PROJECT IDENTIFICATION FORM (PIF)
MEDIUM SIZE PROJECT

GEFSEC PROJECT ID:
IA/ExA PROJECT ID: 3728
COUNTRY: Macedonia
COUNTRY ELIGIBILITY: Macedonia ratified the CBD in 1997 and become a party to the Convention in March 1998
PROJECT TITLE: Strengthening the ecological, institutional and financial sustainability of Macedonia's national protected areas system
GEF IA/ExA: UNDP
OTHER PROJECT EXECUTING AGENCY(IES): Ministry of Environment and Physical Planning
PROJECT DURATION: 2 years
GEF FOCAL AREA: Biodiversity
GEF-4 STRATEGIC OBJECTIVES: BD-1 Catalyzing sustainability of protected areas at national level
GEF OPERATIONAL PROGRAM:
ESTIMATED STARTING DATE (MSP): June 2007
ESTIMATED STARTING DATE (PDF, if planned): January 2007
PROJECT CONTACT: Adriana Dinu, + 421 905 428 238, adriana.dinu@undp.org
DATE OF SUBMISSION: 27 October 2006

FINANCING PLAN ($)				
			PDF	Project
GEF	A		$50,000	$950,000
	B			
	C			
GEF Total			$50,000	$950,000
Co-financing				
GEF IA/ExA			$30,000	
Government			TBD	$
Others				$
Co-financing Total			$30,000	$
Total			$80,000	$950,000

PART I - PROJECT IDENTIFICATION

A - PROJECT SUMMARY

Macedonia is land-locked country located on the Balkan Peninsula in Southeastern Europe. Although the entire territory of Macedonia encompasses only 0.5% of the European continent, a disproportionately large portion of European biodiversity is concentrated within this small country, ranging from approximately 34% of vascular plants, 12% of the freshwater fish species, 29% amphibians, 29% reptiles, 62% birds and 50% of mammal species. At the regional scale the biodiversity of Macedonia encompasses 70-90% of the entire Balkan biodiversity.[1] The heterogeneity and high degree of relictness and endemism are the most striking characteristics of biological diversity in the Republic of Macedonia. A total of 7.3 % of the territory is classified as protected. Macedonia's protected areas system is composed of 64 small protected areas of different categories, three national parks and two strict nature reserves. Management responsibility for the two Strict Natural Reserves (Ezerani and Tikves) belongs to the local water management enterprises, which have neither the capacity nor the proclivity to manage a protected area. The remaining 64 protected area were established with no provisions for a management authority or long-term financing resulting in a total lack of any management.

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[1] Crivelli, 1996; Gasc et al., 1997; Harrison, 1982; Mitchell-Jones et. al., 1999.

In the absence of protected areas, which effectively protect diversity and maintain it across the landscape, much of Macedonia's biological diversity faces "death from thousand cuts", as there is no one major threat to biological diversity, but rather a host of different threats, which over time will result in the destruction of the remaining pockets of biological diversity throughout the country. Although there are many problems associated with making Macedonia's protected areas more effective, the potential for strengthening Macedonia's protected areas has improved significantly in recent years with the passing of two landmark laws: the new Law on Nature Protection (2005) and Law on Environment Protection (2004). Among many improvements, these laws adopt new IUCN categories for protected areas as the official categories of Macedonia and make specific provisions for management partnerships between local-national government bodies and between government and non-governmental organizations. But even with the basic foundation of law in place for improved biodiversity conservation and protected area management, there are still significant knowledge, experiential, and law and policy barriers that must be overcome in order to enable stakeholders to capitalize effectively on the new opportunities for protected area management. The proposed project addressed Macedonia's national priorities for action in biodiversity conservation as identified in the NBSAP (2004) as the "Improvement of Protected Area System in Macedonia". It will also create an enabling environment for achievement one of the goals of the Spatial (Land Use) Plan of the Republic of Macedonia (2004) as well as an MDG 7 (i.e. increased percentage of protected areas from 7,3 up to 11,54).

B – PROJECT OBJECTIVE
The project goal is long-term conservation of Macedonia's biological diversity. The project objective is increased management effectiveness of the national PA network. It is expected that the objective should be attained through the achievement of the following inter-linked outcomes: (i) Improved systemic capacity provides the enabling framework for enhancing PA management effectiveness; (ii) Institutional capacities for PA management are strengthened, resulting in more effective use of financial and human resources; and (iii) PA management know-how is expanded and reinforced through innovative field management demonstrations.

C – PRIORITY THREATS/ROOT CAUSES AND BARRIERS TO BE ADDRESSED
The main threats to biodiversity in Macedonia are: (i) Habitat degradation and fragmentation); (ii) Over-harvesting of biological resources (forests, non-timber forest products, wildlife, fish); and (iii) progressive loss of species over time from small isolated habitats. The following barriers have been identified as hampering the PA system effectiveness in conserving biodiversity:

No policy frameworks for PA management and PA management partnerships. While the new Law on Nature enables partnerships to be formed, there are no policies to operationalize this, hampering the implementation of this provision.
Ecological and business planning tools are not applied to PA management. Proper business planning has only been applied to two protected areas in Macedonia and only in rudimentary fashion. There is very little experience in Macedonia with modern protected area planning and management tools, methods and practice rooted in sociology, economics, ecology and conservation biology.
Isolation (institutional). Institutionally, the existing protected areas are isolated from one another and do not benefit from being part of a more organized protected areas system, through which long-term support can be proffered, accountability maintained, landscape connectivity maximized, experiences exchanged, management effectiveness monitored and improved.
Paucity of information and data on PA management effectiveness. Decision makers have very little status, condition, and trend data reflecting PA management effectiveness upon which to make decisions. For example, none of the protected areas are monitored for changes in status, condition or extent of biological diversity. Presently no one knows the status of most of these areas, whether they are under some pressure or not, and whether their status and condition are declining or improving.

D – GLOBAL BENEFITS EXPECTED

Pressure on globally threatened species as well as relict and endemic species within the protected areas will be significantly reduced by overcoming the barriers that prevent the protected area system to effectively and efficiently conserve the globally significant biodiversity of Macedonia.

E – FIT WITH FOCAL AREA STRATEGY

The project is in line with the Biodiversity Strategy for GEF and specifically fits under the Strategic Objective 1 - Catalyzing Sustainability of Protected Areas Systems at national level that is aimed at achieving sustainable protected area systems at the national level. The project will build institutional, managerial and financial capacities on national level. It will emphasize strengthening the national system of protected areas through effective business planning and sustainable financing at both the PA and national level, as we as the development of new sustainable management options for protected areas in Macedonia including building new public-private partnership. By the end of the project the PA system would demonstrate improvement management effectiveness against the baseline scenario and at least 184,137 hectares of protected areas will be supported of which at least two would be freshwater PAs.
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F – POTENTIAL RISK AND MITIGATION

Preliminry list of potential risks that need to be further refined during the PDF A phase is provided in the table below:

Risk	Risk Rating	Risk Mitigation Strategy
Slow progress in drafting the regulations/bylaws related to the Law on Nature Protection	Medium to Low	The Government is committed to approximate the legal framework to the EU framework and has already developed an action plan. The bylaws/regulations related to the Law on Nature Protection are on the priority list of the Ministry of Environment and Physical Planning and they have started the process supported by the donors present in the country
Lack of coordination and insufficient collaboration among the key stakeholders	Medium to Low	During the PDF A phase participation plan will be developed which will define specific means through which stakeholder participation will be ensured in the execution of the MSP.
The costs of management of PA system exceed the incoming financing from national sources.	Medium to Low	Economic analysis will be carried out in order to establish an accurate picture of protected area revenue/expenditure, budget needs as well as the economic benefits of parks. The economic analysis will give consideration to direct use values, inside and outside of protected areas and including linkages, as well as ecological services (indirect use values) and option and existence values. Based on the data, a feasibility study for generating additional funds to meet the needs of PAs will be conducted, including possibility of establishing sustainable financing mechanisms and for private sector investment

PART II - FINANCING PLAN

ESTIMATED PDF MANAGEMENT BUDGET (IF PLANNED)

Component	Estimated Staff weeks	GEF ($)	Other Sources ($)	Project Total ($)
Locally recruited personnel	20	7,500		7,500
Internationally recruited consultants	6	27,500	5,500	33,000
Training				
Office equipment			4,000	4,000
Travel		5,000	2,100	7,100
Miscellaneous		1,500	1,500	3,000
Total		41,500	13,100	54,600

2.   TIMETABLE FOR THE PROJECT

	PDF A		Project	
	Start Date	**Completion Date**	**Start Date**	**Completion Date**
Implementation	January 2007	30 May 2007	1 June 2007	30 May 2009

PART III - PROPOSAL APPROVAL (for GEFSEC Use only)

Proposal submitted for funding to		GEF Trust Fund	($000)
		SCCF Trust Fund	($000)
		LDC Trust Fund	($000)
GEF Program Manager	(name)	Review Date	
GEF Team Leader	(name)	Clearance Date	
	Yes | No	Signature	
	Feedback:		
GEF CEO	Yes | No	Date	
		Signature	
	Feedback:		

Endorsement letter

MINISTRY OF ENVIRONMENT
AND PHYSICAL PLANNING
Republic of Macedonia

РЕПУБЛИКА МАКЕДОНИЈА
МИНИСТЕРСТВО ЗА ЖИВОТНА СРЕДИНА И
ПРОСТОРНО ПЛАНИРАЊЕ
бр. 09 - 4806/1
27.10. 2006год.
Скопје

To:	To Resident Representative UNDP Macedonia 1 000 Skopje Republic of Macedonia
Subject:	Submission of Letter of Endorsement
Connection:	PIF" Strengthening the ecological, institutional and financial sustainability of Macedonia's national protected areas system"

In my capacity as GEF Operational Focal Point for the Republic of Macedonia, I am pleased to endorse the Project Identification Form for medium size project "Strengthening the Ecological, Institutional and Financial Sustainability of Macedonia's National Protected Areas System". I inform that the document has been adjusted according to the recommendations of the GEF Secretariat representatives and I request it's presentation through the United Nations Development Programme (UNDP) to the Global Environmental Facility.

Please be also informed that the proposal is considered as a priority on the environmental agenda of the Ministry of Environment and Physical Planning of our country and we consider that through long-term conservation of Macedonia's biological diversity within this project, contribution to effective and efficient conservation of the globally significant biodiversity of Macedonia will be achieved.

We look forward to your kind consideration in this matter and to our successful further cooperation.

Sincerely,

Gordana Kozuharova
GEF Operational Focal Point