



PROJECT IDENTIFICATION FORM (PIF)¹

PROJECT TYPE: Full-sized Project

TYPE OF TRUST FUND: GEF Trust Fund

PART I: PROJECT IDENTIFICATION

Project Title:	Towards Carbon Neutral Tourism		
Country(ies):	Montenegro	GEF Project ID: ²	5098
GEF Agency(ies):	UNDP (select) (select)	GEF Agency Project ID:	5149
Other Executing Partner(s):	Ministry of Sustainable Development and Tourism, National Tourism Organization, UN World Tourism Organization	Submission Date:	12 February 2013
GEF Focal Area (s):	Climate Change	Project Duration (Months)	60 months
Name of parent program (if applicable):	N/a	Agency Fee (\$):	293,550
<ul style="list-style-type: none"> For SFM/REDD+ <input type="checkbox"/> 			

A. FOCAL AREA STRATEGY FRAMEWORK³:

Focal Area Objectives	Expected FA Outcomes	Expected FA Outputs	Trust Fund	Indicative Grant Amount (\$)	Indicative Co-financing (\$)	
CCM-4 (select)	Sustainable transport and urban policy and regulatory frameworks adopted and implemented	At least six cities, hosting 80% of tourists visiting Montenegro, adopted sustainable transport and urban policies and regulations	GEFTF	1,750,000	3,200,000	
CCM-4 (select)	Increased investment in less-GHG intensive transport and urban systems	At least 60 mln US\$ mobilized in low-carbon tourism infrastructure, resorts and transport	GEFTF	1,200,000	62,500,000	
Sub-Total				2,950,000	65,700,000	
Project Management Cost ⁴			GEFTF	140,000	5,000,000	
Total Project Cost					3,090,000	70,700,000

B. PROJECT FRAMEWORK

Project Objective: Reduce GHG emissions from Montenegro's tourism by promoting adoption of low-carbon policies and regulation in the sector, implementing flagship investment projects in low-carbon tourism infrastructure, establishing sustainable financing mechanisms, and raising awareness among the tourist and industry stakeholders						
Project Component	Grant Type	Expected Outcomes	Expected Outputs	Trust Fund	Indicative Grant Amount (\$)	Indicative Cofinancing (\$)
Component 1: Low-carbon policies and regulations in tourism sector	TA	New tourism facilities planned, designed and developed in line	Law on Spatial Planning and Construction revised to incorporate mandatory low-carbon requirements in all new	GEFTF	700,000	500,000

¹ It is very important to consult the PIF preparation guidelines when completing this template.

² Project ID number will be assigned by GEFSEC.

³ Refer to the reference attached on the [Focal Area Results Framework](#) when filling up the table in item A.

⁴ GEF will finance management cost that is solely linked to GEF financing of the project. PMC should be charged proportionately to focal areas based on focal area project grant amount.

		with Wild Beauty Eco/Zero emission Standard resulting in cumulative CO2 emission reduction by at least 60,000tCO2/year or 1.2 mln tCO2 over the project lifetime	<p>tourism development projects, programs and plans covering at least 6 coastal cities</p> <p>Revised and adopted mandatory standards and guidelines for Wild Beauty Eco Label for coastal areas</p> <p>Trained staff to apply and check compliance of development plans and designs with new standards</p> <p>Low-carbon spatial plans for new tourists area developed and approved for an area of at least 100 ha</p>			
Component 2: Low-carbon tourism infrastructure	Inv	<p>Energy savings realized from investment in energy efficiency and renewable energy in tourism facilities and municipalities in Kotor Bay resulting in:</p> <ul style="list-style-type: none"> -energy saving by 2,000MWh/year, - 2,600 MWh/year of RES-based energy produced <p>Direct GHG emission reductions: 3,085tCO2/yr or 59,700tCO2 cumulatively</p> <p>Indirect GHG emission reduction: 62,500 tCO2/yr or 1,25 mln tCO2 cumulatively</p>	<p>New greenfield tourism development projects implemented fully compliant with adopted low-carbon standards, including:</p> <ul style="list-style-type: none"> - 50,000 m2 of new super efficient buildings (below 50kWh/m2/yr); - 2MW of RES-based power - waste management facility - e-vehicles and solar-powered charging station <p>Direct GHG emission reductions: 3,085tCO2/yr or 59,700tCO2 cumulatively over the technology life-cycle</p> <p>Flagship RES and EE projects implemented in partnership with municipalities and regional tourism organizations, including:</p> <ul style="list-style-type: none"> - 200 installations of EE street lighting; - 100 kW of solar-PV power; - 3 energy efficient retrofits of cultural buildings for cca 2,000m2 <p>Indirect GHG emission reduction: 62,500 tCO2/yr or 1,25 mln tCO2 cumulatively</p>	GEFTF	800,000	57,200,000

Component 3: Sustainable Transport in Kotor Bay 1	TA	Increased used of public transport in coastal areas Increased average speed of transit and reduced traffic jams on the coastal roads	Travel-demand model for the bay of Kotor developed Sustainable Travel Strategy and Action Plan developed and adopted for the Bay of Kotor Sustainable transport options for tourism travel along the coast in the Kotor Bay identified and their socio-economic, technical and environment feasibility assessed Awareness raised and incentives offered to tourists to use low- carbon travel modes	GEFTF	200,000	200,000
	Inv	Reduced fuel use and GHG emissions from road transport in Kotor bay along the 107 km coastline	Pilot sustainable transport project to improve tourist travel and transit along the coast implemented (e.g. solar- powered ferry and boat taxi in Kotor bay)	GEFTF	300,000	5,300,000
Component 4: Financing for low- carbon and sustainable tourism	TA	Additional financing mobilized for mitigation actions in tourism sector	Carbon offset program for tourists, hotels, rent-a-car and other industry stakeholders designed, independently validated, and operational Other suitable financial mechanisms analysed and adopted as appropriate (e.g. airlines carbon tax, penalties for non-compliance with green standards, credited NAMAs in tourism sector, etc) Tourism Climate Fund established and capitalized from the proceeds of the offset program	GEFTF	500,000	500,000
Component 5: Knowledge, Information and Awareness about carbon footprint, mitigation potential and measures in tourism sector	TA	Accurate measurement and accounting of GHG emission baseline and reductions from mitigation actions in the tourism sector Awareness raised among tourists and tourism	Developed methodology for GHG emission accounting and baseline data setting in tourism sector Established and operational national system to track GHG emissions reduction actions in tourism sector Estimated and independently validated national reference baseline for GHG emission	GEFTF	450,000	2,000,000

		industry stakeholders about sector's carbon footprint, GHG reduction potential and measures	from tourism sector and sub-sectors (accommodation, travel, waste, etc.) PR campaign conducted to position Montenegro as "carbon neutral" holiday destination and raise tourists' awareness about possibilities of offsetting their footprint			
Sub-Total					2,950,000	65,700,000
Project Management Cost ⁵				GEFTF	140,000	5,000,000
Total Project Costs					3,090,000	70,700,000

C. INDICATIVE CO-FINANCING FOR THE PROJECT BY SOURCE AND BY NAME IF AVAILABLE, (\$)

Sources of Cofinancing	Name of Cofinancier	Type of Cofinancing	Amount (\$)
GEF Agency	UNDP	Grant	250,000
National Government	MSDT	In-kind	250,000
National Government	MSDT	Grant	1,500,000
Local Government	Municipalities	In-kind	5,800,000
Private Sector	To be selected at PPG stage	Investment	59,000,000
CSO	NTO	In-kind	1,500,000
Bilateral Aid Agency (ies)	GIZ	Grant	1,200,000
Bilateral Aid Agency (ies)	Italian Government	Grant	1,200,000
Total Cofinancing			70,700,000

D. GEF/LDCF/SCCF/NPIF RESOURCES REQUESTED BY AGENCY, FOCAL AREA AND COUNTRY:

GEF Agency	Type of Trust Fund	Focal Area	Country Name/Global	Grant Amount (a)	Agency Fee (b) ²	Total c=a+b
UNDP	GEFTF	Climate Change	Montenegro	1,600,000	152,000	1,752,000
UNDP	GEFTF	Biodiversity	Montenegro	1,300,000	123,500	1,423,500
UNDP	GEFTF	Land Degradation	Montenegro	190,000	18,050	208,050
Total Grant Resources				3,090,000	293,550	3,383,550

PART II: PROJECT JUSTIFICATION

A. DESCRIPTION OF THE CONSISTENCY OF THE PROJECT WITH:

A.1.1 the GEF focal area/LDCF/SCCF strategies /NPIF Initiative:

The project is consistent with GEF-5 Climate Change Focal Area strategy and will directly contribute to the achievement of the Strategic Objective 4: Promote energy efficient, low-carbon transport and urban systems. It will support policy, regulatory and financing framework for investment in sustainable urban systems, with a particular focus on the areas with high concentration of and potential for tourism

⁵ Same as footnote #3.

activities.

A.2. National strategies and plans or reports and assessments under relevant conventions, if applicable, i.e. NAPAS, NAPs, NBSAPs, national communications, TNAs, NIPs, PRSPs, NPFE, etc.:

According to *Montenegro's Initial National Communication (INC)* to UNFCCC, submitted on 12th October 2010, tourism is a significant branch of national economy and its sustainable development is among the top socio-economic and environmental priorities of the country. Tourism was also one of the main drivers of recent economic growth and increase in GHG emissions, when the number of foreign tourists rose by more than 45% in 2005 and 2006 and by nearly 55% in 2007.

Further, the proposed project will directly support four out of the seven priority areas identified by the *Montenegro Strategy for Sustainable Development (MSSP)*, namely 1) sustainable mobility through appropriate management in transport; 2) sustainable tourism as a leading sector of the economy; 3) sustainable urban development, and 4) improved rational use of energy, increased use of energy from renewable sources.

B. PROJECT OVERVIEW:

B.1. Describe the baseline project and the problem that it seeks to address:

Context: Tourism in Montenegro

Montenegro is a small country on the Adriatic Sea covering surface area of only 13.8 square kilometers and with a population of only 620,000 people. Yet it boasts some of the most spectacular scenery in the world and unparalleled richness and diversity of natural and cultural resources. Montenegro's prime touristic attractions include 300 kilometers of stunning coastline with 60 kilometers of beaches, historical and cultural monuments, mountain ranges, virgin forests and national parks. Because of this, as well as of favorable political and economic climate, over the last decade Montenegro has seen unprecedented inflow of visitors and investment in its tourism sector. In 2011, more than 1.3 million tourists visited Montenegro, twice as much as domestic population and ten times more than just a decade ago (i.e. tourists' count was 120,000 in 2002). The two existing airports, Podgorica and Tivat, attracted more than 0.6 million arriving passengers in 2010, which is about half the total number of registered tourist arrivals. Another half of the tourists travel to Montenegro by road, with a small, but increasing share also arriving by sea (i.e. some 260,000 passengers in 2010).

Tourism's total contribution to GDP has by now reached 17.2% and is projected to rise to 36.3% GDP by 2021. Similarly, the investment in the sector amounted for 164.6 mln € in 2011, or 23.6% of total capital investment. According to World Travel and Tourism Council (WTTC), it should rise by 13.2% a year over the next ten years to 607 mln € in 2021 or 57% of total. By that time, the sector will also be supporting as many as 62,000 jobs, or one in every three jobs in the country. All in all, Montenegro is set to become #1 country in the world in terms of tourism sector contribution to GDP, total capital investment and job creation (See Tables 1 and 2).

Top Ten Tourism Destination in Investment Growth, 2011-2021

Table 1: % annual growth in Travel & Tourism's contribution to GDP

Table 2: % annual growth in Travel & Tourism's contribution to total capital investment

1.	Montenegro	12.4	1.	Montenegro	16.4%
2.	Azerbaijan	9.4	2.	Singapore	9.3%
3.	China	9.1	3.	Azerbaijan	9.1%
4.	Namibia	8.8	4.	Thailand	8.8%
5.	India	8.8	5.	India	8.7%
6.	Chad	7.6	6.	Lithuania	8.5%
7.	Thailand	7.5	7.	China	8.5%
8.	Cape Verde	7.3	8.	Egypt	7.8%
9.	Fiji	7.2	9.	Myanmar	7.7%
10.	Malawi	6.9	10.	Fiji	7.6%

Source: [World Travel and Tourism Council, 2011](#)

As a main driver of Montenegro's economic growth and investment, the tourism sector is responsible directly and indirectly for the large share of GHG emissions from the transport, accommodation and other tourism-related activities. According to INC, in the business-as-usual scenario Montenegro's GHG emissions will rise by 40% in 2020 above 1990 baseline. By contributing to over third of GDP and a half of capital investment in infrastructure, the tourism sector will inevitably be an important, if not the leading, factor in a projected GHG emissions increase. Specifically:

- three-fold increase in the number of tourism accommodation facilities from current 20,000 rooms up to 60,000 rooms will lead to additional power demand of about 550 GWh/year or 280,000 tCO₂;
- tourism industry is known to generate disproportionately more amount of waste than residential or other sectors due to the nature of final consumption: tourism-related waste accounted for 10% of the total waste volume in 2011 and its share will double by 2020;
- two-fold increase in the number of tourist will bring to Montenegro annually about 1 mln cars (5-times the number of registered vehicles in the country) and additional GHG emissions of at least 1 mln tCO₂ from road transport (based on a very conservative assumptions regarding their fuel economy and in-country travel distances), as well as additional 1.2 mln of tourists flying in with correspondingly high carbon footprint.

Apart from the direct GHG emissions, the indirect climate change impact of millions of holiday-makers is also substantial, first, because of their sheer numbers in proportion to small local population and, second, because of their more carbon intensive life-style and consumption patterns.

In the business-as-usual scenario, the carbon footprint of Montenegro tourism will continue to grow as a result of large-scale investment in tourist infrastructure and constantly growing number of travelers. The Government of Montenegro sees tourism as the main driver of economic growth and income generation, but also fully realizes the environmental challenges associated with its rapid development and is committed to address them as part of the National Sustainable Development Strategy and Tourism Development Master Plan.

National Strategies and Policies for Sustainable and Low-Carbon Tourism

Montenegro's goal is to remain at the forefront of tourism change globally and its tourism development strategy is firmly based on sustainability – economic, social, environmental and climatic. The fundamental principles enshrined in the Montenegro's Tourism Development Master Plan up to 2020

are to protect country's wild beauty, while at the same time raising the quality of the tourism product.

Planning for Tourism Development: Long-term planning at the national level is a prerequisite for the successful development of sustainable tourism, and this was clearly recognized by the Government of Montenegro in the early 2000s, when it started to rebuild its tourism industry. The first Master plan for Sustainable Tourism development was produced in 2001 and approved by government in 2002. The revised Tourism Development Master Plan to 2020 released in 2008 and followed by the Strategic Environmental Assessment (SEA) of the plan, refocused Montenegro's whole tourism strategy, placing much more emphasis on its environmental sustainability. The SEA review specifically mandated that a formal Tourism and Environment Monitoring plan be set up by government and applied at municipal as well as national level. This should set targets and indicators for delivery of infrastructure improvements and environmental protection measures related to major tourism projects. It is also required that details of the necessary infrastructure, communal facilities and services be provided alongside development proposals. These include the provision of adequate water supply, sewerage and wastewater treatment, solid waste collection and disposal, road improvements, public transport, car parks and traffic-free areas, and consistent measures on improving energy efficiency and use of renewable energy.

In parallel, a number of municipal sustainable tourism development master plans are being worked out. For example, first municipal initiative of this sort was the Master plan for Sustainable Tourism development for Kolašin, developed and implemented with assistance from the Italian Government. The Master plan identifies specific measures and actions in ten key sectors/areas: urban development; transport and mobility; buildings (architecture and materials); energy and carbon emissions; waste management in urban settlements; water supply and wastewater management; basin management, forest management; tourism valorization of natural resources; and promotion and marketing of sustainable tourism.

In terms of specific government and donors initiatives aimed at promoting climate change mitigation in tourism sector, the following on-going projects will constitute the baseline for the proposed GEF project:

Component 1: Low-carbon policies and regulations in tourism sector

Low-carbon Tourism Facilities: In the context of the government's low-carbon programme, promoted by MSDT and developed to set an example for the industry, a carbon-neutral regional Tourist Information Office in Biogradska Gora National park has been designed and constructed for the first time in Montenegro following the "passive house" standard (with the assistance from Austrian Government). Also, the ecological "Wild Beauty" Label and Resort Development Handbook was developed with support from GIZ to set up guidelines and standards for hotels wishing to acquire the status of "Wild Beauty Accommodation". With respect to energy use, the Wild Beauty standard requires that "passive design" techniques and the use of natural lighting, heating, and cooling sources be maximized. The standard also calls for adoption of modern renewable technologies, such as solar panels, windmills, geothermal, micro-hydro, biogas digesters, etc., through "active design" to meet energy needs for water heating, lighting, appliances, and cooking. However, due to the voluntary nature of the standard and other barriers, there are no hotels in Montenegro yet which comply with the established requirements for eco-label. GTZ/MSDT-supported activities to develop and adopt the Wild Beauty Label will constitute the baseline project for the Component 1.

Component 2: Investment in low-carbon investment infrastructure

Most future tourism development in Montenegro will be spurred by greenfield investments. In total, more than 10,000 hectares of land reserves have been made available for new holiday resorts at

different sites, mainly in coastal regions suitable for sun & beach and nautical tourism (see the list of projects and corresponding investment in the Table). Some of the sites – greenfield and other – are ecologically valuable and require protection and preservation, so the government has rightly decided that they can only be put to limited use. The government is insisting that one of the quality features of all the new greenfield developments will be a generous ratio of green space per guest/bed for outdoor tourist amenities. The regional master plan for Velika Plaža, for example, provides for 100 square meters of green space per guest with a total of 30,000- 40,000 beds. As a baseline project for Component 2 one of the planned greenfield tourism development projects will be chosen, following the Call for Expression of Interest at PPG stage.

Also, the Montenegrin Center for Energy Efficiency is implementing a GIZ-funded project "Solar Energy in the Tourism Sector in Montenegro" (SOLTHERM) aiming at promoting investments in solar thermal installations for tourism facilities. This project will also constitute the baseline for the purpose of Component 2.

Baseline scenario: without GEF funding, investment in new tourism development projects will take place as per the schedule in Table 3, but without adherence to strict low-carbon standards. The GIZ project will take place in the baseline without GEF funding, however, its replication potential will be very limited without adoption of national policies and regulations which mandate the use of solar and other RES in tourism facilities.

Table 3: Major Greenfield Tourism projects under development or planned in Montenegro

<i>Project</i>	<i>Investment (Euro, mln)</i>	<i>Investor</i>	<i>Status</i>
Porto Montenegro	600	Adriatic Marinas	Development started, invested 110 mil Eur
Velika Plaza	6,5000	Open for investment	Tender announced
Ada Bojana	150	Open for investment	It is the intention of the government to enter into a 90-years lease agreement. It is expected that the resort will be a flagship project in which the natural surrounding and leisure facilities coexist and complement each other
Valdanos	150	Open for investment	Tender announced for 30 years old lease
Kumbor	258	SOCAR, State Oil Company Azerbaijan	Investor chosen in June 2012. Planning documentation under development.
Lustica	2,500	Orascom Development Ltd.	Project is in design phase. Main construction works are expected to start in 2014.
Skocidjevojka	200	Joud Funds	Planning documentation already prepared.
Maljevik	500	Mercury Group	Spatial planning documentation already prepared, design is underway, implementation to start in 2014
Bigovo-Traste	40	open for investment	spatial planning documents adopted
Bjelasica	600	open for investment	spatial planning documents adopted

Flower Island	200	open for investment	spatial planning documents adopted
Sv. Marko Island	450	Metropol Group	planning documentation prepared, design is underway, construction is expected to start in 2014.

Source: MSDT 2012

Component 3: Sustainable Transport in the Bay of Kotor

With the support of the Italian Government, the municipality of Perast (historic town of only 350 people in the Kotor Bay, UNESCO World Heritage Site) has designed and is implementing a pilot integrated and sustainable urban transport system. Perast’s urban zone was transformed into an ‘eco-tourist zone’ restricted to traffic in the summer months, with special points on the outskirts of town where tourists can leave their vehicles and go sightseeing around Perast on foot or using bikes, Segways, and electric cars specifically introduced for this purpose. Another bike-sharing program, “BikeTivat”, was launched recently, also with the assistance of the Italian Government, in the coastal city of Tivat. Six docking stations, placed in the main strategic points along the Tivat promenade, offer residents and tourists environmentally-friendly, pleasant and practical alternative to driving and provide visitors with an exciting and convenient way to explore Tivat beauties all year long. Sustainable transport projects in Tivat and Perast will constitute the baseline for Component 3.

Baseline scenario: Sustainable transport projects in the cities of Kotor Bay will be implemented as planned in the baseline. With GEF assistance, it is proposed to expand the coverage and focus of sustainable transport initiatives for the whole Bay of Kotor and thus significantly increase the global environmental benefits.

Component 4: Financing for Low-carbon and Sustainable Tourism

In June 2008 the Montenegrin Government introduced a countrywide Eco-tax on foreign vehicles at border crossings entering Montenegro. The main objective was to discourage private car travel for visiting tourists. At the same time, however – given that there is huge traffic congestion at peak times on Montenegro’s coastal roads – it was felt that money could be raised from such a tax to help fund research and programmes to address concerns about the ecological footprint of automobile travel, as well as to promote more environmentally friendly means of transport, e.g. coach travel. During 2008 alone the Eco-tax generated over €6.5 million in revenue – with the tax ranging from €10 to €150 depending on the size of vehicle. Private cars and vans pay €10, and this is a one-time tax allowing multiple crossings in any one year. □

However, as of January 2012 Montenegro stopped collection of eco-taxes due to the need to harmonize its taxation system with the Stabilization and Association Agreement between Montenegro and the European Union and European Union Directive on the charging the use of certain infrastructures for heavy goods vehicles. This has major implication for the financing of sustainable tourism as the eco-tax revenues used to provide for up to 30% of the total government spending on tourism. As of today there is no financial scheme or mechanism which would stimulate more climate conscious behavior of the tourists and allow the government to accumulate financial means to mitigate the environmental consequences of tourism industry, including its impact on GHG emissions. The Government plans to institute new “EU-harmonized” eco-taxation on tourism activities as of 2014 and this will constitute the baseline project for the purpose of Component 4.

Baseline scenario: baseline activities will be implemented as planned, but eco-tax will have limited

coverage (only road travelers) and also no mechanisms will exist to re-invest the proceeds in climate change mitigation.

Component 5: Knowledge, Information and Awareness about tourism sector carbon footprint and emission reduction potential

In 2008, the National Tourism Organisation (NTO) of Montenegro with assistance of GIZ launched the new tourism brand of Montenegro “Wild Beauty: Eco by Nature”, including the high-profile advertising campaigns on television channels such as CNN, in trade and consumer media. The Ministry of Tourism and Environmental protection, the Employment Bureau of Montenegro and numerous partners launched the ‘Keep it Clean’ campaign in the mid-2000s, supporting public work related to the cleaning of primary and regional roadways in all major municipalities. So far, 650,000 trees were planted countrywide. The campaign is an important and effective first step towards raising awareness of citizen and tourists of the importance of climate change mitigation and the actions, which can be taken to combat it. Activities to promote Montenegro as “eco” tourism destination, as well as PR campaign to promote more environmentally responsible behavior among the tourism will constitute the baseline for Component 5.

Baseline scenario: PR activities and campaigns will be implemented as planned. GEF assistance is required to make PR campaign more specifically targeted at GHG emission reduction and support it with more rigorous GHG monitoring and accounting program.

All in all, the Government of Montenegro is firmly committed to develop its tourism sector on a sustainable basis, it is putting in place the required policy and regulatory framework to attract large-scale investment in tourism infrastructure, but also to steer them in a more environmentally sustainable way. The proposed project will build on these commitments and efforts by enhancing the focus of national efforts on minimizing the carbon footprint of tourism and promoting Montenegro as a place for climate conscious tourism and “carbon neutral” holiday destination.

B. 2. 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/NPIF) or associated adaptation benefits (LDCF/SCCF) to be delivered by the project:

The project will adopt a comprehensive approach to minimizing the carbon footprint of Montenegro’s main and most dynamic economic sector, the tourism. Its ultimate objective is to reduce GHG emissions from Montenegro’s tourism sector. It will do so by promoting country’s transition towards a carbon neutral travel & tourism, minimizing energy use and transport in and around new greenfield development projects, helping tourism industry to identify and implement cost-effective mitigation options in travel and accommodation sectors, as well as introducing carbon offset scheme and other innovative financial mechanisms to compensate for the residual emissions and generate additional revenues for climate mitigation and adaptation actions in tourism. The project will constitute of five components, as described below.

Component 1: Low-carbon spatial planning and greenfield development in tourism

Under this component, the project will help develop and facilitate adoption of legal and regulatory framework that introduces stringent carbon emission reduction requirements and standards in spatial plans and tourism development projects. The Law on Spatial Planning and Construction will be revised to incorporate mandatory climate mitigation measures into all new tourism development projects, programs

and plans, such as the obligatory use of renewable energy system, application of "passive house" design principles, development of public transport infrastructure, use of low-emission vehicles, etc.

Also, the project will amend the existing Wild Beauty Eco Standard for tourist accommodation to make its mandatory for all new tourism facilities, as well as help adjust its requirements and guidelines to be applicable in the coastal region/climate. Eco-label was developed and adopted on a voluntary basis in 2010. However, the Label and corresponding design guidelines is only applicable for the facilities located in the Northern/mountainous part of Montenegro, there were no major tourism projects implemented in that part of the country since the adoption of the standard and hence no cases of eco-label application. All significant tourism development activities are concentrated in the South, along the coast, which is a different climatic and topographic environment, which requires different design type and standards (in terms of energy use, sources of supply, building geometry). The proposed project will address this shortcoming by adopting the standards to the specific climate conditions of the Southern areas. Its mandatory application will be adopted by the Government and will be included in all new tenders offered to the investors.

It will also support the elaboration of a pilot Special Purpose (Tourism) Spatial plan for a selected tourism development area to demonstrate how the proposed standards and low-emission planning requirements can be implemented in practice.

With GEF support the following baseline activities will be enhanced to deliver additional GHG emission reductions:

Baseline	GEF-supported alternative
Promotion of voluntary "Wild Eco Beauty" Standard and Label for mountainous resorts	Supplementary activities: Adoption of mandatory low-carbon "Wild Eco Beauty" Standard and Label applicable to all new resorts
Preparation of Special Purpose (Tourism) Spatial Plans for 100 hectares of new resort facilities	Modified baseline: Preparation of Special Purpose (Tourism) Spatial Plans for 100 hectares of new resort facilities in line with low-emission planning requirements

Co-financing for this component will come from the MSDT (500,000 US\$).

Component 2: Investment in low-carbon tourism infrastructure

Under this component, a number of flagship investment projects will be supported to demonstrate the social, environmental and economic benefits of climate change mitigation in tourism.

First, the project will work with selected investment partner (see Section B5 for detail) to ensure that the design of new greenfield tourism projects is in full compliance with adopted low-carbon standards (see Text Box 1 for an example of such project). Assistance will be provided to the partners to help understand and apply the requirements, identify and assess feasibility of low carbon measures, as well as to quantify and monitor the eventual carbon footprint of the new tourism projects. No GEF resources will be used to subsidize or otherwise directly cover the capital costs of low-carbon tourism resorts; investment sub-component will be 100% privately co-financed.

Selection of the pilot project and investment partner will be done at PPG stage with a view of achieving maximum correlation with investor's construction plants and FSP schedule in order to make sure that the design and construction phase of the pilot is duly completed by the end of FSP.

Text Box 1: Example of Greenfield Tourism Development Project: Sv. Marko Island

Within State Location Study for St Marko Island near Tivat (Kotor Bay) it is planned to build 8ha of luxury tourism&resort facilities on the island area of 180 ha. Number of guests will be around 830, and island will be covered with 168 000 m² of green areas and 85 000m² of open public spaces, which means 200m² of green areas per guest and 100m² of public spaces per guest. Apart from buildings, residential accommodation, retail areas and other resort facilities (80,000 m²), the project also will build the following infrastructure:

- roads and procurement of electric vehicles for internal traffic on the island;
- desalination plant;
- power plant;
- heat and hot water supply system;
- telecommunication equipment and infrastructure;
- Facilities and garbage management/recycling system;
- water taxi and ferry for connection with mainland.

Second, in partnership with municipalities of Kotor Bay, the project will directly support a number of pilot investment projects to demonstrate the social, environmental and economic feasibility of climate change mitigation in tourism and promote more climate conscious behavior and attitudes among tourists. This activity will build on the baseline GIZ-funded project “Solar Energy in the Tourism Sector in Montenegro”. Specifically, the following investment projects are proposed for implementation (the exact list, location and specification will be determined at PPG state):

- solar water heating installation in selected tourist facilities (baseline, GIZ funded)
- energy efficient lighting (LED-based) in cultural and tourist sites, such as the downtown of Kotor, UNESCO World Heritage Site (additional, co-financed by GEF and Municipality);
- energy efficient retrofits of historic and cultural buildings (additional, co-financed by GEF and Municipality);
- solar PV installations in tourist informational centers and other public/tourism buildings (additional, co-financed by GEF and Municipality).

GEF and municipalities will co-finance the demonstration on 50-50 cost-sharing basis; wherever possible private sector funding will be leveraged as well. Demonstration activities will be concentrated in the main cities of the Kotor Bay, Tivat and Kotor, to ensure maximum visibility of the investment vis-à-vis tourists and potential for replication in other cities sites along the coast and in-land. Based on the results of pilot investments, the project will help prepare a replication strategy and investment plan for other cities to be implemented with financing from the National Tourism Climate Fund (see Component 4).

With GEF support the following baseline activities will be enhanced to deliver additional GHG emission reductions:

Baseline	GEF-supported alternative
Implementation of new greenfield tourism development projects. One pilot project will be selected at PPG stage	Modified baseline: Implementation of new greenfield tourism projects in line with Low-Carbon Standards
GIZ-funded project "Solar Energy in the Tourism Sector in Montenegro" (SOLTHERM) aiming at promoting investments in solar thermal installations for tourism facilities	Supplementary activities: Investment in demonstration projects featuring advanced EE and RES technologies (LED, solar PV) in touristic sites

Co-financing for this component will come from the Private Sector (52,000,000 US\$), Municipalities (4,000,000 US\$) and GIZ (1,200,000 US\$).

Component 3: Sustainable Transport in the Bay of Kotor

This component will provide TA and investment in carbon emission reduction from road travel in the area of Kotor Bay (see Figure 1 below) that is comprised of 107 km of the coast road where the majority of tourism activities, traffic and associated GHG emissions takes place. The following activities are proposed: development of travel-demand model and the Sustainable Coastal Transport Strategy and

Figure 1: Map of Kotor Bay



including recommendations and actions on optimization of coastal public transit for tourists, sustainable transport options for tourism travel, as well as measures to raise awareness and provide incentives for tourists to use low-carbon travel modes. To complement the baseline sustainable transport projects in the cities of Perast, Kotor, and Tivat, the GEF-financed alternative will primarily look at promoting public and low-carbon travel modes on intercity routes along the coast and measures to improve and minimize road trips in the coastal area. One of the pilot investment projects to be developed and implemented is the introduction of solar-powered ferry and boat taxi service. Solar-power boats is a proven technology which is increasingly gaining prominence and proving to be a viable alternative to diesel-fueled marine transport. UNDP, has been promoting the use of solar-power boats for local communities, especially in remote/inaccessible areas, such as, for example the [Shidhulai Swanirvar Sangstha's](#) project in Bangladesh which won UNDP Equator Prize in 2006.

With GEF support the following baseline activities will be enhanced to deliver additional GHG emission reductions:

Baseline	GEF-supported alternative
Development and implementation of sustainable urban transport plans in the key coastal touristic destinations in Kotor Bay, the cities of Kotor, Perast, Tivat (TA from the Italian Government)	Supplementary activities: Development and implementation of Coastal Transport Strategy and Action Plan to promote low-carbon transport modes along the whole coastline and especially for intercity connections (i.e. the itineraries with highest concentration of tourism traffic),
Transport infrastructure development projects in the coastal areas: development of ferry service (loans from European Investment Bank and EBRD)	Supplementary activities: Design and implementation of pilot project using low-carbon travel options, such as RES-powered ferry and water taxi service in Kotor Bay

Public transport infrastructure will be developed and operated by public-private companies to be established, whereas the transport infrastructure for new resort facilities (such as, for example, ferry/boat connection between Sv. Marko island and mainland in the Text Box 1), will be 100% private financed and operated by the resort management company. Co-financing for this component will come from the Italian Government (1,200,000 US\$), Municipalities (1,800,000 US\$), and private sector (2,500,000 US\$).

Component 4: Leveraging additional financing for mitigation actions in tourism sector

This component will aim at mobilizing additional financial resources for climate mitigation activities in tourism sector. There are no baseline activities to build upon because of the abolition of eco-tax in January

2012. However, the Ministry of Sustainable Development and Tourism will provide its own resources to support incremental activities proposed under this Component.

This Component will support the introduction of carbon offset scheme for tourists, hotels, rent-a-car industry (initially voluntary, but with the intention to make it mandatory). Assistance will be provided to develop carbon footprint estimation tools and implementation arrangement for the scheme. The project will also raise awareness of tourists and other actors of the importance of carbon offsetting and their potential to contribute to climate mitigation activities. PR campaign will be conducted to position Montenegro as "carbon neutral" holiday destination aiming to attract motivated travellers and boost popularity of Montenegro vis-à-vis other tourism destinations.

The establishment of the National Tourism Climate Fund will be supported to collect proceeds from the offsets and re-invest them in priority climate mitigation and adaptation projects in tourist sector (e.g. renewable energy systems, low-emission vehicles, low-carbon and climate resilient infrastructure, green belts around hotel areas, etc.). This will also include design of implementation structure and capacity building for the Fund staff.

Identification of other suitable financial mechanisms for capitalization of the Fund, such as airlines carbon tax, penalties for non-compliance with green standards, credited NAMAs, will be supported and studied in detail at PPG stage.

Co-financing for this component will come from the MSDT (500,000 US\$).

Component 5: Knowledge, Information and Awareness about tourism sector carbon footprint and emission reduction potential among tourists and industry stakeholders

The outcome of this component will be two-fold. First, it will provide accurate measurement and accounting of actual GHG emissions of the tourism and thus the essential knowledge and data for estimating the carbon footprint for the sector and the individual tourists. Second, it will use this data, as well as result of demonstration projects (Component 2) to raise awareness about tourism's GHG emissions and potential reduction measures among industry stakeholders and tourists. Specific activities will include the development of methodology for GHG emission accounting and baseline setting in tourism sector, estimation of national reference baseline for GHG emission from tourism sector and its sub-sectors (transport, buildings and waste), as well as putting in place Monitoring, Reporting and Verification (MRV) system to track GHG emissions and financing for mitigation actions.

GHG emission baseline and MRV system are essential building blocks and prerequisites for introduction of the carbon offset scheme and other financing mechanisms, such as credited NAMAs, (which the project will support under Component 4). Currently, there is no such system in place in Montenegro: national GHG Inventory does not cover tourism as a separate energy end-use sector and neither there are estimates of the transport-related GHG emissions from tourism activities. As such all activities proposed under Component 5 are incremental and will be co-financed by the GEF and MSDT.

The PR campaign will build on the on-going efforts by MSDT and NTO to promote Montenegro as a eco-friendly holiday detination, but with a much for targeted focus on climate change and its mitigation by the industry and individuals. This will also include activities to promote carbon offset scheme among the tourists.

In all its PR and outreach activities, the project will adhere strictly to the GEF Communication and Visibility Policy. A budgeted communication and visibility plan will be outlined in Request for CEO Endorsement. This will include, inter alia, the compulsory use of the GEF logo on all material,

publications, websites, display panels, promotional items, photographs, audiovisual productions, public events and visits and information campaigns targeting tourists and other stakeholders.

International and national PR campaign “Wild Beauty – Eco by Nature”, aimed at promoting Montenegro as eco-friendly holiday destination organized by MSDT and NTO	Supplementary activities: Incorporation of “climate conscious” elements in the existing PR campaign (such as, advice on how to estimate and reduce holidays carbon footprint)
National GHG inventory preparation	Supplementary activities: Incorporation of “climate conscious” elements in the existing PR campaign (such as, advice on how to estimate and reduce holidays carbon footprint)

Co-financing for this component will come from the MSDT (500,000 US\$) and National Tourism Organization (1,500,000 US\$) and will cover data collection for GHG monitoring in tourism sector and PR campaign.

The expected direct global environmental benefits from the demonstrations that will be carried out under the project are in the range of 3,000 tCO₂/year or 59,700 tCO₂ cumulatively over the lifetime of the applied technologies. The estimated indirect cumulative impact from policy and regulations is around 1.2 mln tCO₂ as detailed in Table 4 below. Provided estimates do not include the GHG emission from Component 3 Sustainable Transport since the baseline data were not available at PIF formulation.

GHG emission reduction	Activity	Annual energy consumption, MWh		Total energy saving/generation, MWh	GHG emission reduction, tCO ₂ e*	
		BAU	Project		Annual	Total
Direct	EE Street lighting: 200 installations	1,500	700	800	400	6,000
	RES installations: 100 kW of solar PV	-	(120)	120	60	1,200
	EE retrofit of cultural buildings: 2000m ²	500	250	250	125	2,500
	50,000 m ² of new super efficient tourist resorts (below 50kWh/m ²)	5,000	2,500	2,500	1,250	25,000
	2MW of RES-based power capacity	-	(2,500)	2,500	1,250	25,000
TOTAL Direct:						59,700
Indirect	Application of low-carbon standards to new green field projects to be constructed between 2014 and 2020 (cca 5 mln m ²). GEF causality factor:0.5	500,000	250,000	250,000	62,500	1,250,000
TOTAL Indirect						1,250,000

* An average emission factor of 0.5 tCO₂/MWh was used. It is calculated based on CDM methodology for estimating grid emission factor.

B.3. 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). As a background information, read [Mainstreaming Gender at the GEF.](#):

Tourism sector is projected to account for over 30% of Montenegrin GDP and 50% of national capital investment by 2020. By helping to develop tourism in a sustainable and low-carbon way, the project will deliver strong socio-economic benefits to the whole country. It will improve competitiveness of its main economic sector by developing unique tourist product and market image thus helping the country to retain its position as a global tourism leader, raise revenues for local and national budgets, as well as to create and sustain 25,000 jobs directly and over 60,000 indirectly, including over 50% for women.

B.4. Indicate risks, including climate change risks that might prevent the project objectives from being achieved, and if possible, propose measures that address these risks to be further developed during the project design:

Risk	Rating	Mitigation Actions
Lack of political will to adopt required legal and regulatory changes to promote low-carbon tourism	L	The Government of Montenegro prioritized sustainable development of its tourism industry as the key national socio-economic priority. Also, the vision of Montenegro as ecological state is imprinted in the national constitution. The Government has been consistently delivering on its commitment as manifested by successful implementation of the first Tourism Development Master Plan and its Strategic Environmental Assessment. The proposed legal and regulatory changes (Component 1 and 2) have been extensively discussed with and endorsed by the Government during PIF preparation process.
Due to budget constraints, the Government reduces the funds available for low-carbon tourism development	H	Strong budget constraints are indeed the major limitation faced by the MSDT when it comes to promoting and supporting low-carbon tourism development. Ministry's budget has been severely (by 30%) cut recently as a result of austerity measures introduced by the Government of Montenegro to cope with the consequences of global financial crisis. Component 4 of the project was designed specifically to mitigate this risk by identifying alternative sources of financing for climate change mitigation and adaptation in tourism.
Risk that private investment do not materialize	M	WTTC, the global forum of business leaders in the Travel & Tourism industry, estimates that already in 2011 one third of all capital investment in Montenegro was made in the Travel & Tourism industry – one of the highest shares in the world, and this is forecast to rise to 50.8% by 2021. By helping Montenegro to develop a unique market niche and position itself as a carbon-neutral travel destination, the project will help improve competitiveness and attractiveness of the country on the global market and create additional stimulus for investors and travelers to come.
Climate change risks to tourism infrastructure	M	Montenegro's tourism sector, especially the coastal zone, is vulnerable to climate change. To build sector's resilience a number of adaptive measures are proposed in the INC, such as amendment to spatial planning laws and upgrade of the existing infrastructure and buildings. The proposed project will help mitigate climate risks by making sure that the revised Spatial Planning Law makes due provisions for climate proofing and the new tourism facilities are designed and constructed accordingly. Also, the National Tourism Climate Fund to be set up under Component 4 will accumulate funding for both climate mitigation and adaptation measures with a particular focus on the synergies between the two.

B.5. Identify key stakeholders involved in the project including the private sector, civil society organizations, local and indigenous communities, and their respective roles, as applicable:

Stakeholder	Role in the Project
Ministry of Sustainable Development and Tourism	The Ministry of Sustainable Development and Tourism is the lead partner and via its two departments on Tourism and Urban Planning will take the primarily responsibility for development and implementation of the project. The Ministry has legal mandate from the Government for implementation of the National Sustainable Development Strategy and the Tourism Development Master Plan.
Ministry of Finance	Ministry of Finance, as the key national agency in charge of taxation and budget issues, will be closely involved in Component 4 “Financing for Mitigation Actions in Tourism” regarding the establishment of National Tourism Climate Fund, identification and adoption of suitable financial mechanisms for its capitalization.
Ministry of Transport, Maritime Affairs and Communications	Ministry of Transport will be project’s leading counterpart for implementation of the Component 3 as sustainable urban transport is directly related to its mandate.
Municipalities of Tivat, Kotor, and others	Municipal authorities and staff will be primarily involved as beneficiary and implementing partners for the design and implementation of Spatial Plans and Integrated Coastal Transport strategy and demonstration projects.
National Travel Organization (NTO)	NTO is a public-private partnership set up by the Government of Montenegro and industry stakeholders with the main objective of promoting Montenegro as a travel and holiday destination. It runs domestic and international PR and marketing campaigns, and also offers training, information and professional advice to its partners and other industry stakeholders. NTO will be closely working with the project and will serve as a platform to engage with industry stakeholders.
World Tourism Organization (UNWTO)	UN World Tourism Organization is the UN agency responsible for the promotion of responsible, sustainable and universally accessible tourism. It will leverage its global expertise and members' network, including from the developing countries to provide expertise and best industry examples on promoting low-carbon tourism, such as its Hotel Energy Solutions Project.
Civil Society	NGOs and other civil society groups will be primarily involved in project via national PR campaign and local awareness raising and information dissemination among the tourists and industry stakeholders
Private sector	The project will cooperate with the tourism industry stakeholders and investors in new greenfield tourism development projects, such as ORASCOM Development (Lustica Bay Project), Metropol Development (Sv. Marko Island Project), Port of Montenegro, who confirmed interest in collaboration to make their investment climate friendly and comply with strict zero emission standards (Component 1). Collaboration with existing tourism facilities owners and managers will also be actively thought as part of Component 2.

To ensure proper coordination and involvement of key stakeholders Project Board will be formed co-chaired by UNDP and MSDT to provide strategic leadership and serve as coordination mechanisms for various partners involved. MSDT, as the key governmental agency in charge of spatial planning, tourism development, environmental protection and climate change policies, will ensure that other governmental agencies are duly consulted and involved as per their mandate (such as the Ministry of Transport and Finance). The Board will also include representatives of pilot municipalities, national and regional tourism

organizations, as well as UNWTO. The Board will have regular meeting, twice a year, or more often if required.

B.6. Outline the coordination with other related initiatives:

GIZ-ADC-Norwegian Government project “Support to tourist destinations in the central and mountainous regions of Montenegro” (2006 – 2013, 5.1mln US\$). The programme supports national and international experts to advise the Ministry of Tourism both on the elimination of regulatory barriers for tourism development and on appropriate legal requirements for new tourism products. At a regional level, the programme facilitates the development of three tourist destinations: Cetinje, Plav and Skadar Lake. At each destination, the programme provides advice, training and subsidies to assist local stakeholders to develop strategies, products and marketing, to improve destination management and to pilot innovative business models. The new Wild Beauty Eco Label which promotes the use of passive house standard in tourism sector was a direct result of this multi-donor program. The proposed GEF project will cooperate closely and will build on its results, especially the Wild Beauty Eco Label to incorporate stricter zero emission requirements, expand the scope of its application to coastal areas, and to make its application mandatory.

Austrian Development Cooperation (ADC): economic development, focusing on sustainable regional development and tourism is the main focus area of the Austrian Development Cooperation Strategy in Montenegro. Specifically, ADC aims at improving regional development planning and implementation capacities in the Northern regions and around the Lake Skada (Central Montenegro) in line with the Tourism Master Plan 2020. ADC’s main objective is to promote regional development with income generation in tourism and closely related economic sectors such as agriculture and key principle is to contribute to a sustainable tourism infrastructure with particular attention to ecological sustainability, which is fully in line with the objective of the proposed project.

The Government of Italy is actively supporting the Ministry of Sustainable Development and Tourism with promotion of sustainable tourism and transport. It has supported the development of tourism and travel master plans and pilot projects in a number of important touristic centers and remain committed to continued cooperation in this areas with annual grant financing of about 1,52-1,6 mln EUR.

At PPG stage, UNDP will work closely with GIZ, Austrian and Italian Government to identify opportunities for synergies and collaboration under the proposed project.

C. DESCRIBE THE GEF AGENCY’S COMPARATIVE ADVANTAGE TO IMPLEMENT THIS PROJECT:

The proposed intervention is in line with UNDP comparative advantages as presented in the GEF comparative advantage matrix. The project is focused on local capacity building and transferring energy efficiency know-how and tools to local level decision-makers and professionals. It will build upon and complement the following UNDP-implemented initiatives:

- UNDP’s Spatial Planning Support project in Montenegro, which seeks to integrate sustainable development principles into the planning process and improve enforcement of the legislation on Planning and Construction. Duration: 2007-on-going

Objective: ensuring integration of sustainable development principles into the planning process in Montenegro and improving enforcement of the legislation on Planning and Construction.

Main achievements of the project so far could be divided into three categories:

- Development and adoption of spatial planning documentation in 12 northern Municipalities which represent the main base for municipal socio economic development and attractiveness of investments
- Capacity development of administrative and technical employees in all Montenegrin municipalities related to spatial planning issues, and adequate regulation development
- Knowledge sharing, public participation, increase of public awareness related to spatial planning, as well as faster and more efficient exchange of information between local and central level related to spatial planning documentation development and adoption, as well as regulatory framework improvement
- UNDP's Sustainable Tourism Project which support the implementation of the Strategic Framework for development of Sustainable Tourism in Northern & Central Montenegro. Duration: 2007-on-going

Objective: Project aims at development of nature based tourism in Montenegro, with special focus on hiking and biking, and tourism safety through adoption of legislation framework and capacity building activities, as well as development of cross border nature-based tourism offer.

Results achieved so far:

- Creation of legislative framework for development of hiking and biking in Montenegro: bylaws and internal acts for the Mountaineering rescue service (MRS) under the Mountaineering Association; Registry of trails; Conditions and ways of choosing the host of the trail; Standards for the trails
- Capacity building: Establishment of a 2-year business plan for MRS; strategic development plan for the Rescue Service
- Licensing for current and future rescuers
- Renew the equipment for the GSS
- Formalization of the International standards acceptance and membership in IKAR
- International distribution networks for Hiking and Biking products
- Pilot trail equipped in accordance with the legislation
- Support to Mountaineering and Biking Association for the acceptance of international standards as well as membership in respective bodies
Implementation of cross border pilot initiatives (MNE-Croatia, MNE-Serbia), with main focus on sustainable use of natural resources, creation of joint tourism offer and improvement of livelihoods and tourism-based income generating activities for local population
- UNDP-GEF Enabling Activity for UNFCCC to develop 2nd National Communication and GHG inventory.

C.1 Indicate the co-financing amount the GEF agency is bringing to the project:

UNDP will allocate 250,000 US\$ from TRAC to co-finance management cost for the project. The amount of co-financing from UNDP (250,000 US\$ in total or 50,000 US\$/year) represents more than 10% of the TRAC resources allocated by UNDP to Montenegro (i.e. 450,000 US\$/year) or over 30% of the amount available for programming in the Energy and Environment field, which is a substantial contribution and reflects the high priority and importance that UNDP assigns to the proposed project.

C.2. How does the project fit into the GEF agency's program (reflected in documents such as UNDAF, CAS, etc.) and staff capacity in the country to follow up project implementation:

Reflecting the Montenegrin Constitution's stated aim of becoming an 'ecological state', the CPAP and UNDAF both make explicit reference to environmental sustainability and, in particular, to the need for

sustainable urban and tourism development. The Integrated UN Programme (2010-15) contains, as one of its three pillars, sustainable economic development and environmental protection. The Policy Agenda for Growth and Competitiveness in Montenegro specifically identifies sustainable tourism development as being a national priority. The proposed project is fully aligned and will support the implementation of the UNDP CPAP (2010-2016) Output 15”Innovative CC mitigation measures implemented to reduce GHG emissions, create new jobs, and increase revenues for the local/national budget“.


The UNDP Country Office in Montenegro currently manages a programme portfolio of total value of over \$10.5 million. It offers the following dedicated staff capacity for project implementation support in the area of environment and energy: (i) Environment and Economy Analyst who oversees programme implementation on a daily basis, including quality assurance and monitoring and evaluation; (ii) Climate Change and Energy Programme Manager – oversees the implementation of projects in the field of Climate Change and Energy on a daily basis, including quality assurance and monitoring and evaluation; Montenegro; (iii) Environment and Economy Assistant – assists with budget revisions, quarterly reporting, auditing and recruitment procedures; (iv) Finance Analyst - reviews the budgets and monitors project delivery status; (v) Head of Operations Unit - assures compliance with overall fiduciary standards of UNDP; (viii) UNDP Resident Representative and Deputy Resident Representative, who liaise at high-level with the Government and will negotiate key policy changes proposed by the project.

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):

NAME	POSITION	MINISTRY	DATE (MM/dd/yyyy)
Andro Drećun	GEF OFP Deputy Minister of Sustainable Development and Tourism	MINISTRY OF SUSTAINABLE DEVELOPMENT AND TOURISM	02/08/2012

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 project identification and preparation.					
Agency Coordinator, Agency name	Signature	DATE	Project Contact Person	Telephone	Email Address
Andrew Hudson UNDP/ GEF Officer-in-Charge		February 12, 2013	Marina Olshanskaya Regional Technical Advisor EITT	+421907840 152	marina.olshanskaya@undp.org