



United Nations Development Programme

Regional Project Document

Western Balkan Regional Environmental Report

Project Summary

Given the challenge of the environment for the Western Balkans in terms of human development, the MDGs and European Accession, and building on UNDP's activities to date and expertise in this field in the Western Balkans, the project will support preparation of a Regional Environmental Report for Western Balkan countries. This initiative will also provide an effective follow-up mechanism for increased regional cooperation and exchanges in the area of the environment following the West Balkans Ministerial Summit on the Environment organized in March 2006 in Montenegro. The Report will be prepared in cooperation with the European Environmental Agency and will represent complementary part of the Pan-European Assessment Report that is to be produced for the October 2007 Belgrade Ministerial Conference on Environment.

SIGNATURE PAGE

**Regional Bureau for Europe and the CIS
Regional project document (sub-regional programme)
Bratislava Regional Center**

Western Balkan Regional Environmental Report

Expected Outcome(s)/Indicator (s): Increased awareness of the main environmental challenges and most appropriate policy options to be addressed in the Western Balkan countries. Environmental protection institutions capacities strengthened in order to meet EU accession requirements
Indicator: Environmental concerns mainstreamed and integrated in the development policies
MYFF Goal 3; Energy and Environment for Sustainable Development; Service Line 3.1. Integrated Environmental Policies.

Expected Output(s)/Annual Targets: 1. Capacity Building needs of the ministries of environment, environmental institutions and other sectoral ministries in the West Balkans countries identified, focusing in particular on the implementation of the environmental policies in line with EU accession process.. Gaps for the implementation of existing legislation framework and standards that require harmonization with EU legislation, identified. Priorities/actions to be taken in meeting the challenges of environmentally responsible economic growth and effective social inclusion that fights poverty recommended

Implementing partner:
(Designated institution/ executing entity)
Designated office:

UNDP BRC (DEX)

UNDP LO in Podgorica

Programme Period: RPD 2006-2010
Programme Component: Sub-regional programming
Project Title Western Balkan Regional Environmental Report
Project ID:
Project Duration: 2006-2007
Management Arrangement: DEX (UNDP)

Budget	USD 300,000
Allocated resources:	
• Regional TRAC	USD 150,000
• Donor	USD 150,000

Agreed by (UNDP): _____ / Mr. Ben Slay, Director, BRC/

1 Situation analysis

The war and collapse of former Yugoslavia accompanied with uncertainties in the process and economic reforms resulted in the sharp decline of economic activity, dramatic increase of unemployment and poverty rates and rapid decrease of Human Development Index (HDI) in all Western Balkans¹ countries. Undoubtedly, deep economic, social and political crisis largely contributed towards further degradation of the region's extremely rich natural environment. Fortunately, with the restoration of peace, democracy and stability in the region protection of the environment is becoming an emerging priority and gradually environmental protection is evolving alongside economic development.

In general, it could be said that environmental situation in the region is rather challenging. For nearly half a century the environmental quality is being impaired by the old-fashioned (natural) resources-based and to large extent unregulated (in terms of environmental protection) industrial activity. Furthermore, in the period of transition, governments have not been able to respond to the changes that have occurred and the demands of the transformation to a free market, which to large extent resulted in high pressure on biodiversity and excessive use and devastation of natural resources. (such as space, land, water, forests). High level of energy consumption/low energy efficiency is notable across the region, while increasing air pollution, lack of proper waste disposal and sewage system remain on of the biggest challenges in the Balkans. Adequate control/monitoring mechanisms are lacking.

Deficient legislative framework accompanied with the poor reinforcement and implementation of newly adopted laws, insufficient institutional capacity, incompetent administration system and lack of strategic coordination among environmental institution (often seen as legacy of communist system), characterize the present environmental protection systems in the Balkan countries. Existing institutional frameworks remain unable to address environmental issues in effective manner and still represent powerful force for the preservation of the 'old communist system' acting as agent of resistance instead of being agent of change. In addition information and monitoring systems are underdeveloped, do not represent a reliable basis for monitoring and decision-making. Financing of the sector is insufficient, since governments' spending for environmental protection programs in the region is extremely low. Present mechanisms for public participation in environmental decision-making are inadequate and yet to be developed.

Although most of the Western Balkan countries ratified major international environmental conventions, such as the Convention on Biodiversity and the UN Framework Convention on Climate Change (UNFCCC), their practical implementation remains extremely low due to the weak governmental capacities and inability to effectively reconcile global environmental goals with the national environmental and developmental priorities. In this regard, participation in the Clean Development Mechanism (CDM) of the Kyoto Protocol provides the countries with new opportunities to both reduce their greenhouse gas emissions and mobilize investments for attainment of MDGs and national sustainable development goals. Moreover, adaptation to climate change is yet another emerging environmental priority for the region, which requires strengthening of technical, institutional and adaptive capacities within the government, academia and key vulnerable groups.

As a result of this background, Ensuring MDG Goal 7 on Environmental Sustainability remains an outstanding challenge. Moreover given, the sustainable use of the environment can play an important role in revitalization the economies of the region and is thus inextricably linked to MDG1 on fighting Poverty and reducing the high levels of unemployment that characterise the Western Balkans. Simply put the challenge is to support environmentally friendly and socially inclusive economic growth as a cornerstone in the region's human development.

¹ Western Balkans: Albania, Bosnia and Herzegovina, Croatia, FYR Macedonia, Kosovo, Serbia and Montenegro.

In addition, the environment and the need to ensure EU standards in this field is a pivotal part of the major challenge facing the countries of the Western Balkans- European Accession. Reforming, altering and changing, legal frameworks, practices and introducing standards is going to be key in meeting the ‘*aquis communautaire*’ that forms the road to Europe.

II. Strategy

1. Project objective Given the above-mentioned environmental challenges for the Western Balkans and building on UNDP’s activities to date and expertise in this field in the Western Balkans, the project will support preparation of a Regional Environmental Report for Western Balkan countries. This initiative will also provide an effective follow-up mechanism for increased regional cooperation and exchanges in the area of the environment following the March 2006 Ministerial Summit on the Environment that has taken place in Montenegro, **funded by the Government of the Netherlands**. The Report which complements to the UNDP sub-regional programming in the areas of Environmental Governance and Capacity Building in the process of EU accession for both non-Environmental and Environmental Institutions of West Balkans, will be produced in cooperation with the European Environmental Agency (EEA). Full coordination of activities in the process of Report preparation will be also ensured with other organizations such as OECD, UNEP, REC, etc in order to have Regional Environmental report complementary to and consistent with the Pan European Assessment Report². In this way, the Report will become a regional input to the Pan-European Assessment Report³ which is to be presented at the October 2007 Belgrade Pan-European Ministerial Conference “Environment for Europe”. The project will directly contribute to MYFF Goal 3 “Energy and Environment for Sustainable Development”, Service Line 3.1. “Integrated Environmental Policies”.

The Report will be major contribution by UNDP to support capacity building of the ministries of environment, environmental institutions and other sectoral ministries in the region in line with the EU Sixth Environmental Action Programme and will focus in particular on the implementation of the environmental policies. More specifically, the report’s main objectives are to elaborate on following:

1. Importance of environment for development

- ⇒ Analyze opportunities for effective reconciliation of global environmental goals with national economic, social and environmental priorities, particularly through participation in the Clean Development Mechanism; and other mechanisms mainstreaming environmental aspects into economic and social development;
- ⇒ Provide an overview of priorities/actions to be taken for international parties to better assist Government s’ in meting the challenges of a sustainable environment that contributes to growth and joining the family of European nations and highlight concrete ways in which to develop environmentally responsible economic growth and effective social inclusion that fights poverty

2. Environmental legislation, policy instruments, capacity of the institutions and best practices

² While EEA pan-European report will be reflecting “general / factual” state of environment, there are three planned sub-regional reports focusing more on policy implications and options: European mid-term report on 6th Environmental Action Programme; OECD EECCA Environmental Strategy Progress Report; UNDP’s West Balkans Regional Environmental Report. Thus, the UNDP report would as much as possible, follow the EEA/OECD reports’ structure and focus on similar aspects.

³ Report does not necessarily have to be “integrated” into EEA report, but maybe “aligned or synchronized”; details to be determined later in the process, when it also becomes clearer in which direction EEA, OECD and other reports are heading

- ⇒ Identify outstanding gaps and actions to be taken for the implementation of existing legislation framework (key environmental Laws/strategies) on environmental protection in the West Balkans countries; practices and standards that require harmonization with EU legislation as a part of the European accession process;
- ⇒ Assess the capacity of the existing institutional environmental protection system (Ministries of Environment and Environmental Agencies) in the countries and provide recommendations for improved implementation of environmental policies;
- ⇒ Serve as a centerpiece of, and make recommendations for a public awareness campaign to highlight the responsibility of both citizens and Governments in protecting one of the regions; greatest riches- its environment.
- ⇒ Propose actions to be taken for integration of environmental concerns into the current education system

The Report will be structured in to two sections each dedicated to the objectives mentioned above. With the support of UNDP offices in the region, focal points in each countries' Ministries of Environment will be identified and will serve as main partners in the process of the report preparation. A series of consultative meetings/workshops for local NGOs/CSOs in each of the countries will be organized in order to ensure objectiveness of the Report findings.

(Annex 1 - detailed TOR for preparation of regional report).

2. Project activities and work plan

Indicative Activity	
<ul style="list-style-type: none"> - ToRs for the Project team developed, recruitment completed - Focal points identified within CO offices in the region - Focal points in the Ministries identified 	June 2006
<ul style="list-style-type: none"> - Preliminary workshop held (Ministry representatives, UNDP Focal points - Detailed outline of the Report prepared - Work plan outlined and agreed with the CO in the region and Ministries; - Methodology (-ies) for gathering/processing data for each country agreed. - Timeframe for the report preparation agreed 	July 2006-September 2006
<ul style="list-style-type: none"> - Data gathering in each of the countries, - Desk research, small scale surveys (interviews, focus groups) conducted - Capacity assessments of the countries 'environmental institutions - Data processing, and specific countries' chapters developed - First draft of the report produced 	September 2006 - December 2006
<ul style="list-style-type: none"> - Consultation process ongoing (with participation of CSOs/NGOs, Academia, etc) - Feedback received from CSO, experts, readers group, etc; - Inputs incorporated and final report prepared; - Final draft edited and prepared for printing 	January 2007 – April 2007
<ul style="list-style-type: none"> - Report printed, CDs of the Report prepared - Report launched - CDs and hard copies of the Report disseminated 	May 2007

3. Project duration: 1 year, June 2006 – May 2007

4. Risks Management

Coordination issue. In order to minimize this risk, the project needs an effective coordination mechanism throughout its implementation. This would enable all the multiply stakeholders' coherent endeavors and efficient activities' delivery. To address it, all the project's related responsibilities are to be set up in advance with a clearly defined coordination mechanisms, realistic planning and clear division of responsibilities between COs in the region. Coordination of activities between EEA , UNDP office in Montenegro and UNDP Bratislava Regional Center is essential through all phases of the report preparation

Political stability in the Western Balkans region. The political developments could overshadow activities in public life and could therefore reduce the level of engagement of citizens and Governments' counterparts in the process of preparation of the Report. Careful planning process with the Government counterparts would be advisable in this regard. Also, flexibility of adjusting the work-plan (within the given time-frame) should be considered

III. Management arrangements

1. Roles and responsibilities

Western Balkan Cluster will be responsible for oversight of this sub-regional initiative which will be implemented directly by UNDP in line with the Regional program document for 2006/10 and delegation of authority to UNDP BRC for direct execution/implementation of projects.

The project will rely on expertise and technical advice from **UNDP Bratislava Regional Center (Energy and Environment Practice)**, particularly in the key areas of mainstreaming environment into national development policies, environment and security, water governance, biodiversity, land management, access to sustainable energy services, climate change/adaptation, and carbon finance. Representative of the UNDP BRC E&E practice would be a Senior User at the Project Board.

UNDP LO in Podgorica will provide overall coordination and implementation of the project activities in partnership with the Government of Montenegro that has expressed its willingness to lead this process given its national emphasis on the Environment. **The role of the office has been outlined in the approved strategy for sub-regional programming in 2006 and also reflects a decision by the Government of the Netherlands to use UNDP Podgorica as a regional hub for their environmental activities.**

Services to be rendered by the UNDP Podgorica office will, include, but not be limited to, the following: (i) overall project management, including finances; (ii) technical backstopping at national and regional levels; (iii) recruitment of international and local experts, (v) organization of regional workshops and consultations; and (vi) providing for M&E of the project in accordance with UNDP rules and procedures. UNDP Podgorica Office should identify a Project Manager as a focal point within its staff for the coordination of the activities and recruit necessary staff for project implementation; this cost should be born by the budget. Project Manager would report to UNDP Serbia and Montenegro DRR/Head of UNDP LO in Podgorica, who will perform the function of the Project Executive in the Project Board.

UNDP Offices in Western Balkans (Albania, Croatia, Bosnia and Herzegovina, Macedonia, Kosovo, Serbia and Montenegro) will support implementation of the project and focal points in each office should be identified for the coordination of activities in each of the locations, respectively. A peer-review group will be established to control the quality of the report.

2. Financing

UNDP Bratislava Regional Centre will establish regional project in Atlas and allocate USD 150.000 from the regional TRAC funds from the sub-regional allocation. UNDP BRC would authorize UNDP LO in Podgorica to perform financial management of the USD 150K TRAC allocation. The project implementation support costs would be recovered based on applicable ISS rates according to UNDP financial rules and regulations.

Additional funding in the amount of approximately 150,000\$ is expected from the Government of the Netherlands. Thus, the regional project Atlas structure would include the TRAC part with a project under BRC (SVK10) and non-core part project under UNDP LO in Podgoritca (YUG10). UNDP LO in Podgoritca will enter into cost-sharing agreement(s) with the project donors and would manage donor contributions directly.

IV. Monitoring and evaluation

In accordance with UNDP rules and regulations, UNDP Podgorica office will monitor and evaluate the outputs and the project outcome referring to the data (time frame, indicators) stated in the - *Work Plan and the Budget of the Support to Environment and Energy Practice Development in RBEC*, and in the *Results and Resources Framework* (below in the document). A project progress report will be prepared by the project manager and submitted to the Project Board on a quarterly basis. UNDP RBEC Cluster Manager will play the role of the Senior Supplier at the Project Outcome Board. A project final report would be prepared within 3 months upon the project completion.

V. Legal Context

This regional project document shall be the instrument referred to as such in Article I of the Standard Basic Assistance Agreement (SBAA) between the Governments participating and the United Nations Development Programme.

PROJECT RESULTS AND RESOURCES FRAMEWORK

<p>Intended outcome as stated in the Country Results Framework: Increased awareness of the main environmental challenges and most appropriate policy options addressed by Environmental protections institutions in the Western Balkan countries. Institutions capacities strengthened in order to meet EU accession requirements</p>			
<p>Applicable MYFF Service Line: Energy and Environment for Sustainable Development; <u>Service Line 3.1</u>, Integrated Environmental Policies.</p>			
<p>Project title and ID: Project title: Western Balkans Regional environmental Report</p>			
Intended Outputs and Output Indicators	Baseline/Yearly targets	Indicative activities	Inputs
<p><u>Output</u> Capacity Building needs of the ministries of environment, environmental institutions and other sectoral ministries in the West Balkans countries identified, focusing in particular on the implementation of the environmental policies and gaps for the implementation of existing legislation framework, in line with EU accession process, identified</p> <p><u>Indicators:</u> Recommendations for the improved implementation of the environmental policies provided.</p> <p>Specific actions to be taken by environmental institutions in meeting the challenges of environmentally responsible economic growth and effective social inclusion, outlined in the report</p> <p>Gaps for the implementation of existing legislation framework on environmental protection in the West Balkans countries</p>	<p>Governments have not been able to respond to demands of the transformation to a free market, which resulted in excessive use and devastation of natural resources</p> <p>Current environmental protection legislative framework is deficient accompanied with the poor reinforcement and implementation of newly adopted laws,</p> <p>Institutional capacity of the countries to meet EU accession requirements is weak mainly due to incompetent administration system and lack of strategic coordination among environmental institutions</p> <p>Environmental information and monitoring systems are</p>	<p><u>1. Preparatory framework development</u> 1.1 ToRs for the Project team developed, recruitment completed 1.2 Focal points identified within CO offices in the region 1.3 Focal points in the Ministries identified 1.4 Preliminary workshop held (Ministry representatives, UNDP Focal points 1.5 Detailed outline of the Report prepared 1.6 Work plan outlined and agreed with the CO in the region and Ministries; 1.7 Methodology (-ies) for gathering/processing data for each respective country agreed. 1.8 Timeframe for the report preparation agreed</p>	59,190 USD
		<p><u>2. Data collection & Report preparation</u> 2.1 Data gathering in each of the countries, 2.2 Desk research, small scale surveys (interviews, focus groups) conducted 2.3 Capacity assessments of the countries 'environmental institutions 2.4 Data processing, and specific countries' chapters developed 2.5 First draft of the report produced</p>	149,672 USD

<p>identified, recommendations provided in the Report</p> <p>Recommendations for harmonization of local environmental legislation with EU provided in the Report</p> <p>Level of understanding of the importance of integrating environmental policies in the development strategies increased, especially In terms of increased financing of environmental policies</p> <p>Baseline indicators for the effective monitoring of implementation environmental policies developed in the Report</p>	<p>monitoring systems are underdeveloped and do not represent a reliable basis for monitoring and decision-making.</p> <p><u>2006 Target:</u> Relevant Environmental Institutions of the Western Balkans Countries, CSOs, and UNDP offices included in the process of Report preparation. Data gathered and processed, first draft of the Report produced.</p> <p><u>2007 Target</u> Regional Environmental Report prepared, printed and distributed to end users. Report serves as a advocacy tool for integration of environmental concerns in the countries' development policies/actions</p>	<p><u>3. Consultation process, report printing and dissemination</u></p> <p>3.1 Consultation process ongoing (with participation of local CSOs/NGOs, Academia, etc)</p> <p>3.2 Feedback received from CSO, experts, readers group, etc;</p> <p>3.3 Inputs incorporated and final report prepared;</p> <p>3.4 Final draft edited and prepared for printing</p> <p>3.5 Report printed, CDs of the Report prepared</p> <p>3.6 Report launched</p> <p>3.7 CDs and hard copies of the Report disseminated</p>	<p>91,139 USD</p>
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ANNUAL WORK PLAN

Title of the project: Western Balkan Regional Environmental Report
Project execution modality: DEX
Project duration: June 2006 – May 2007

Annual Work Plan 2006

EXPECTED OUTPUTS & MONITORING ACTIVITIES		TIMEFRAME				RESP. PARTY	PLANNED BUDGET					
		Q1	Q2	Q3	Q4		FUND ID	DONOR ID	Budget code	BRC	Other donor	Total
Capacity Building needs of the ministries of environment, environmental institutions and other sectoral ministries in the West Balkans countries identified, focusing in particular on the implementation of the environmental policies and gaps for the implementation of existing legislation framework, in line with EU accession process, identified	<u>1. Preparatory framework development</u>			x	x	UNDP Office Podgorica	4200	12	72100 – Contractual services	0	10,000	10,000
					x		71300 - Local Consultants	10,000	0	10,000		
				x	x		71600 – Travel	4,000	0	4,000		
				x	x		71200 - International Consultants	15,000	0	15,000		
				x	x		71400 – UNDP Personnel	15,000	0	15,000		
				x			72200 - Equipment	1,500	0	1,500		
				x	x		73100-Common services (CR)	1,500	1,500	3,000		
				x	x		75100 - GMS	0	690	690		
	Sub-total Activity1								47,000	12,190	59,190	
	<u>2. Data collection & Report preparation</u>			x	x	UNDP Office Podgorica	4200	12	72100 – Contractual services	0	41,200	41,200
				x	x		71300 - Local Consultants	23,500	16,500	40,000		
				x	x		71600 – Travel	3,000	1,000	4,000		
					x		71200 - International Consultants	10,000	25,500	35,500		
				x	x		71400 – UNDP Personnel	15,000		15,000		
					x		74200 - Audio Visual & Print Prod Costs	0	5,500	5,500		
			x	x	73100-Common services (CR)		1,500	1,500	3,000			
			x	x	75100 - GMS		0	5,472	5,472			
Sub-total Activity2								53,000	96,672	149,672		
TOTAL 2006								100,000	108,862	208,862		

Annual Work Plan 2007

EXPECTED OUTPUTS & MONITORING ACTIVITIES		TIMEFRAME				RESP. PARTY	PLANNED BUDGET					
		Q1	Q2	Q3	Q4-		FUND ID	DONOR ID	Budget code	BRC	Other donor	Total
		Capacity Building needs of the ministries of environment, environmental institutions and other sectoral ministries in the West Balkans countries identified, focusing in particular on the implementation of the environmental policies and gaps for the implementation of existing legislation framework, in line with EU accession process, identified	3. Consultation process, report printing and dissemination	x	x				UNDP Podgorica Office	4200	12	71600 – Travel
		x	x					72100 – Contractual services		0	10,500	10,500
			x					74200 - Audio Visual & Print		40,000	0	40,000
		x	x					71200 - International Consultants		0	10,500	10,500
		x	x					71400 – UNDP Personnel		8,000	12,210	20,210
		x	x					73100-Common services		2,000	2,000	4,000
								75100 - GMS		0	2,329	2,329
Sub-total Activity3									50,000	41,139	91,139	
TOTAL 2007									50,000	41,139	91,139	
GRAND TOTAL									150,000	150,001	300,001	

Annex: Terms of Reference

Regional Environmental Report

Background

The war and collapse of former Yugoslavia accompanied with uncertainties in the process and economic reforms resulted in the sharp decline of economic activity, dramatic increase of unemployment and poverty⁴ rates and rapid decrease of Human Development Index (HDI)⁵ in all Western Balkans⁶ countries. Undoubtedly, deep economic, social and political crisis largely contributed towards further degradation of the region's extremely rich natural environment. Fortunately, with the restoration of peace, democracy and stability in the region protection of the environment is becoming an emerging priority and gradually environmental protection is evolving alongside economic development.

In general, it could be said that environmental situation in the region is rather challenging. For nearly half a century the environmental quality is being impaired by the old-fashioned (natural) resources-based and to large extent unregulated (in terms of environmental protection) industrial activity. Furthermore, in the period of transition, governments have not been able to respond to the changes that have occurred and the demands of the transformation to a free market, which to large extent resulted in high pressure on biodiversity and excessive use and devastation of natural resources. (such as space, land, water, forests)⁷. High level of energy consumption/low energy efficiency is notable across the region, while increasing air pollution, lack of proper waste disposal and sewage system remain on of the biggest challenges in the Balkans⁸. Adequate control/monitoring mechanisms are lacking.

Deficient legislative framework accompanied with the poor reinforcement and implementation of newly adopted laws, insufficient institutional capacity, incompetent administration system and lack of strategic coordination among environmental institutions and between them and other institutions (often seen as legacy of communist system), characterize the present environmental protection systems in the Balkan countries. Existing institutional frameworks remain unable to address environmental issues in effective manner and still represent powerful force for the preservation of the 'old communist system' acting as agent of resistance instead of being agent of change. In addition information and monitoring systems are

⁴ Unemployment is very high in almost all countries across the region reaching up to 44% In Kosovo around 30% in Montenegro. Similar with poverty rates; Kosovo 47%, Montenegro 12%, Serbia 12% (source Human Development Reports)

⁵ HDI for 2004 in Montenegro was 0.799 which is at the level of HDI in 1991; at the beginning of political and economic crisis in the region, Similar in all other countries in the Balkans

⁶ Western Balkans: Croatia, Serbia, Bosnia and Herzegovina, Kosovo, Albania, Montenegro and FYR Macedonia

⁷ About 1 million hectares of agricultural land—about one-third of all agricultural land in private ownership—is exposed to acidification in Serbia and Montenegro (source: Stuck in the Past Energy, Report on environment and poverty in Serbia and Montenegro, UNDP). Forest fires (95 percent caused by humans) destroy about 3,200 ha of forests every year in Macedonia. According some researches the annual loss of agricultural land as a result of urbanization is as high as 0.5 percent of the total area; also about 30,000-80,000 ha is irrigated that could be defined as vulnerable in respect of salinization and land degradation (source NCSA for global Environment Management UNDP Macedonia, 2005).

⁸ Only 2/3 of total urban and rural population in Kosovo has access to the sewage system. In Macedonia, the total Green House Gas (GHG) emissions in 1998 amount to 15,08million tones CO₂-eq, out of which over 74 percent come from the energy sector, followed by agriculture (10 percent), waste (8 percent) and industrial processes (7 percent). The contribution of CO₂ to the total GHG equivalent emissions is the highest, about 66 percent, while the share of CH₄ and N₂O is 25 percent and 9 percent respectively (source NCSA for global Environment Management UNDP Macedonia, 2005).

underdeveloped, do not represent a reliable basis for monitoring and decision-making. Financing of the sector is insufficient, since governments' spending for environmental protection programs in the region is extremely low⁹. Present mechanisms for public participation in environmental decision-making are inadequate and yet to be developed.

Although most of the Western Balkan countries ratified major international environmental conventions, such as the Convention on Biodiversity and the UN Framework Convention on Climate Change (UNFCCC), their practical implementation remains extremely low due to the weak governmental capacities and inability to effectively reconcile global environmental goals with the national environmental and developmental priorities. In this regard, participation in the Clean Development Mechanism (CDM) of the Kyoto Protocol provides the countries with new opportunities to both reduce their greenhouse gas emissions and mobilize investments for attainment of MDGs and national sustainable development goals. Moreover, adaptation to climate change is yet another emerging environmental priority for the region, which requires strengthening of technical, institutional and adaptive capacities within the government, academia and key vulnerable groups.

As a result of this background, Ensuring MDG Goal 7 on Environmental Sustainability remains an outstanding challenge. Moreover given, the sustainable use of the environment can play an important role in revitalization the economies of the region and is thus inextricably linked to MDG1 on fighting Poverty and reducing the high levels of unemployment that characterize the Western Balkans. Simply put the challenge is to support environmentally friendly and socially inclusive economic growth as a cornerstone in the region's human development.

The European Dimension

In addition, the environment and the need to ensure EU standards in this field is a pivotal part of the major challenge facing the countries of the Western Balkans- European Accession. Reforming, altering and changing, legal frameworks, practices and introducing standards is going to be key in meeting the 'acquis communautaire' that forms the road to Europe.

Rationale and objectives:

UNDP is the UN's global development network coordinates global and national efforts to reach Millennium Development Goals, helping countries build and share solutions to the challenges of: democratic governance, poverty reduction, crisis prevention and recovery, energy and environment and HIV/AIDS. Moreover, in the case of the Western Balkans, UNDP also strongly supports the priority attached to European Accession at the best guarantor of long-term peace, development and stability in the region.

Given the challenge of the environment for the Western Balkans in terms of human development, the MDGs and European Accession, and building on its activities to date and expertise in this field in the Western Balkans, UNDP has decided to prepare a Regional Environmental Report, also in view of the planned Pan-European Ministerial Conference¹⁰ "Environment for Europe" to be held in Belgrade, November 2007. This initiative will also provide an effective follow-up mechanism for increased regional

⁹ Government spending for environmental protection in Montenegro accounts for less than 0.1% of GDP (source MDG Report, Montenegro);

¹⁰ While EEA pan-European report will be reflecting "general / factual" state of environment, there are three planned sub-regional reports focusing more on policy implications and options: European mid-term report on 6th Environmental Action Programme; OECD EECCA Environmental Strategy Progress Report; UNDP's West Balkans Regional Environmental Report. Thus, the UNDP report would as much as possible, follow the EEA/OECD reports' structure and focus on similar aspects.

cooperation and exchanges in the area of the environment following the March 2006 Ministerial Summit on the Environment that has take place in Podgorica, Montenegro. As such, the reports main objectives are to:

1. Importance of environment for development
 - Provide an overview of priorities for international parties to better assist Government s' in meting the challenges of a sustainable environment that contributes to growth and joining the family of European nations.
 - Highlight concrete ways in which to develop environmentally responsible economic growth and effective social inclusion that fights poverty;
 - Explore opportunities for effective reconciliation of global environmental goals with national economic, social and environmental priorities, particularly through participation in the Clean Development Mechanism; and other environmental relevant mechanisms
2. Environmental legislation, policy instruments, capacity of the institutions and best practices
 - Identify outstanding gaps and actions to be taken for the improved implementation of existing legislation framework (key environmental Laws/strategies) on environmental protection in the West Balkans countries; practices and standards that require harmonization with EU legislation as a part of the European accession process.
 - Assess the capacity of the existing institutional environmental protection system in the countries and provide recommendations for improved implementation of environmental policies; main focus should be on the analysis and evaluation of the status of integration of environmental concerns into other sectoral policies, as this is the crucial point to support implementation of any kind of national environmental policies, plans, programmes. Attention therefore should be paid to:
 - Capacity building needs for inter-sectoral institutions (not the environmental institutions, only)
 - Role of environmental institutions in environmental mainstreaming
 - Level of inter-sectoral (inter-ministerial) cooperation and position of environmental ministries in it;
 - Status of implementation of different instruments for environmental mainstreaming; such as Strategic Environmental Assessment (SEA); different economic instruments; cleaner production; environmental management systems; etc; and needs for application of such tools in terms of legal framework and capacity building;
 - Serve as a centerpiece of and develop recommendations for a public awareness campaign to highlight the responsibility of both citizens and Governments in protecting one of the regions; greatest riches- its environment.

Given that a number of Balkan countries have initiated National Capacity Self-Assessment (NCSA) processes (Albania reached mid point of NCSA implementation, FYR Macedonia – completed; and Serbia and Montenegro is at very early stage of NCSA implementation). It is believed that NCSA may largely benefit from the analytical work of the Regional Environmental Report whereas NCSA can offer an access to a wide network of national experts and institutions that are part of this consultation process.

In essence, the report should serve also to further the principles of the Paris Declaration on improved Donor Coordination and Harmonisation by highlighting the key areas around which assistance is most needed and will therefore most assist bringing the region's Environment in conformity with the EU accession process.

The report should specifically cover the areas relevant to:

- Capacity of governmental institutions to implement (ratified) international conventions, and to mainstream environmental aspects into other governmental sectors;

- Mechanisms for sustainable management of natural resources;
- Improvements of the environmental management system efficiency: preservation of a good-quality resource base for a country's long-term development; reinforcement of the legislation
- Strengthening of the environmental monitoring system, regular data processing, availability and exchange;
- Application of environmental management and policy tools: current status and the way forward in line with EU's existing policies and best practices from new EU member states
- Meeting/respecting environmental standards in privatization of public companies,
- Strategies for reduction of unemployment in poorest communities of the Balkan region, which are in line with sustainable use of natural resources
- Actions to be taken in regard to: energy-efficiency, integrated land and water resources management(including spatial planning), biodiversity,
- Economic and technical potential and capacity needs for participation in the carbon market mechanisms, such as CDM
- Regional cooperation and environmental protection (e.g. in shared River Basins or important ecosystems),
- Identify key areas that constitute common challenges for all the countries in terms of meeting the "acquis communautaire" with a view to improving cooperation, coordination and targeted international assistance.

The report should provide best practices from the new member states on the issue related to improved environmental protection. Particular attention should be paid on the best practices related to social inclusion and balanced economic growth and its reflection on HDIs.

Methodology

- Project management and coordination and delivery will be responsibility of UNDP Office in Podgorica in partnership with the Government of Montenegro that has expressed its willingness to lead this process given its national emphasis on the Environment;
- UNDP Podgorica Office should identify a focal point within its staff for the coordination of the activities and recruit necessary staff for project implementation; this cost should be born by the budget
- Focal points in each CO in the region should identify focal points for the coordination of activities in each of the countries, respectively.
- A reader group will be established to control the quality of the report.
- Coordination of activities among EAA and UNDP must be ensured throughout all stages of the Report development

Activities

- UNDP C)'s Focal points identified, recruitment completed, work plan outlined and agreed with the CO in the region, EEA national focal points contacted and commencement of operations timeframe: end of June 2006
- Preliminary workshop to be held in Podgorica. COs focal points will share their experiences, and agree on the methodology (ies) for gathering/processing data for each respective country. Timeframe for the report preparation to be agreed. Timeframe: end of July 2006
- Data gathering, data processing, first draft of the report produced: Timeframe end of November 2006.
- Consultation process ongoing, feedback received from CSO, experts, peer review group, etc. Timeframe: end of February 2007
- Inputs incorporated and final report prepared: Timeframe April 2007
- Report printed and launched; Timeframe: end of May 2007

Deliverables

Deliverables	Responsibility	Time-frame
Work plan for the Report preparation agreed with the UNDP offices	UNDP Focal points /consultant	June 2006
Preliminary workshop held, Report table of content annotated	Consultant	July 2006
First draft of the Report produced	Consultant	November 2006
Consultation process ongoing Feedback from CSO's, local experts, readers group received	UNDP Focal points	February 2007
Inputs incorporated and final report prepared	Consultant	April 2007
Report printed and launched	UNDP Focal points	May 2007

Payment Modalities

All payments to consultants and/or other contracted legal entity shall be done only after delivery of all outputs and approval by UNDP

Minimum qualifications

1. Project manager

- Relevant university or post-graduate degree in Environment, Economic, Social or Political Sciences,
- Extensive experience in preparation of environmental governance and socio-political analysis and researches, experience in coordinating development projects ideally in the West Balkans region
- Knowledge of (pre) EU accession process and Environmental governance issues in the Balkans
- Experience in gathering and coordinating a qualified multi-disciplinary team of experts
- Excellent Communicator and Mentor
- Excellent South Slavic (Croatian, Serbian, Bosnian, etc) and/or Albanian language written and oral skills a must
- Fluency in English a must

2. Consultant

- At least an advanced degree in Environment, Economic, or Social Sciences,
- Extensive experience in preparation of environmental governance and socio-political reports and assessments,
- Working experiences on Environmental governance issues in the Balkans, familiar with EU
- Excellent Communicator; excellent English language writing skills, Fluency in English a must
- South Slavic (Croatian, Serbian, Bosnian, etc) and/or Albanian language written and oral skills (desirable)