environment, establishes priorities and goals for different media and sectors that affect the environment, and provides special measures and actions for overcoming the problems. The obligation for preparation of this document arises from the Law on Environment. The 'Nature and Biodiversity' section aims at the achievement of the main goal of establishing an integral system for nature protection and biodiversity preservation according to EU standards and international agreements. The 'Land and Landscape Use' chapter identifies the increasing pressure for development which inevitably leads to changes in land use patterns, as well as land degradation. Thus, several measures and specific action are planned to achieve the objective of 'sustainable spatial planning and land management development'.
- The ***First National Biodiversity Strategy and Action Plan*** (NBSAP) (adopted in 2004) is a fundamental strategic document with the overall aim of conservation of biological diversity and ensuring its sustainable use for the welfare of the people, taking into consideration Macedonia's unique natural values and rich tradition. Revised NBSAP (prepared during 2013-2014, in a process of adoption) set new national biodiversity targets that are to a high extent harmonized with Aichi Targets and one of the main principles of the Strategy is mainstreaming biodiversity into relevant sectors.
- The overall goal of the ***Strategy for Sustainable Development of Forestry*** in Macedonia (adopted in 2006 for the 20 years period) is to increase the contribution of the forestry sector to the national economy and rural development through sustainable forest management, ensuring renewable resources and protection of local and global environment, and providing products and services for improving the quality of life of all citizens. The Strategy is mainly focused on the economic aspects of forests: increasing forest area, improving the composition and quality of forests, protection of forests against fires and diseases, forest management measures, promoting the use of timber and wood products from sustainably managed forests, etc. One of the goals defined in the strategic goal 'forestry and environment' refers to the conservation and revitalization of the components of biological and landscape diversity of forests in Macedonia through the integration of conservation objectives into forestry practices.
- The ***National Strategy for Sustainable Development*** was adopted in 2010 for the period 2009 – 2030. The National Strategy for Sustainable Development (NSSD) of the Republic of Macedonia sets a vision, mission and objectives for economically, socially and environmentally balanced development. It provides an effective framework for sustainable development that serves to encourage investments and to offer effective guidelines for planning and delivery of public and commercial services within commonly accepted economic, social and environmental parameters. The Strategy provides an integral approach of planning, which offers the overall umbrella for all other policies and strategies in various fields. The NSSD respects already set strategic directions in different sectors, but also provides strong cross cutting links essential for sustainable development.
- Newly adopted ***National Strategy for Agriculture and Rural Development*** (NSARD) for the period 2014 – 2020 has one of the main objectives to create preconditions for better use of agricultural potential of the country through better land management and institutional capacity building, strengthened rural development, and establishing conditions for safe food production and trade.
- ***National Strategy for Waters*** (for the period 2012-2042) and ***Macedonian water strategy action plan (2011-2014)***. Water strategy summaries facts from the field of water legal and institutional framework and comprehends conclusions on state of water with separately investigated general river basin characteristics, state of water use, state of river training and protection against harmful effects of water and state of water protection. Based on the state of waters, action plan is developed.
- ***National capacity self-assessment*** for Macedonia was prepared in 2005. Assessment of the capacities of the country to meet the obligations under the global environmental conventions pertaining to biodiversity (UNCBD), climate change (UNFCCC) and land degradation and desertification (UNCCD).

- Several other strategies are of importance for biodiversity conservation and land use planning in Macedonia – ***National Environmental Investment Strategy*** (2009-2013), ***Strategy for Energy Development*** in Macedonia to 2030, ***Strategy for Regional Development of Macedonia*** (2009-2019), ***National Transport Strategy*** (2007-2017), ***Tourism Development Strategy*** (2009-2013), ***National Rural Tourism Strategy*** (2012-2017), ***Poverty Eradication and Social Exclusion Strategy*** of Macedonia (2010-2020), etc.

*The analysis provided in the PIF is still valid. During the PPG, relevant information was updated and amended through intensive stakeholder consultations. For further detail, please refer to the Project Document (ProDoc), Sections 2.4, 3.6 and 5.*

A.2. GEF focal area and/or fund(s) strategies, eligibility criteria and priorities.

N/A

A.3 The GEF Agency's comparative advantage.

N/A

A.4. The baseline project and the problem that it seeks to address:

The baseline provided in the PIF is still valid, although some further information was added during the course of the PPG. For further details please consult the ProDoc, Section 2.6.

A. 5. Incremental /Additional cost reasoning: describe the incremental (GEF Trust Fund/NPIF) or additional (LDCF/SCCF) activities requested for GEF/LDCF/SCCF/NPIF financing and the associated global environmental benefits (GEF Trust Fund) or associated adaptation benefits (LDCF/SCCF) to be delivered by the project:

The project has three components:

*Component 1: Increase of Protected Areas Network and Connectivity:* This component will expand the protected area network by at least 1.5%. This includes the preparation of a study for valorization for areas proposed for protection, and support to the MoEFF in the official process of proclamation of the selected areas for protection. The component will also support the increase in connectivity of by selecting two pilot corridors from the Macedonian National Ecological Network for development and testing of site-specific measures for management and restoration of important habitats and other planning policy.

*Component 2: Increased Effectiveness of Biodiversity Management:* This component will include the creation of a Red List Index for Macedonia as well as the identification of High Nature Value Forests and the development of guidelines for management of 2 sites. The component will also assist in the development of one protected area management plan. Capacity development of PA management staff, environmental inspectors and forest guards will also be conducted.

*Component 3: Land Use Planning and Biodiversity Mainstreaming:* The component will assist in the development of tools and databases necessary for developing guidelines for revision of National Spatial Plan relating to biodiversity conservation and building capacities of spatial planners and other relevant stakeholders on mainstreaming biodiversity conservation into national planning. The component will also assist in the development of supporting documents for proposed revision of Forest Management Plans for areas managed b Macedonian Forests, with an aim to introduce ecologically sustainable forest management (ESFM) practices and inclusion of specific elements for threatened biodiversity. The component will also support a practical project for pilot testing of identified quotas for sustainable use of selected wild species in at least one region. An output related to lessons learnt and emphasizing a way forward in the field of biodiversity conservation in Macedonia will be part of the component.

The incremental value of the project is captured in the table below:

| **Baseline Scenario B** (Business As Usual) | **Alternative Scenario A** (with project interventions) | **Increment** (A – B) |
|---|---|---|
| **Component 1: Increase of Protected Areas Network and Connectivity** | ▪ List of criteria/indicators for prioritization of PAs developed | **Local/national benefits:** ▪ Developed valorization studies |

| Baseline Scenario B<br>(Business As Usual) | Alternative Scenario A<br>(with project interventions) | Increment<br>(A – B) |
|---|---|---|
| **Baseline:**<br>▪ Insufficient and not completed national network of PAs<br>▪ Currently only 8.9 % of the territory is classified as Protected Area. The National Spatial Plan envisages increase of PAs network to about 12% by 2020<br>▪ No systematic approaches for creation of PAs network - not developed criteria for prioritization of PAs to support expansion of PAs, and consequently proposed areas for protection are not prioritized<br>▪ Continuous pressure on biodiversity due to habitat fragmentation (rooting from uncontrolled and unplanned urbanization, etc.)<br>▪ Low level of understanding of connectivity needs of PAs<br>▪ Developed guidelines for management of ecological corridors are not tested on the ground<br><br>**Probable results:**<br>▪ Existing network of PAs in the country remains uncompleted and erratic<br>▪ Priority areas for protection are not identified and surveyed<br>▪ Proclamation of new protected areas is not initiated<br>▪ Fragmentation of habitats and pressures on biodiversity remain high and unchecked<br>▪ Nonfunctional ecological corridors identified in MAK-NEN<br>▪ Not implemented management measures for ecological corridors | ▪ Priority sites for proclamation as PAs identified<br>▪ Relevant biodiversity data collected and consolidated for new protected area(s)<br>▪ Valorization study and all required documentation to initiate the proclamation procedure of new PAs prepared and submitted<br>▪ Guidelines and methodologies for pilot corridors management tested on 2 sites | (biodiversity data available) for proclamation of new PAs<br>▪ Network of PAs increased for at least 1.5% of the national territory<br>▪ Protected important and threatened species<br>▪ Developed supporting documents for proclamation of new PAs<br>▪ Pilot project for management of corridors implemented and guidelines for other corridors developed<br>▪ Awareness on connectivity needs of PAs increased in pilot areas<br><br>**Global benefits:**<br>▪ Contribution towards the global Aichi targets 11, 5, 12 and 1.<br>▪ Protection of species and habitats of European and global importance (covered with the new protected areas)<br>▪ Improved knowledge on connectivity needs and management measures for ecological corridors, and possibility to be replicated on a trans-boundary level |
| **Component 2: Increased effectiveness of biodiversity management**<br><br>**Baseline:**<br>▪ Threatened species and habitats in the country have not been identified<br>▪ No Red lists of threatened species prepared and red list index developed<br>▪ No Red data book developed in country<br>▪ High nature value forests in Macedonia have not been identified<br>▪ Only few management plans prepared in accordance to the new legislation<br>▪ Low management capacities to support conservation of threatened species and habitats of environment/nature inspectors, rangers, forest guards<br>▪ Low awareness and knowledge about | ▪ Identified threatened species in the country<br>▪ Relevant data for selected species collected and threat status identified<br>▪ Red lists of threatened species prepared<br>▪ Criteria for identification of important forest habitats (High nature value forests) agreed<br>▪ Relevant forest habitats data collected and HNV forests identified<br>▪ Recommendations for conservation of the threatened species/habitats developed<br>▪ Management plan for at least one PA drafted according to national legislation<br>▪ Study for assessing the economic | ▪ Red list database developed<br>▪ Increased capacities for red-listing methodology<br>▪ Coherent and coordinated approach to the conservation of key species developed<br>▪ Knowledge and awareness about threatened species increased<br>▪ Relevant data about high nature value forests available and accessible<br>▪ Management guidelines for pilot areas developed<br>▪ Plan for management of new PA drafted<br>▪ Study for economic valuation of ecosystem services in PA developed |

| **Baseline Scenario B**<br>(Business As Usual) | **Alternative Scenario A**<br>(with project interventions) | **Increment**<br>**(**A – B) |
|---|---|---|
| ecosystem services and their economic valuation<br><br>**Probable results:**<br>▪ Threatened species and habitats in the country will remain unknown<br>▪ Limited capacities for red listing methodology<br>▪ Areas of high nature value forests in the country will remain unknown<br>▪ Guidelines for management of high nature value forests will not be prepared and tested on the ground<br>▪ PA Management plan will not be prepared<br>▪ Knowledge about ecosystem services and valuation methods will remain the same<br>▪ Limited capacities for management of PAs | values of ecosystem services in at least one PA developed<br>▪ Assessment of management capacities of PAs, environmental inspectors and forest guards conducted<br>▪ Training on PA management approaches conducted | ▪ Experiences about ecosystem services<br>▪ Knowledge about economic valuation methods of ecosystem services increased<br>▪ Increased capacities for management of PAs<br><br>**Global benefits:**<br>▪ Red list index developed to be used at European and global assessments<br>▪ Knowledge improved about species of global importance under threat<br>▪ Valuable forest habitats (HNV forests) identified following European criteria<br>▪ Experience in management measures of HNV forests<br>▪ Experience in management planning of PAs<br>▪ Contribution towards the global Aichi targets 1, 5, 7, 11, 12 and 19. |
| **Component 3: Land Use planning and Biodiversity mainstreaming**<br><br>• Integrated Land Use planning and Biodiversity Conservation is not practiced at national and/or local level<br>• The National Spatial Plan is outdated, poorly communicated, coordinated and implemented at local levels, and it does not include elements on biodiversity conservation<br>• National erosion map is outdated<br>• Forest Management Plans does not provide ecologically sustainable forest management practices and inclusion of specific elements for threatened biodiversity<br>• Databases available to support sustainable forest management planning, particularly those supporting biodiversity are limited<br>• Land use data is outdated, and soil sealing rates are not defined at national and local levels<br>• Lack of information about use of natural resources (NTFP)<br>• System of use of non-timber forest products is not developed (unclear legal regulations and responsibilities, undetermined sustainable use quotas<br><br>**Probable results** | • Development of databases and documentation for land use planners on Land Use Planning and Biodiversity Conservation mainstreaming<br>• Areas vulnerable to desertification delineated<br>• Drought sensitivity map with high risk zones and their impact to biodiversity available to all users<br>• Soil sealing rate in the country defined<br>• Training on tools and methodologies for Biodiversity Conservation and Sustainable Land Use conducted<br>• Guidelines for revision of NSP relating to biodiversity conservation prepared<br>• Supporting documentation for mainstreaming biodiversity in the future process of revision of Forest management plans developed, such as Forest vegetation maps, guidelines for sustainable forest management and quotas for sustainable use of NTFP<br>• Assessment studies for production of selected wild species (NTFP) prepared<br>• Sustainable quotas for selected wild species developed and approved<br>• Recommendation for revision of legal instruments for sustainable use of | **Local/national benefits:**<br>▪ Relevant Biodiversity Conservation and Land Use Planning data available and accessible<br>▪ Knowledge about soil erosion and soil sealing processes and regions vulnerable to desertification improved<br>▪ Mainstreaming of supporting documentation, such as Forest Vegetation Maps and guidelines for sustainable forest management in the future process of revision of Forest management plans<br>▪ Improved capacities of spatial planners for Biodiversity Conservation and Sustainable Land Use<br>▪ Capacities for Biodiversity Conservation and Land Use Planning strengthened<br>▪ Developed guidelines for revision of NSP relating to biodiversity conservation<br>▪ System of sustainable use of NTFP tested in pilot areas<br><br>**Global benefits:**<br>▪ Interactive mapping tools for Land Use Planning and Biodiversity mainstreaming<br>▪ Lessons learned on broad public |

| **Baseline Scenario B** (Business As Usual) | **Alternative Scenario A** (with project interventions) | **Increment** (A – B) |
|---|---|---|
| • Limited capacities at national and local levels for Land Use planning and Biodiversity Conservation<br>• Land degradation remains as one of the main treats to biodiversity loss, as it is directly connected to soil quality, erosion processes, pollution and soil sealing<br>• No information about erosion and soil sealing processes will be collected<br>• Erosion map will remain unrevised and useless for biodiversity conservation<br>• Decline of soil fertility and change of land use have a serious impact on biodiversity<br>• Vegetation maps inadequate<br>• Information and data on natural resources (NTFP) are still scattered and lack national harmonized methodology and approach<br>• Use of NTFP will remain unsustainable and uncontrolled | wild species developed<br>• Increased public awareness and knowledge on biodiversity conservation and sustainable land use planning | engagement in Biodiversity Conservation and Land Use Planning implementation<br>▪ Experiences in mainstreaming biodiversity conservation into land use planning processes<br>▪ Experience in sustainable use of NTFP based on identified quotas<br>▪ Contribution towards the global Aichi targets 5, 7 and 19. |

Please refer to the ProDoc, Section 3.7 for more details.

The table below summarises the changes made, and the rationale for these changes, to the components and outputs in the PIF.

| | **PIF** | **GEF CEO ER** | **Rationale** |
|---|---|---|---|
| **Components** | *1. Protected areas creation and effective management* | 1. Increase of protected areas network and connectivity | The change was made in order to address the STAP comments that the component should be split in two. |
| | *2. Land use planning and biodiversity mainstreaming* | 2. Increased effectiveness of biodiversity management | The PIF component is the CEO ER component 3, and the CEO ER 2nd component incorporates all aspects of biodiversity management based on the STAP comments to establish a component "improving protected area management effectiveness". It was broadened to biodiversity management as many of the aspects in the component will have an impact on both inside protected areas as well as outside. |
| | *3. Pilot implementation of institutional level planning, and lessons learnt* | 3. Land use planning and biodiversity mainstreaming | The PIF 3rd component has been integrated into the 2nd and 3rd components of the CEO ER and the PIF 2nd component is now the 3rd CEO ER component. |
| **Outcomes** | *1.1. Increased national protected area network and management effectiveness and capacity as a tool for* | 1.1. Improved biodiversity conservation through creation of new protected areas and pilot projects on PA corridors | The change of outcome was necessitated due to addressing the STAP comments in which they requested that the PA |

| | | | |
|---|---|---|---|
| | *biodiversity conservation and protection of threatened species and habitats* | management implementation | establishment and management be split in two components. |
| | *2.1 Biodiversity conservation mainstreamed in national planning* | 2.1. Improved management effectiveness and capacity building as a tool for biodiversity conservation and protection of threatened species and habitats | PIF outcome now move to CEO ER outcome 3.1. The CEO ER outcome now deals with the effective management of biodiversity management in line with the component title. |
| | *3.1 Implemented pilot projects and lessons learned* | 3.1 Biodiversity conservation mainstreamed in national planning | PIF outcome incorporated into outcome 1.1. and 1.2. and the CEO ER outcome is similar to the PIF outcome 2.1. |
| **Outputs** | *1.1 1 An increase of protected areas from 8 – 12%, by establishment of a National Park/s, or other protected areas, which is in compliance with national and regional standards, following with regional workshop and site studies held in one national park, involving international experts and resulting in action plans for revitalizing tourism revenue, services and accessibility.* | 1.1 1. Supported Establishment of at least One Protected Area (Shara Mountain – 42,000 ha) as National Park | Adjusted to accommodate the STAP comment *"Output 1.1 could be shortened to establishment of new national parks and other protected areas"*. As the project is at this stage on envisaging the establishment of Shara Mountain as a National Park this is stated explicitly in the output. In addition, PPG phase served as more detailed stakeholder consultations where it was identified that the country cannot commit to increasing 3% in PA coverage, but only to 1.5% and identified Shar Planina (Shara Mountain) as to be the proclaimed National Park. |
| | | 1.1.2 Two pilot corridors from the proposed National Ecological Network (MAK-NEN) selected for development and testing of site-specific measures involving local stakeholders for management and restoration | Originally PIF output 3.1.2, moved to component 1 as the output responds directly to the revised title of component 1 "Increase of protected areas network and connectivity" |
| | *1.1.2 A "Red List Index" for Macedonia is generated, reflecting the prioritized list of threatened species, within the country and guiding the creation and effective management of protected areas* | No output | Now output 2.1.1 as per STAP comments |
| | *1.1.3 The identified biodiversity rich forests and at least two (2) developed guidelines for their management in favour of biodiversity conservation.* | No output | Now output 2.1.2 as per STAP comments |
| | *1.1.4 Digital habitat map overlays produced at the national scale, to serve as* | No output | Based on consultations with MoEPP and other relevant stakeholders in the country, |

| | | | |
|---|---|---|---|
| | *tools for spatial identification of important habitats, modelling of species occurrence and effective management of important habitats within and outside the Protected Areas network* | | output 1.1.4 was scaled down to preparation of forest vegetation maps for 3 pilot sites as part of supporting document for forest management plans. However, because the same output already exist in component 3 (output 3.1.2) preparation of vegetation maps was integrated as an activity into the respective output. Also, habitat maps will be partially be prepared with EU funded project for identification of Natura 2000 sites. |
| | *1.1.5 Current and future environmental inspectors, rangers, forest guards and community leaders, trained under the updated protected area management regime, with a verification process and METT in place to ensure completion and adequate management monitoring and effectiveness.* | No output | Now revised as output 2.1.3 as per STAP comments |
| | *2.1.1. Revised National Spatial Plan that relates to biodiversity conservation and natural heritage and development of a spatial planning database (spatial and urban planning), and a training for current and future spatial planners on mainstreaming biodiversity conservation into national planning.* | No output | Now output 3.1.1 as part of mainstreaming biodiversity in national planning processes |
| | *2.1.2. Forest management Plans managed by Macedonian Forest are revised to include specific plans for threatened biodiversity and vegetation, as well as sustainable use quotas base on carrying capacity.* | No output | Now output 3.1.2 as part of mainstreaming biodiversity in national planning processes |
| | | 2.1.1. A "Red List Index" for Macedonia is generated, reflecting the prioritized list of threatened species within the country and guiding the creation and effective management of new and existing Protected Areas | PIF output 1.1.2 moved in accordance with STAP comments |
| | | 2.1.2. Identified High Value Forests and at least two (2) developed guidelines for their | PIF output 1.1.3 moved in accordance with STAP comments. The formulation |

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| | | management in favour of biodiversity conservation.. | 'biodiversity rich forests' is changed to 'high nature value forests' as more suitable, following processes for their identification in the pan-European region. |
| | | 2.1.3. Protected areas management plans are prepared according to new methodologies and PA staff, environmental inspectors, rangers and forest guards are trained under the updated biodiversity management regime. | Part of PIF output 1.1.1 related to preparation of management plans for PAs according to national and international standards is shifted to output 2.1.3, together with the PIF output 1.1.5 for strengthening management capacities for inspectors, rangers and forest guards through different training programmes aiming to improve management effectiveness of PAs. |
| | | 2.1.4. One first red data book in Macedonia for at least one taxonomic group is developed. | The PIF output 3.1.1 was moved here as the output will result in 'increased effectiveness in biodiversity management' as per the component title. |
| | *3.1.1. Pilot project – Development of first red data book in Macedonia for at least one taxonomic group (In support of Component 1, output 1.1.2).* | No output under component 3. | As per above |
| | *3.1.2 Two pilots core areas and corridors from the National Ecological Network selected for development and testing of site-specific measures for management and restoration of Biodiversity Rich Forests and implementation of forest management practices that include local stakeholders (in support component 2 and output 2.1.2 and 1.1.3).* | No output under component 3. | Moved to component 1 and now output 1.1.2 as it speaks to the component title "Increase of protected areas network and connectivity" |
| | | 3.1.1. Guidelines are prepared for proposed revision of National Spatial Plan that relates to biodiversity conservation and a spatial planning database (spatial and urban planning) is developed, and capacities of spatial planners on mainstreaming biodiversity conservation into national planning are built. | Previously PIF output 2.1.1 |
| | | 3.1.2. Supporting documents for proposed revision of Forest Management Plans for areas managed by Macedonian | Previously PIF output 2.1.2 |

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| | | Forests are developed with an aim to introduce ecologically sustainable forest management practices and inclusion of specific elements for threatened biodiversity. | |
| | *3.1.3. Pilot testing of identified quotas for sustainable use of non-timber forest products in at least one region with highest potential and need.* | 3.1.3. Identified quotas for sustainable use of non-timber forest products are piloted in at least one region with highest potential and need. | Output rewording in more 'output-focused' language as per STAP comments |
| | *3.1.4. Lessons learned from piloting and way development of a way forward (Output complementing all the other outputs).* | 3.1.4. Lessons learned and Sustainability Strategy Developed | No change. |

The Project Logical Framework is appended in ANNEX A of the GEF CEO ER.

*Global Environmental Benefits*: By increasing of protected areas and effectiveness of biodiversity management, and mainstreaming biodiversity into land use planning and other relevant sectors (forestry), as well as capacity development and public awareness raising, the project will help to reduce main threats to biodiversity in Macedonia, i.e. biodiversity loss due to conversion of habitats, unsustainable economic growth, excessive and unplanned urbanization, and unsustainable forest management practices as well as lack of data and information, as well as low capacities and financial means for effective and integrated biodiversity conservation, thereby generating global environmental and local social benefits.

The Project will contribute to maintaining global environmental benefits by contributing to global network of protected areas, conservation of rich species and endemism, strengthening sound practices for biodiversity conservation, conservation of valuable eco-systems (specifically forest habitats), sustainable use of wild species, and thereby reducing pressures to natural ecosystems, resulting in improved biodiversity conservation, reduce pressures to soil and climate change mitigation. In addition, through evaluation of ecosystems services, this project will provide appropriate guidelines for nature protection of protected areas, while providing the local populations with sustainable livelihoods.

A.6 Risks, including climate change, potential social and environmental risks that might prevent the project objectives from being achieved, and measures that address these risks:

During stakeholder consultations at PPG stage, one further medium risk was added to the PIF list, namely the risk that Government institutions might lack attention due to focusing on other priorities, such as EU negotiations.

In table below, the risk for project implementation are identified and assessed, along with mitigation measures for each identified risk:

| Risk | Risk Level | Risk Mitigation Strategy |
|---|---|---|
| *1. Communication among stakeholders:* Evidence of poor communication across different stakeholder groups exists, which could ultimately affect a multi-focal area project | Medium to Low | Two key mitigation tools will be employed. First, UNEP as the GEF Executing Agency through its Vienna Office will support MoEPP in the design of stakeholder workshops including the inception meeting and ensure that information is communicated fairly and openly across all groups. Second, there will be numerous national and local consultations, trainings and communication platforms created including representatives from a number of relevant sectors. In addition, at least four Inter-Sectoral Working Groups shall be designed and assigned during the project implementation: three to coordinate the project components, and one overall for administrative management of project outcomes. |
| *2. Lack of Political Will:* | Medium | Project component 2, output 2.1.3 was specifically designed to |

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| Politically appointed policy makers that lack environmental knowledge or interest may threaten sustained long-term outcomes of the project | | mitigate this risk and build the capacity of key decision makers to seriously address environmental management responsibilities. Also, other two components contain large raising awareness and capacity building trainings. In addition, special attention will be paid to equal involvement of ethnic Albanians and Macedonians to all project components. |
| *3. Challenge of reforms within the forest management regime:*<br>As the arbiter of forest management plans for 75% of national forests, the PE Macedonian Forests exercises significant power over any changes or reforms towards sustainable forest management. | Medium to Low | This risk will be mitigated through the inter-sectoral working groups (see Risk #1). A forest working group (of which PEMF would be a part) would naturally allow other stakeholders to have say in the strategic interventions on forest management. Secondly, component three will include PEMF, which will benefit its institutional capacity as well as its relationship with civil society. |
| *4. Lack of community support for local-level interventions:*<br>Community support will be critical for proclamation of protected area(s) and sustainable use of NTFPs etc. | Low | The key factor to mitigating this risk is to have the full participation of local governments and CSOs active parts of the project. As such, including key local stakeholders in the working groups can mitigate this risk. Through involvement of local government and relative CSOs in the project activities, especially the pilot project foreseen by this GEF project the risk will be mitigated. |
| *5. Lacking institutional capacities to manage and mainstream biodiversity conservation into relevant sectoral policies* | Medium | The existing low knowledge and capacity levels for the implementation of relevant biodiversity conservation and protected area management methodologies is taken into account by the project implementation strategy, through a) a focus on developing knowledge tools such as a red list index, PA management guidelines and related capacity development measures in component 2, and b) through the project's efforts to mainstream biodiversity conservation into other sectoral plans and processes (component 3). |
| *6. Climate change as a direct driver affecting ecosystems in Macedonia* | Medium | Macedonia is a very exposed to climate change, being one of the most vulnerable in the region. However, its adaptation capacities are considered very weak due to many different reasons, some of which are outlined above in the text. Climate change vulnerability will be an integral part of the training activities and awareness to be conducted in all three components of the project. Also, the mitigation measures will be more focused after the assessment of biodiversity vulnerability to climate change in the country to be conducted in the context of development of management and land use planning. In August 2015, Macedonia has submitted its Intended Nationally Determined Contributions to the UNFCCC, committing to 30% reduction of GHG by 2030. This GEF project will take into consideration the new GHG reduction target as well as country's reporting to UNFCCC. |

A.7. Coordination with other relevant GEF financed initiatives

N/A

## B. ADDITIONAL INFORMATION NOT ADDRESSED AT PIF STAGE:

B.1 Describe how the stakeholders will be engaged in project implementation:

Almost all relevant stakeholders were identified in the PIF, and their roles and responsibilities were more clearly defined during PPG phase, also due to their active involvement during the PPG phase. See ProDoc, Section 2.5 and 5 for more details.

The main stakeholders identified during the PPG are listed below:

*Identified main stakeholders for biodiversity and land use planning in Macedonia*

| **Main stakeholders** | **Scope of Work on biodiversity and Land Use Planning Issues** |
|---|---|
| **Governmental institutions/ agencies** | |

| | |
|---|---|
| MoEPP | Responsible for overall environmental management in the country<br>Acts as a focal point for various multilateral environmental agreements (e.g. CBD, UNCCD, etc.)<br>Spatial planning department |
| Agency for Spatial Planning | Responsible for preparation of different spatial plans |
| MoAFWE | Development of forest policy, forests protection and management plans is one of the responsibilities of the Forestry department within the Ministry |
| Management authorities of protected areas | Responsible for management of different categories of PAs (national parks, monuments of nature, multipurpose area, etc.) |
| **Research institutes/universities** | |
| Macedonian Academy of Sciences and Arts | Implements scientific research projects in the field of biodiversity and in particular flora and vegetation in Macedonia, Macedonian soils, etc. |
| Faculty of Natural Sciences | Research of the status, trends and threats to biodiversity and contribution to its protection and management |
| Faculty of Forestry | Research of forest ecosystems, erosion process, management planning of forests, etc |
| Faculty of Agriculture (Pedology Department) and Agricultural Institute | Investigation of soil properties, national classification, mapping, analysis of the mineral content in different systematic soil categories, developing soil database, etc. |
| Natural History Museum of Macedonia | Responsible for studying, collecting, keeping and displaying of natural heritage |
| Hydro biological Institute | Main tasks limnology study of the 3 natural lakes |
| **Public and private companies, CSOs** | |
| PE 'Macedonian Forests' | Responsible for management of state owned forests as well as NTFP through its 30 local branches |
| Farmahem | Responsible for coordination of the Swiss nature conservation programme in FYR of Macedonia |
| Small and medium buyout companies | Establishing system of use of NTFP and pilot testing of identified quotas for sustainable use of NTFP |
| CSOs | Outreach to wider public, public awareness raising, campaigns etc., |

A series of meetings with various national stakeholders were held in the period September 2014 – June 2015 during the PPG phase. The objective of these meetings was mainly to present the project concept and consult identified stakeholders about the project design and integrate their views towards potential contribution to the project during the implementation phase. The table below summarizes the outcomes and points discussed during the meetings, as well as identified project partners.

*Stakeholder Meetings and identified project partners during PPG phase:*

| Institution | Outcomes of the meeting/ Points discussed |
|---|---|
| MoEPP | ▪ Request for incorporation of land degradation activities in the existing component for mainstreaming biodiversity into land use planning<br>▪ Prioritization of the activities related to protection of Shar Mountain.<br>▪ Information and full cooperation with both CBD and UNCCD National Focal Points to be established during the PPG phase<br>▪ Revision of the project components was agreed with CBD and UNCCD NFP and Nature Department<br>▪ Plan for providing co-financing letters |
| Macedonian Academy of Sciences and Arts | ▪ Based on their expertise and capacity expressed readiness to participation in the project implementation, particularly in coordination and implementation of the activities related to development of national red lists and red list index |
| Farmahem Company | ▪ Responsible for overall coordination of Swiss funded 'Nature Conservation Programme in Macedonia' in cooperation with Helvetas interoperation<br>▪ Expressed willingness to support this GEF project, cooperate and exchange of information as well as to implement coordinated activities where similarities exist in both projects (ex. expanding the network of protected areas, conservation of forest ecosystems, etc) |
| Swiss Embassy, SDC | ▪ Active in the country and supporting nature conservation projects for more than 15 years (ex. Development of management plan for Pelister national Park, and on-going 'Nature Conservation Programme in Macedonia')<br>▪ Expressed willingness to support and co-finance this GEF project |

| Institution | Outcomes of the meeting/ Points discussed |
|---|---|
| Austrian development Agency (ADA) & KfW | ▪ In the framework of the Environment and Security (ENVSEC) Initiative, ADA has been active in South-Eastern Europe (SEE) and particular involved in transboundary Sharr Mt-Korab identified as one of the priority transboundary protected area in SEE<br>▪ KfW was financing the preparation of the management plan for Galicica National Park<br>▪ Experience and results from both projects/activities will be used for implementation of this GEF biodiversity conservation project; also KfW shows interest to continue the conservation work in the country |
| Delegation of EU in FYR of Macedonia | ▪ EU progress report for the country states very little or no progress in the area of nature protection and not any project related to nature topic was implemented from IPA funds<br>▪ Acknowledged the concept of this GEF biodiversity project as it will provide valuable information to support the EU accession process in regard to implementation of EU Bird and Habitat directives<br>▪ Indicated to pay attention to the projects for Natura 2000 that are in pipeline to be funded by EU IPA fund in order to avoid overlapping but to make synergy and coordinated actions |
| MAFWE, International cooperation department | ▪ FAO programme is implementing several projects in the country, supporting MAFWE and other institutions in the country<br>▪ Possibilities for cooperation and co-financing to be explored<br>▪ Interested in cooperation of activities related to forests conservation |
| REC Country Office Macedonia | ▪ Active in the area of environment and nature protection in the country since 1995 (particulary in public participation process, public awareness and education, stakeholders involvement in planning different environmental topics, etc.) and recently implementing the project for conservation of Dojran Lake.<br>▪ Expressed willingness to support this GEF project and cooperate in some activities |
| Macedonian Ecological Society | ▪ NGO working in the area of biodiversity conservation and promotion of ecological science in the country and Balkan region more than 40 years<br>▪ Expressed support to this GEF project |
| Faculty of Natural Sciences, Institute of Biology | ▪ Long term experience in research of biodiversity in the country<br>▪ Supported the project and expressed willingness for cooperation |
| Forestry Faculty | ▪ Long term experience in study and research of forests in the country<br>▪ Expressed willingness to support this GEF project and provide co-financing letter, and cooperation in some activities |
| Agency for Spatial Planning | ▪ Responsible for preparation of National Spatial Plan and other plans<br>▪ Faced with outdated information on different level; not known when the process of revision will start, under competence of MoEPP<br>▪ Expressed support to this GEF project |
| PE Macedonian Forests | ▪ Responsible for management of state-owned forests in the country<br>▪ Proposed some revision in the project components |

B.2 Describe the socioeconomic benefits to be delivered by the Project at the national and local levels, including consideration of gender dimensions, and how these will support the achievement of global environment benefits (GEF Trust Fund/NPIF) or adaptation benefits (LDCF/SCCF):

The project will contribute to the socio-economic wellbeing of the population of Macedonia, (especially women in the rural areas, who are traditionally gatherers of medicinal plans), through improved land use planning and by providing alternative and sustainable means of financing in the protected areas, such as eco-tourism revenues. Women in rural areas have an important role in good resource management and conservation at household, village, and community levels; traditional knowledge for sustainable use of resources is of great importance; also they have a strong influence on the ways in which local people understand, manage, and conserve biodiversity. Rural women in Macedonia play a key role in supporting their households and communities in achieving food and nutrition security, generating income, and improving rural livelihoods and overall well-being. They contribute to agriculture and rural enterprises and fuel local economy. As such, they are active players in achieving the SDGs. Specifically, women also play a major role in gathering of non-timber forest products, and by setting up quotas through this project, prices will be adjusted and they will have a direct benefit as the system of products will be regulated. Also, the Project will positively influence the access to environmental information and data will increase participation of all relevant stakeholders in decision making in the nature conservation sector.

For more detailed information, please refer to Prodoc section 3.1, 3.3, 3.7 and 3.11.

B.3. Explain how cost-effectiveness is reflected in the project design:

The project aims at reinforcing existing, but underutilized and uncoordinated institutional structures and policies related to land management in Macedonia. Project funds will be invested in better linking sectoral policies, upgrading analytical and research capacities and in working at local level to improve management efforts and risk and remediation planning.

The project has a focus on integrated land management in industrial/environmental hotspots with the mid- to long-term aim of reconverting formerly industrially used lands into its original uses, mostly agricultural. Alleviating and remedying pollution that is not confined to these hotspots but has further pollution potential is a cost-effective approach in itself, as it reduces spill-out risks and associated consequential costs of environmental disasters. This is further enhanced by the capacity development measures and improvement of laboratory analyses for soil sampling that is built into the project implementation strategy.

Execution by UNEP's regional office in Europe allows keeping project personnel costs very low, and GEF funds will instead pay for planning and implementing action on the ground, which contributes to both cost-effectiveness and sustainability of the project approach.

## C. DESCRIBE THE BUDGETED M &E PLAN:

| Type of M&E activity | Responsible Parties | Budget from GEF | Budget co-finance | Time Frame |
|---|---|---|---|---|
| Inception Meeting | Project Manager (PM) and Project Management and Implementation Unit (PMIU) | 7,000 | 15,000 | Within 2 months of project start-up |
| Inception Report | PM and PMIU | | 2,000 | 1 month after project inception meeting |
| Measurement of project indicators (outcome, progress and performance indicators, GEF tracking tools) at national and global level | PM and PMIU | 7,000 | 10,000 | Outcome indicators: start, mid and end of project Progress/perform. Indicators: annually (Cost incorporated in project components and management budget) |
| Semi-annual Progress/ Operational Reports to UNEP | PM and PMIU | | 3,000 | Within 1 month of the end of reporting period i.e. on or before 31 January and 31 July (Cost incorporated in project components and management budget) |
| Project Steering Committee meetings | PM and PMIU; UNEP TM | 5,000 | 47,000 | At least once a year |
| Reports of PSC meetings | PM and PMIU | | 3,000 | Annually |
| PIR | PM and PMIU | | 2,000 | Annually, part of reporting routine (Cost incorporated in project components and management budget) |
| Monitoring visits to field sites | PM and PMIU; UNEP TM | 10,000 | 15,000 | As appropriate (Cost incorporated in project components and management budget) |
| Mid Term Review/Evaluation | UNEP TM and EO | 20,000 | | At mid-point of project implementation |
| Terminal Evaluation | UNEP EO | 25,000 | | Within 6 months of end of project implementation |
| Audit | PM and PMIU | 5,000 | | End of project |
| Project Final Report | PM and PMIU | | 2,000 | Within 2 months of the project completion date (Cost incorporated in project components and management budget) |
| Co-financing report | PM and PMIU | | 2,000 | Within 1 month of the PIR reporting period, i.e. on or before 31 July (Cost incorporated in project components and management budget) |
| Publication of Lessons Learnt and other project documents | PM and PMIU | 30,000 | 30,000 | Annually, part of Semi-annual reports & Project Final Report |
| **Total M&E Budget** | | **109,000** | **131,000** | |

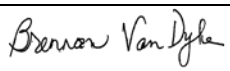
## PART III: APPROVAL/ENDORSEMENT BY GEF OPERATIONAL FOCAL POINT(S) AND GEF AGENCY(IES)

**A. RECORD OF ENDORSEMENT OF GEF OPERATIONAL FOCAL POINT(S) ON BEHALF OF THE GOVERNMENT(S): ):** (Please attach the Operational Focal Point endorsement letter(s) with this form. For SGP, use this OFP endorsement letter).

| NAME | POSITION | MINISTRY | DATE *(MM/dd/yyyy)* |
|---|---|---|---|
| **Minister Ademi**<br>**Daniela Rendevska**<br>**Vesna Indova** | Minister and GEF Political FP<br>GEF OFP till 2014<br>GEF OFP | Ministry of Environment and Physical Planning | 29/08/2013 |
| **Minister Nurhan Izairi**<br>**Vesna Indova** | Minister and GEF Political Focal Point<br>GEF Operational Focal Point | MINISTRY OF ENVIRONMENT AND PHYSICAL PLANNING | 06/08/2015 |

**B. GEF AGENCY(IES) CERTIFICATION**

This request has been prepared in accordance with GEF/LDCF/SCCF/NPIF policies and procedures and meets the GEF/LDCF/SCCF/NPIF criteria for CEO endorsement/approval of project.

| Agency Coordinator, Agency Name | Signature | Date *(Month, day, year)* | Project Contact Person | Telephone | Email Address |
|---|---|---|---|---|---|
| Brennan VanDyke, Director UNEP GEF Coordination |  | March 7, 2016 | Adamou Bouhari, Task Manager Biodiversity/Land Degradation | +254 20 7623860 | adamou.bouhari@unep.org |

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

| Project Objective | Objective level Indicators | Baseline | Targets and Monitoring Milestones | Means of Verification | Assumptions & Risks | UNEP MTS reference* |
|---|---|---|---|---|---|---|
| To support the expansion of national protected areas system and enabling capacity conditions for effective management and mainstreaming of biodiversity conservation into production landscape | Number and ha of new protected areas;<br><br>Increased capacities for effective management of protected areas;<br><br>Number of background documents and database relevant for mainstreaming biodiversity | Insufficient network of national protected areas (8.9% of area protected or 230, 083ha), the process of establishment of national PA network is not completed<br><br>Limited capacities for effective management of protected areas<br><br>Limited background information and database for biodiversity mainstreaming (no Red List Index of Species) | **End of project Target:**<br><br>Increased national protected area network by about 1.5% of the country territory (about additional 50,000 ha or 280,083ha))<br><br>Strengthened capacities of at least 30 officials (♂ and ♀) and developed biodiversity information/policy for effective management<br><br>Supporting documents for biodiversity mainstreaming in 2 policy documents and planning processes<br><br>1 biodiversity database supporting mainstreaming | PA proclamation documents.<br><br>Project records on training and capacity development<br><br>.<br><br>Policy and planning documents | National decision makers responsive to proclamation of new protected areas.<br><br>Existing policy documents and planning processes accessible for inclusion and mainstreaming of biodiversity | Ecosystem Management and<br><br>Environmental Governance |

| Project Outcomes | Outcome Indicators | Baseline | Targets and Monitoring Milestones | Means of Verification | Assumptions & Risks | MTS Expected Accomplishment |
|---|---|---|---|---|---|---|
| Component 1: Increase of Protected Areas Network | | | | | | |
| Outcome 1.1.<br><br>Improved biodiversity conservation through creation of new protected areas and pilot projects on corridors implementation | Network of PAs increased from existing 8,9% to 10.4% of the country territory (about 50,000 ha),<br><br>Criteria for prioritization of PAs developed to support expansion of PAs<br><br>Guidelines and methodologies for management of 2 corridors | Insufficient network of national protected areas, the process of establishment of national PA network is not completed<br><br>Proposed areas for protection are not prioritized<br><br>Testing of developed guidelines, methodologies and action plans is often missing, such as the case of corridors of MAK-NEN. | **Mid-Point Target (MT):**<br><br>Indicators/criteria for prospective PA prioritization developed, harmonized and agreed upon with decision makers including women and socially vulnerable groups<br><br>At least 2 valorization studies with gender consideration of PAs prepared<br><br>**End of project Target (ET)**:<br><br>2 Valorization Studies , legislation on the new PA adopted and set of national documents and requirements fulfilled to initiate proclamation | List of developed criteria/indicators for prioritization<br><br>Meeting reports<br><br>Valorization studies<br><br>Supporting documentation for proclamation<br><br>Pilot project guidelines for management of corridors<br><br>Report for realization of pilot project | Long consultation process - During consultation process many stakeholders with different (sometimes opposing) position for proclamation of protected area need to be involved.<br><br>National decision makers responsive to proclamation of new protected areas. | *E.A. 3 – Enabling Environment, Target 2: PA areas increased and improved* |

| | | | | | | |
|---|---|---|---|---|---|---|
| | | | procedure of new protected areas submitted with due consideration of gender issues<br><br>2 Guidelines and methodologies for pilot corridor management are tested on the ground with due consideration of gender issues | | | |
| Component 2: Increased effectiveness of biodiversity management and connectivity | | | | | | |
| Outcome 2.1. Improved management effectiveness and capacity building as a tool for biodiversity conservation and protection of threatened species and habitats | Protected areas management capacities increased through improved knowledge of threatened species and habitats and training on biodiversity conservation and PA management | Low management capacities to support conservation of threatened species and habitats<br><br>Threatened species and habitats have not been identified (no Red List of Endangered Species) | **MT:** Assessment of management capacities of Pas including the role of women and vulnerable and minority ethnic and religious groups.<br><br>Identified important forest habitats (High Nature Value forests)<br><br>**ET**: Management priorities which give due | Training reports<br><br>Red lists of threatened species<br><br>Map of important forest habitats (HNV forests)<br><br>Management priorities | Existing management plans can be reorganized to accommodate new knowledge<br><br>Officials and PA managers open for training input | *E.A 3 – Ecosystems Management – Enabling Environment – biodiversity values integrated* |

| | | | | | | |
|---|---|---|---|---|---|---|
| | | Law capacities of environment/nature inspectors, rangers, forest guards | consideration to gender issues for at least one Protected Area drafted and submitted for official promulgation<br><br>At least 30 officials (from existing PAs as well as to be engaged in the new PA management) and stakeholders (♂ and ♀) trained in PA management approaches<br><br>Recommendations which give consideration to gender issues for conservation of identified threatened species/groups and/or habitats to be protected within new PAs | | | |
| Component 3: Land Use planning and Biodiversity mainstreaming | | | | | | |
| Outcome 3.1. Biodiversity conservation mainstreamed in | National Spatial Plan and Forest Management Plan processes incorporate biodiversity | Low level of mainstreaming of biodiversity conservation into national land use | **MT**: Recommendations for biodiversity consideration developed to be used in the process of revision | Policy recommendation documents | National planning procedures open for amendments and/or revisions | *Environmental Governance – E.A. Mainstreaming environmental* |

| | | | | | | |
|---|---|---|---|---|---|---|
| national planning | conservation<br><br>At least 10 spatial planners incorporating new methodologies recognizing biodiversity in spatial planning processes | planning strategies and plans.<br><br>Underdeveloped spatial planning database (does not include biodiversity aspects) | of National Spatial Plan and Forest Management Plan<br><br>**ET**: Spatial planning database and guidelines which give due consideration to gender issues developed to support biodiversity mainstreaming in policy processes<br><br>Facilitation of at least 10 spatial planners (♂ and ♀) to incorporate new methodologies related to biodiversity in spatial planning processes | Official reports<br><br>Databases and guidelines prepared<br><br>Facilitation/Training records | | *sustainability; Target 2 – Biodiversity values integrated* |
| **Project Outputs** | **Output Indicators** | **Baseline** | **Targets and Monitoring Milestones** | **Means of Verification** | **Assumptions & Risks** | **PoW Output Reference Number** |
| 1.1.1. Supported Establishment of at least One Protected Area (Shara Mountain – 42,000 ha) as National Park | Number of PAs selected to increase the Network from 8,9 to 10.4% of the country territory<br><br>Proclamation documentation for | Existing network of protected areas comprising 86 PAs covering about 8,9 % of country territory is in transition and currently not fully in compliance with national and | **MT:** Criteria and indicators including those related to gender for new PA prioritization developed, harmonized and agreed upon with decision makers<br><br>Valorization study with gender consideration for | List of criteria and prioritization list<br><br>Prepared studies for valorisation of proposed areas for proclamation | Long proclamation procedure<br><br>Different priorities of national decision makers | *Number of the corresponding PoW Output*<br><br>*Sub-programme 3: Ecosystems Management.PoW output 3.* |

| | | | | | | |
|---|---|---|---|---|---|---|
| | selected PAs according to national legislation<br><br>**Note***<br><br>During the PPG key stakeholders identified that the country cannot commit to increasing 3% now, but only 1.5% and identified Shar Planina as to be proclaimed National Park, where other 1.5% will be identified during the inception phase of the project. | international standards<br><br>. | at least 2 PAs developed.<br><br>**ET:** Documentation with gender consideration for selected new protected areas (≥ 50.000 ha) prepared for proclamation process.<br><br>Increased protected area network from existing 8.9% to 10.4%. | | | |
| 1.1.2. Two pilot corridors from the proposed National Ecological Network (MAK-NEN) selected for development and testing of site-specific measures involving local stakeholders for management and restoration of High Nature Value Forests and other | Selected 2 pilot areas from proposed MAK-NEN and specific management measures tested | Proposed National ecological network (MAK-NEN) was developed in 2011 including 26 corridors (linear, landscape and stepping stone) and Bear corridors management plan was prepared.<br><br>Actions for Implementation of the network i.e. management of corridors requires involvement of relevant | **MT:** 2 core areas and/or corridors chosen and pilot implementation measures including those related to gender and vulnerable groups agreed upon with key stakeholders<br><br>**ET:** Recommendations from pilot implementation experiences which consider gender issues prepared and | Management measures for selected corridors.<br><br>Report with recommendations and way forward on other corridors | Relevant agencies and stakeholders agree on common aims and involvement procedures | *Sub-programme 3: Ecosystems Management.PoW output 3* |

| | | | | | | |
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| habitats. | | stakeholders and have not been implemented yet. | disseminated for upscaling of forest management practices and other planning documents | | | |
| 2.1.1. A "Red List Index" for Macedonia is generated, reflecting the prioritized list of threatened species within the country and guiding the creation and effective management of new and existing Protected Areas | Number of prepared red lists of threatened species<br><br>Red list index | Red lists of threatened species and red list index have not been developed yet. There are 3 preliminary red lists (fungi, butterflies and orthopterans) proposed by scientific community. | **MT**: Training for redlisting methodology organized with at least 30 persons (♂ and ♀) from a number of relevant stakeholder organizations (scientific institutions, govt. agencies and NGO)<br><br>**ET**: Red List Index is prepared and adopted<br><br>Red list index (fact sheet) developed and included in PA propositions and management plans | Training/meeting reports<br><br>List of threatened species<br><br>Red list database developed<br><br>Red list Index fact sheet developed | Low amount of quantitative data for red listing<br><br>Moderate national expert capacity | *Sub-programme 3: Ecosystems Management.PoW output 3* |
| 2.1.2. High Nature Value Forests are identified and at least two (2) guidelines for their management are developed in favor of biodiversity | Number and area of high nature value forests identified using international criteria<br><br>Number of management guidelines developed | High nature value forests in Macedonia have not been identified (some initial steps for identification of old growth forests were undertaken during 2010) | **MT**: High nature value forests identified, based on international criteria<br><br>**ET**: Management guidelines with gender consideration for at least 2 areas of high nature | Report and map of high nature value forests<br><br>Management guidelines | Interest in HNVF remains high | *Sub-programme 3: Ecosystems Management.PoW output 3* |

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| conservation. | | | value forests developed | | | |
| 2.1.3. Protected areas management plans are prepared according to new methodologies and PA staff, environmental inspectors, rangers and forest guards are trained under the updated biodiversity management regime | Number of draft PA management plans<br><br>Number of trainings provided and number of staff (♂ and ♀) trained from different govt. entities (rangers, environmental Inspectors, foresters, etc.)<br><br>Ecosystem services assessment to be used for strengthened conservation and improved management of protected area(s) | Management plans are prepared in accordance to the new legislation and adopted only for 3 PAs and 7 more are drafted but not adopted yet.<br><br>Low capacities of environment/nature inspectors, rangers and forest guards related to protected area management, management of HNV forests, ecological corridors and sustainable use of natural resources | **MT**: Recommendations developed for PA management priorities including gender consideration<br><br>Training programme which consider both men and women developed and initial trainings scheduled<br><br>**ET**: At least 2 PA management plans with gender consideration amended and/or developed<br><br>At least 30 stakeholders (♂ and ♀) from targeted institutions are trained under the updated protected area management regime<br><br>Developed study with consideration to gender | Project reports<br><br>Technical reports<br><br>Draft management plans<br><br>Training records<br><br>Assessment study of economic values of ecosystem services developed | Staff from targeted institutions are interested in participation in the trainings offered.<br><br>Moderate national expert capacity for ecosystem services assessment | |

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| | | | issues assessing the economic values of ecosystem services in the new protected area. | | | |
| 2.1.4. The first red data book in Macedonia for at least one taxonomic group is developed | Red data book for at least one taxonomic group<br><br>National Bird Atlas | No Red data book has been developed in Macedonia so far. | **MT**: Red Data Book drafted and agreed upon with key stakeholder groups<br><br>**ET**: Red Data Book finalized and disseminated for implementation<br><br>National Bird Atlas developed and disseminated | Published red data book<br><br>Publication records | | *Sub-programme 3: Ecosystems Management.PoW output 3* |
| 3.1.1. Guidelines documents are prepared for proposed revision of National Spatial Plan that relates to biodiversity conservation and a spatial planning database (spatial and urban planning) is developed, and capacities of spatial planners on | National erosion and draught sensitivity map, and identification of high-risk zones and their impact to biodiversity<br><br>Database of soil erosion risk, soil sealing rate and loss of soil organic matter in Macedonia and their impact on biodiversity. | Erosion processes affect about 96% of the country, water erosion being dominant one. Erosion map was prepared during 80's; its revision is highly needed to be used in spatial planning processes.<br><br>Regions vulnerable to desertification in Macedonia have | **MT**: National erosion and draught sensitivity map developed<br><br>NSP database information gathered and database construction begun<br><br>Training programme with gender consideration developed | Prepared erosion and drought sensitivity map.<br><br>Developed database of soil erosion and soil sealing rate<br><br>Developed guidelines for revision of NSP relating to biodiversity conservation | Existing National Spatial Plan is valid till 2020, it is not known when the official revision procedure will start. It requires a lot of resources and the long adoption procedure undertaken through the | *Sub-programme 3: Ecosystems Management.PoW output 2* |

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| mainstreaming biodiversity conservation into national planning is built | Training programme that links spatial planning with mainstreaming biodiversity conservation | not been delineated.<br><br>Soil sealing rate has not been defined in MK yet. | that links spatial planning with mainstreaming biodiversity conservation and land degradation<br><br>**ET:** National spatial planning database including erosion map, areas vulnerable to desertification and soil sealing and organic carbon database completed and guidelines developed to support revision of NSP<br><br>At least 10 spatial planning officers (♂ and ♀) facilitated/trained in biodiversity conservation and sustainable land management | Training materials and reports | Parliament. | |
| 3.1.2. Supporting documents for proposed revision of Forest Management Plans for areas managed by Macedonian Forests are developed with an aim to introduce | Supporting documents for threatened biodiversity and sustainable use quotas - to be used in the process of revision of Forest management plans and implementation of Law | Vegetation maps inadequate and system of use of non-timber forest products is not developed (responsibility of PE Macedonian Forests) and overlapping with collection of threatened species | **MT**: Identified wild species threatened by unsustainable use, and development of quotas for their sustainable use. Selected pilot areas based on priority needs for development of vegetation maps. | Report with recommendations for threatened biodiversity conservation<br><br>Assessment studies for biomass production and identified quotas for commercial wild species. | | *Sub-programme 4: Environmental Governance. Pow output 1,2* |

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| ecologically sustainable forest management practices and inclusion of specific elements for threatened biodiversity | on Nature Protection.<br><br>Vegetation maps to support revision of Forest Management Plans | under responsibility of MoEPP. | Selected pilot areas based on the priority needs and gender consideration.<br><br>At least 3 vegetation maps prepared to support revision of FMP<br><br>**ET**: Sustainable and equitable quotas for selected commercial wild species developed and approved by relevant ministry.<br><br>Recommendation for revision of legal instruments with gender consideration for sustainable use of wild species | Recommendation report for revision of legal instruments for sustainable use of non-timber forest products.<br><br>Prepared vegetation maps | | |
| 3.1.3. Identified quotas for sustainable use of non-timber forest products are piloted in at least one region with highest | Quotas for sustainable use of selected commercial wild species tested in at least one region. | Quotas for sustainable use of non-timber forest products (responsibility of PE Macedonian Forests) and threatened flora and fungi species | **MT:** Region for pilot testing of proposed quotas for use of selected NTFP identified<br><br>Indicators to monitor | Reports of pilot testing and lessons learned and way forward on other recommended sites. | Identification of quotas and testing needs several years (4 years of project duration might be limiting factor) | *Sub-programme 4: Environmental Governance. Pow output 1,2* |

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| potential and need. | Level of species conservation/sustainable us as result of quotas application | (responsibility of MoEPP) has not been identified. System of use of non-timber forest products is initiated but still not established and overlapping with collection of threatened species under MoEPP permit regulations. | impact of quotas application on species conservation/sustainable use are defined<br><br>**ET:** Pilot testing of defined quotas with due consideration to gender issues for selected region conducted<br><br>Assessment Report of the impacts of species conservation as result of quotas application | | | |
| 3.1.4 Lessons learned and Sustainability Strategy Developed | Results analysed from implemented pilot projects and lessons learned prepared | Testing of certain results gained during project implementation and preparation of different studies is often lacking. | **ET**: Lessons learned report and developed sustainability strategy including on gender consideration prepared with recommendations and needs for further project(s) development | Report, Sustainability Strategy and way forward developed. | | |

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

| Comments | UNEP and Partners Response at CEO Endorsement | References |
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| **GEFSEC Comments:** | | |
| CC risks are now incorporated. Further risk analysis and measures to be identified are expected by the time of CEO endorsement | During stakeholder consultations at PPG stage, one further medium risk was added to the PIF list, namely the risk that Government institutions might lack attention due to focusing on other priorities, such as EU negotiations. | ProDoc, Section 3.5 and CEO ER Section A6 |
| Concrete mechanism for coordination needs to be identified by the time of CEO endorsement | An extensive consultative process has taken place during the PPG phase, as well as large national stakeholders meeting, where all relevant stakeholders and initiatives were identified. Main mechanism of coordination will be comprehensive national and local stakeholders meetings and workshops. The Project Manager, the established Project Steering Committee as well as the Scientific Advisory Board will perform coordination of stakeholders and initiatives. In addition, there will be a Communication Strategy developed at the inception phase of the project that will detail coordination of stakeholders, information and initiatives. | ProDoc, Section 2.5, 2.6 |
| **STAP Comments:** | | |
| With regard to outputs, these could also be tightened considerably and revised for greater clarity. For example, Output 1.1 could be shortened to establishment of new national parks and other protected area. The 12% is the target and the rest of the wording relates to national or regional processes or standards and activities to be undertaken. | Outputs have been tightened and revised for greater clarity. Output 1.1 now reads "Supported Establishment of at least One Protected Area (Shara Mountain – 42,000 ha) as National Park". | CEO ER Part I, Section B, Project Framework |
| Consideration could be given to changing Component 1 to two components and adjusting the Outputs accordingly. The two components could be 1) expanding the protected area system and 2) improving protected area management effectiveness. This would result in greater clarity. | Thank you for this comment. Component 1 has been split into two components. CEO ER component 1 reads "Increase in protected areas network and connectivity" and component 2 "Increased effectiveness of biodiversity management". | CEO ER Part I, Section B, Project Framework |
| Some of the outputs listed under Outcome 1, notably 1.1.2, 1.1.3, and 1.1.4 could also be placed under Outcome 2, since the information that they will generate will contribute to biodiversity sensitive land use planning. | The outputs have been rearranged. Please see section A5 of the CEO ER for the rationale of the changes made. | CEO ER Part I, Section B, Project Framework |
| Considering that Outcome 1 is intended to also improve protected area management effectiveness, it is surprising that no outputs are related to this, aside from the cursory mention of training of personnel and use of the METT. This should be rectified moving forward. | Component 2 now deals with increasing effectiveness of biodiversity management that includes the aspect of improving protected area management effectiveness. | CEO ER Part I, Section B, Project Framework |
| The problem definition and threats are presented in a very general manner and will, of course, require further elaboration during the PPG phase. The extent of threats, trends and impacts require attention and should be | The problem definition and the threats have been elaborated on in the project document, specifically the section on threats, root causes and barrier analysis. | ProDoc, Section 2.3 |

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| supported by scientific or statistical evidence. | | |
| The baseline description, while extensive, is essentially a summary of past and ongoing projects and programmes and requires more focusing and essentially a summary of past and ongoing projects and programmes and requires more focusing and relating to the objective of the project and the specific expected outcomes. | The baseline description has been expanded. | ProDoc, Section 2.1, 2.4, 2.5 and 2.6 |
| The presentation of root causes and barriers is rather superficial and not precise and will require further elaboration during the PPG phase. The listing of what are referred to as barriers on p.8 really is a list of issues, these are neither root causes nor barriers for the most part. There is a need to dig deeper here and make adjustments to the project as deemed necessary. | The section on threats, root causes and barrier analysis has been elaborated on in the project document. | ProDoc, Section 2.3 |
| The presentation of GEBs is done in a manner where the benefits are inferred or assumed by default. More specificity would be welcome in this regard. Some stated GEBs, such as setting a scientific baseline (p.14) cannot be considered to be GEBs per se (this would be a national benefit). The measurement of GEBs is also something that will need considerably more thought moving ahead. While this project introduces some innovation to Macedonia, it offers little innovation from a GEF perspective. | The description of global environmental benefits has been improved. The following has been added to the reference re setting a scientific baseline in order to strengthen the argument that such baseline setting will have a global benefit: "Also red list index is one of the 26 indicators for biodiversity developed by EEA" | ProDoc, Section 2.2 |
| Following from the above, a number of assumptions, which appear to be incorporated into this proposal, should be explicitly addressed and perhaps empirically tested. For example, one such assumption (p.13) is that improving policy and capacity environment will result in improved management effectiveness. Much more than just that will be required to effect desired change. Another assumption is that investments in community based mainstreaming activities (p.14) will lead to global environmental benefits. Both are reasonable assumptions (and approaches) but merit explicit monitoring over the life of the project to determine to what degree these investments actually lead to changes in biodiversity status. | Guidance is well noted.<br><br>Indicators related to the impacts of quotas application will be developed and monitored | Annex A. Project Logframe , Otput 3.1.2<br><br>Annex A. Project Logframe output 3.1.3 |
| Since the project builds upon past work and is well tied into ongoing processes (including EU accession), the description of its sustainability potential is adequate. However, more consideration should be given to actual and specific factors in this area to ensure sustainability of investments post-project. In addition, means of ensuring scaling-up of the project's advances, accomplishments and lessons should be | Output 3.1.4 deals explicitly on scaling up the impact and lessons learnt from the project. | N/A |

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| detailed further in the next stage of its development. | | |
| The description of the stakeholders is adequate, although more effort should be made in defining their specific roles in the project. There is good pre-existing expertise amongst national academic institutions and their inclusion is a strength of the proposal. | The description of stakeholders and roles have been improved. | ProDoc, Section 2.3 |
| Considering the risks, their definition is acceptable but the mitigation measures should be further developed since at present they are not particularly specific. For some reason the mitigation strategy for risk 1 cites four project components when in fact there are only three. For risk 5 (climate change), it appears that text is missing from the end of the accompanying sentence describing the country's adaptation capacity. During the PPG, consideration should be given as well to gender differentiation, at the community level especially. | The following risk was added: "Lacking institutional capacities to manage and mainstream biodiversity conservation into relevant sectoral policies" with mitigation measure "The existing low knowledge and capacity levels for the implementation of relevant biodiversity conservation and protected area management methodologies is taken into account by the project implementation strategy, through a) a focus on developing knowledge tools such as a red list index, PA management guidelines and related capacity development measures in component 2, and b) through the project's efforts to mainstream biodiversity conservation into other sectoral plans and processes (component 3).". The wording for mitigation strategy 1 has been changed to reflect three components only. The incomplete sentence for the climate risk has been corrected and now reads "However, its adaptation capacities are considered very weak due to many different reasons, some of which are outlined above in the text". | ProDoc, Section 3.5 and CEO ER Section A6. |
| The definition of coordination mechanism(s) to be employed certainly needs further development. | An extensive consultative process has taken place during the PPG phase, as well as large national stakeholders meeting, where all relevant stakeholders and initiatives were identified. Main mechanism of coordination will be comprehensive national and local stakeholders meetings and workshops. The Project Manager, the established Project Steering Committee as well as the Scientific Advisory Board will perform coordination of stakeholders and initiatives. In addition, there will be a Communication Strategy developed at the inception phase of the project that will detail coordination of stakeholders, information and initiatives. | ProDoc, Section 2.5, 2.6<br><br>Annex H. Implementation Arrangement under Description of Internal Structure |
| One other project that should be considered when refining the full project document is in Shebenik-Jablanica national park in Albania, currently being implemented with the support of Italian Cooperation. | This been now very well captured in the Section 2: Linkage with GEF and Non- GEF Project. The lessons learn from this Albania project will be captured and consider in the current project | Prodoc. Sestion 2.6 bullet point 12. |
| Please note that the use of the term "virgin forests" should be reconsidered, or at used with reference form the scientific literature. It is now known that there extremely few truly "virgin" forests in the world. Their existence in Europe should at least be supported by specific scientific studies. The use of the term "old-growth forest" of "ancient forest" appears more reasonable. | The text discussing virgin forests are referred: "*Forest undisturbed by man is one of the categories included in the HNV concept. Preliminary research towards identification of virgin forests in Macedonia was conducted during 2010 (as part of the GEF/UNDP/MoEPP project on protected areas) and it was concluded that large forest areas that features virgin-like forest do not exist in Macedonia. Only 12 small sites of forest fragments/patches were identified covering an area from 10-90 ha. Further research and field work is needed in order to obtain accurate data* | ProDoc, Section 2.1 |

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| | *on forest communities and area coverage, based on which adequate protection measures to be defined and implemented. Activities for creation of standards for sustainable forest management according to international standards PEFC (Programme for the Endorsement of Forest Certification) begun last year, which will support initiation of the certification of forests in the country, one of most important steps towards conservation of forest ecosystems and biodiversity."* | |
| **Council Comments** | | |
| **Germany's Comments** | | |
| The proposed work so far seems to be based on a number of different existing planning documents and approaches, stemming from different and previous (donor) commitments. The project should focus on linking these existing efforts during implementation and a joint approach. | An extensive consultative process has taken place during the PPG phase, as well as large national stakeholders meeting, where all relevant stakeholders and initiatives were identified. Main mechanism of coordination will be comprehensive national and local stakeholders meetings and workshops. | |
| The proposal includes important pilot activities "on the ground" as well as training components. In addition to that, securing long-term financing for the protected areas will be one of the central challenges. This should be emphasized further, perhaps in the context of the targeted "management effectiveness" | Indeed the financial sustainability was a great concern during the PPG phase. Currently Protected areas in Macedonia are financed by the selling of wood and in this sense the involvement of the Ministry of Agriculture and of the forestry stakeholders will ensure a financial sustainability to the newly established areas but also a biodiversity conservation sound management of forests. | ProDoc, Section 3.1 |
| As the project aims to increase the area under protection, it should ensure the financing of the protected area system. | As above | ProDoc, Section 3.1 |
| **Japan's Comments** | | |
| JICA established GIS system under the Project on Development of Integrated System for Prevention and Early Warning of Forest Fires in Macedonia. The GIS system contains forest ecosystem information including protected areas. It is highly recommendable to liaise with JICA counterparts such as Crisis Management Center and Public enterprise Macedonian Forests. | An extensive consultative process has taken place during the PPG phase, including JICA representatives and this ensured the possibility of capitalizing on the contribution given by Japan on GIS system. | ProDoc, Section 2.7 |

## ANNEX C: STATUS OF IMPLEMENTATION OF PROJECT PREPARATION ACTIVITIES AND THE USE OF FUNDS

A. PROVIDE DETAILED FUNDING AMOUNT OF THE PPG ACTIVITIES FINANCING STATUS IN THE TABLE BELOW:

FOR DETAILS PLEASE SEE ANNEX C – STATUS OF IMPLEMENTATION OF ALL ACTIVITIES AND FUNDS

| PPG Grant Approved at PIF: **91,324 USD** | | | |
|---|---|---|---|
| ***Project Preparation Activities Implemented*** | ***GEF/LDCF/SCCF/NPIF Amount ($)*** | | |
| | ***Budgeted Amount*** | ***Amount Spent Todate*** | ***Amount Committed*** |
| Project Manager | 5,000 | 5,000 | 0 |
| Administrative Support | 1,324 | 1,324 | 0 |
| Official Travel | 5,000 | 5,000 | 0 |
| Kick off Meeting – June 2014, Ohrid Macedonia | 10,000 | 10,000 | 0 |

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|---|---|---|---|
| Project Development Consultant - International | 20,000 | 20,000 | 0 |
| Project Development Consultants - local | 10,000 | 10,000 | 0 |
| Strategic Environmental Assessment Consultant | 5,000 | 5,000 | 0 |
| Bilateral meetings | 15,000 | 15,000 | 0 |
| Visual Data gathering | 10,000 | 10,000 | 0 |
| Printing/layouting | 10,000 | 10,000 | 0 |
| Total | **91,324** | **91,324** | **0** |

**ANNEX D: CALENDAR OF EXPECTED REFLOWS (**if non-grant instrument is used**)**

Provide a calendar of expected reflows to the GEF/LDCF/SCCF/NPIF Trust Fund or to your Agency (and/or revolving fund that will be set up)

N/A