

THE CAPACITY DEVELOPMENT PROGRAMME

**“Strengthening Capacities of the Ministry of Environmental Protection and Physical Planning
to Deal with Problems of Environmental Management”**

Project Progress Report

September 2005 - January 2006

Submitted to:

The Netherlands Embassy in Belgrade

Submitted by:

**The Project Management Team
UNDP Liaison Office in Podgorica, Montenegro**

Podgorica, January 30th 2006

SUMMARY PROJECT INFORMATION:

- **Title:** “Strengthening Capacities of the Ministry of Environmental Protection and Physical Planning to Deal with Problems of Environmental Management”
- **Thematic Area:** Institutional Development
- **Executing Agency:** The Capacity Development Programme
- **Location:** Montenegro/Serbia and Montenegro
- **Duration:** August 15th 2005 – June 15th 2006
- **Total Budget:** \$462, 507.50 USD

PART A – PROJECT DESCRIPTION

A.1 Development problems to be addressed:

Being aware that environmental problems are inherently cross cutting and cannot be effectively dealt with from separate policy compartments, on 20th December 1991 the Parliament of Montenegro adopted a Declaration on Montenegro as an Ecological State¹. During the past 14 years, mainly because of conflicts and instability in the region, neither a concrete program has been drawn up, nor have wide measures been taken to implement this decision. Montenegro's rich natural environment, already under pressure from decades of urban and industrial pollution, became increasingly degraded.

Generally, Government's intention towards sustainable environmental management shows considerable advancement in terms of legislation and institutional arrangements but rather modest progress in terms of implementation. While some elements of environmental management system are in place, the system has major deficiencies including lack of publicly available and valid environmental data, poor enforcement of legislation, lack of clarity regarding monitoring responsibilities, poor management practices, as well as fragmented nature protection legislation not providing for EU accession criteria. The prime responsibility for this situation lies with institutional structures, which are fragile and facing many capacity challenges.

The Montenegrin MEPP is evidently overloaded with wide variety of responsibilities and significantly under-resourced². Organization design of the Ministry lacks an accurate identification and interpretation of key strategies to be followed and plays a minimal role in the critical areas of government policy and strategy, let alone the lack of an effective mechanisms for management, inadequate technology, lack of information, and poor documentation system. Additionally, the roles, relationship, boundaries and linkages between MEPP and other ministries and state agencies having considerable degree of environmental authority are ambiguous and not clearly delineated.

Because of these reasons, implementation/enforcement of new legislation is rather slow and Montenegro cannot fully utilize the benefits of increased regional cooperation and upcoming Stabilization and Association Process³. Therefore, far-reaching capacity development measures in MEPP are required including comprehensive analysis of its functions and capacities, definition of

¹ According to this declaration Montenegro is “establishing a state relationship with nature and calls upon all citizens, irrespective of their national, religious, political and other beliefs, to protect the identity of the surroundings in which we live in the name of their own survival and the survival of their descendants.»

² Participation of MEPP in the state budget is less than 1 %

³ In the past few years, Montenegro has entered a number of important international, regional and bi-lateral initiatives including Trans boundary Diagnostic Analyses for Skadar Lake (supported of the World Bank), Adriatic Initiative for coastal management/ seawater protection, Stability Pact for South-Eastern Europe, the Regional Environmental Reconstruction Programme (REReP), Mediterranean Action Plan (supported by UNEP), etc.

priorities and modernization of its administration and operation abilities, taking into account the principles of professionalism and the stability of institutions.

Objectives of the project: Project is addressing some of the most pressing capacity gaps of environmental management in Montenegro in the context of regional cooperation and EU integration. Therefore, it aims to assist the Ministry of Environment and Physical Planning to develop structures, strategies, human resources, and management skills needed to strengthen its policy, regulatory and administrative capacity to be able to fully adopt, implement and comply with the EU Acquis.

A.2 Project partners

The project has been implemented as part of broader Capacity Development Programme – a joint initiative of Government of Montenegro, UNDP Liaison Office in Podgorica and Foundation Open Society Institute.

The CDP *Executive Committee*⁴ have ultimate responsibility for management, assisted by the CDP's *Programme Management Unit*, and answerable to the *Supervisory Board* composed representatives of government and donors and chaired by the Deputy Prime Minister.

Expert consultants provided by the project participate in the *Technical Advisory Group* established to assist management of the CDP under the leadership of a CDP Programme Manager. The Minister of Environment Protection and Physical planning is responsible for coordination of government inputs through CDP Executive Committee.

PART B. - PROGRESS TOWARDS THE ACHIEVEMENT OF RESULTS (September 2005 - January 2006):

B. I Project preparation phase

As soon as the main components of the project were agreed between UNDP and the donor a regional Expert Consultant was recruited to assist the project management team in defining the project implementation action plan (including indicators and benchmarks) and provide recommendations leading to coordination and coherence with other donors projects in this filed. Following the signing⁵ of the Cost Sharing Agreement and the relevant project document of the Minister has appointed a senior civil servant to coordinate the Ministry inputs as well as coordinate all project activities within the Ministry, while efficient coordination mechanisms has been agreed with European Agency for Reconstruction (EAR) and their implementing partners. It was agreed that the institutional review of the Ministry of Environmental Protection and Physical Planning (MEPP) would be considered as a direct input for the establishment of the Environmental Protection Agency, through EAR project. Parallel to these activities the CDP Executive Committee has approved management arrangements, monitoring and reporting mechanisms (including to government and donors) and ensured coordination with other projects within CDP portfolio, especially those dealing with the European integration process.

B.II Progress towards achievement of outputs

Output 1: More efficient and effective MEPP structure

The reform of the MEPP has begun with a thorough review of the existing structure conducted during the period October – December 2005. A Working Group has been instituted by the Minister under the governorship of General Secretary of the Ministry, and comprises senior civil servant in the Ministry –

⁴ The Executive Committee is chaired by the Minister of International Economic Relations and European Integration and composed of representatives of UNDP and FOSI-ROM, and will be joined by the Minister of MEPP

⁵ Please see attach: Project document signing – media coverage

General Secretary, Deputy Ministers and Senior Advisors from all five Ministry sectors (1.Environment Protection; 2.Housing and Communal Affairs; 3.Urbanism and Construction; 4.Physical Planning; and 5.Inspection and Enforcement), along with a Republican Environmental Inspector.

The Working Group has been assisted by an regional (Slovenian) Institutional and Policy Expert, and team of national consultants, and have undertaken thorough review of the existing organisation and operational arrangements within the Ministry, including in-depth individual interviews with all senior MEPP staff and review of the key documents (Ministry Systematisation, Government Action Plan, Ministry Action Plan, laws and regulations, etc.) in order to identify potential capacity gaps and suggest areas of improvement.

Institutional Analysis Report⁶ has been prepared, presented to the Minister and members of the Working Group, whose suggestions and comments have been incorporated, and finalised.

Based on an Institutional Analysis Report, the working group, with assistance of the Institutional and Policy Expert, has prepared a Policy Paper⁷ comprising of future vision and organisation of the MEPP (based on comprehensive comparative study of the Ministries of Environment from the EU member states). The plan of twining and study tours (Slovenia and Brussels), including institutions to be visited (as well as establishing contacts with those institutions), people that will be responsible, composition of the groups, and respective time lines is in preparation process. Regional cooperation has been identified as one of the priority areas, as well as further review of the Ministry responsibilities in line with upcoming obligations related to EU integration.

The institutional review exercise has been used to open up many questions that are considered difficult in the Ministry, especially those considered with mission and objective, organisational matters and HR management. The most senior staff in the Ministry, including the Minister himself, discussed the problems openly and jointly decided on the future steps in the reform process. This resulted in very concrete actions in terms of creating more efficient and effective ministry structure such as: identifying/advertising three new posts in the Ministry (recruitment though government central HR Agency is underway): HR Manager, Budget Manager and Communication Manager, plan for restructuring the Ministry sectors (to be implemented in two phases: before the parliamentary elections and after the elections), defining training priorities and formulate a training action plan, as well as identify policy areas where capacity strengthening is urgently needed.

The institutional analyses identify needs for organization of set of trainings to build up the effective and efficient organization of the Ministry. The training "Communication and Time Management"⁸ is the first organized training. The training was focused on general theories of communication and time management, with special emphasis on the processes that disturb successful communication, with the communication model and alternatives in communication, taking into consideration the factors that affect the recipient and sender of information. The other planned training will be organized during the February – May 2006.

Output 2: Improved MEPP operational system:

The aim is to reinforce the institutional and administrative capacities of the MEPP and modernize its administration and management structures by establishing cooperation, integration and an exchange of the know-how. To this end the project has supported the cooperation with Slovenian Ministry of Environment, Regional Environmental Center as well as numerous Public /Private institutes. Contact has been established with EU DG Environment in an effort to establish informal communication/links with the Montenegrin Ministry, as well as organize a study visit for senior Ministry staff. The priority areas for cooperation/intervention have been defined by the institutional analysis exercise.

Although the major activities regarding the regional cooperation and partnership are planed for the period February – May 2006 some important results have already been achieved. Namely, during the

⁶ Please see attach: Institutional Analysis Report

⁷ Please see attach: Policy paper

⁸ Please see attach: Communication and Time Management (Agenda, PP presentation and Curriculum)

discussions on the progress of institutional analysis, it was concluded that the Construction Sector within the Ministry lacks significant capacity to manage the processes within this area, which has resulted in a rather chaotic situation in this field. In this regard, the project has assisted in establishing cooperation with DDC (Druzba za svetovanje in inzenering) resulting in engagement of the a regional Expert to produce an assessment and analysis of the situation in Montenegro and provide examples of best practices in the region regarding the placement and function of the Construction Sector responsibility over which currently resides with the Ministry. The expert consulted was engaged in December 2005, and his report⁹ was a direct input into the Government decision to commence work on Programme for Construction Sector Reform in the first quarter of 2006. During the coming period the project will provide policy assistance in order to successfully complete this task.

In order to strengthen regional cooperation, integration and an exchange of the know-how the project is supporting the Ministry, to organise a Ministerial conference on “Environmental Management in the Context of European Integrations”. Conference will be held at the end of March 2006 (26th to 28th of March) in Hotel ‘Maestral’, Sveti Stefan, Republic of Montenegro.

Main objective of the Conference will be to strengthen a dialogue on the ministry and donor levels for joint regional environmental management in the framework of sustainable development and European integration More specifically the conference will:

1. Provide an open forum for the exchange of views on sustainable development in the region in the context of the European Integration.
2. Exchange information on good practices and lessons learned in the environmental management and sustainable development on the regional level.
3. Identify needs and actions for institutional strengthening and public administration reform for sustainable environmental management on the regional level

Eminent experts in the field of environment, agriculture, tourism and economy will be invited to take active part in the Conference as presenters. Conference is expected to have as participants Ministers of Environmental Protection, Agriculture and Tourism from Slovenia, Croatia, Bosnia and Herzegovina, Serbia, Montenegro, Albania, FYR Macedonia, and UN Administered Province of Kosovo (Serbia and Montenegro), donors from Netherlands, Austria, Germany, Japan, Spain, Finland, Sweden and Norway, as well as high representatives of international organisations, including World Bank, United Nations Development Programme (UNDP), United Nations Educational, Scientific and Cultural Organisation (UNESCO), United Nations Environment Programme (UNEP), European Agency for Reconstruction, and International Union for the Conservation of Nature and Natural Resources (IUCN), along with European Commission, Stability Pact for South Eastern Europe, Regional Environmental Centre for Central and Eastern Europe, and Rockefeller Brothers Fund.

Preliminary invitation letters for the Conference have been sent in December 2005 to potential attendees and participants. UNDP Country Offices in the neighbouring countries have been contacted and are now linked together, helping out with the background information, contacts with the respective Ministries, and all other necessary details. UNDP Regional Bureau for Europe and the Commonwealth of Independent States Headquarters in New York are providing back-up and are working together with project team to identify speakers and presenters and define the Agenda.

Mrs. Camelia Georgieva International Expert, has been engaged to aid the CDP in completing the Agenda, which will be forwarded along with the formal letters to all that have expressed the interest in attending the Conference.

Organisational activities for the Conference are in progress. CDP team has already agreed to engage Mr Sasa Radovic as an Event Coordinator who would ensure professional and efficient organisation of necessary details.

⁹ Please see attach: Report on Construction sector-assessment and analysis of the situation in Montenegro

Output 3: Strengthened Public Information, IT system and documentation management

The aim is to inform the citizens of Montenegro in transparent and open way regarding the Ministry of Environment but also the challenges of building an ecological state in order to understand the sustainable environmental management concepts and be able to implement them. To this end, the project has developed and implemented a comprehensive public awareness/information campaign, using electronic and written media and local NGO.

In October 2005, tender was launched for the public information campaign, after which closing the Evaluation Committee awarded to contract to the local Production House. After approval of the TV clips¹⁰ by the members of the Working Group, the media campaign started on main TV stations in Montenegro. The campaign went on for 2 weeks in December and 2 weeks in January. Together with the media campaign, billboards¹¹ containing logo of the campaign and logos of the donors and implementing agencies of the projects have been placed for a month in 5 major Montenegrin cities (Podgorica, Niksic, Budva, Herceg Novi, Bijelo Polje). Currently, preparations are underway for organisation of the thematic TV debates, as well as round tables and discussion forums on the specific issues.

In order to promote sound environmental management on the local level (by small demonstration/public information projects) and sustainable way of living by individuals and communities, tender for the NGO Small Grants has been launched in October 2005. The intention was to support a number of NGOs, active in the field of environmental protection, whose projects would be complementary with public information campaign. Preferences have been given to NGOs working on cross-border/regional cooperation in the area of environmental management. Following individual grading and three detailed meetings, the Evaluation Committee (consisting of representatives of UNDP, FOSI, Ministry, and EAR) has decided to award grants to the following NGOs:

- 1) Educo Centre – project “Natura 2000 – Protected Natural Areas in Pictures and Words”
- 2) Zeleni Crne Gore (The Greens of Montenegro) – project “Ecological Montenegro in the Eyes of the Children”
- 3) Association of Young Ecologists of Niksic – project “Recycling in Service Protection of the Environment”;
- 4) Green Home – project “Sustainable Development – Mountain Prokletije”;
- 5) Health Food Production – “Ecologic Farm Our Beauty”

The NGO Greens of Montenegro finished the Project¹². The project had aim to contribute the development of the children’s ecological way of thinking by involving them into organization of an exhibition of drawings/ paintings with ecological themes and creation of a calendar of the best work selected. The other projects are still in implementation.

ICT Analysis of the Ministry has been completed, identifying the capacity gaps in the domain of information management, as well as ICT as a whole. Recommendations and findings have suggested the optimal way to improve communications, information management and the efficiency of work practice within the Ministry, as well as pointed what kind of information system should be used, what is the necessary hardware and software that should be acquired, and what kind of specialised training courses should be organised for the staff of the Ministry. The national ICT Expert’s report outlined necessary segments of ICT activities that need to take place, including: a) provision of the equipment for the Ministry; b) staff training in using ICT; and c) actions that would encourage and support Ministry staff to use ICT in their daily work.

In light of these recommendations, two tenders have been launched – 1) procurement of ICT equipment and 2) ICT courses for the Ministry staff. After the official closing of the first tender in November 2005, the Evaluation Committee awarded the contract to computer firm “Cikom”. Press

¹⁰ Please see attach: Public Awareness Information Campaign: TV Clip

¹¹ Please see attach: Public Awareness Information Campaign: Billboard

¹² Please see attach: Calendar for 2006

conference¹³ was held in December 2005 in order to inform the wider public about the IT equipment procured for the Ministry. Mr. Boro Vucinic, Minister of Environmental Protection and Physical Planning, Mr. Garret Tankosic-Kelly, UNDP Deputy Resident Representative for Serbia and Montenegro, and other guests were present. The event received high media coverage and the donor (the Netherlands Embassy in Belgrade) received high recognition.

Tender for basic and advanced IT courses for the Ministry staff (total – 52 people) officially closed in January 2006. Courses will commence in February 2006 and go on for two months.

B.III Contribution to MDGs

The Millennium Development Goals (MDGs) are an ambitious agenda for reducing poverty and improving people lives that world leaders agreed on at the Millennium Summit in September 2000. This project directly contributes to MDG goal 7: **Ensure environmental sustainability** by integrating the principles of sustainable development into national policies and programmes. The project also contributes to development of a global partnership for development, of which the accession to EU and the WTO are one of the countries main strategic priorities. The project ultimately prepares the grounds for good governance and economic development, thus reducing poverty and inequality.

PART C - PROJECT FINANCES:

C.1 Donor contribution received

The first installment in amount of \$370,000 from the Government of the Netherlands was received on 1st of September 2005.

C.2 Disbursements against received donor contributions (as of January 1, 2006)

EXPENDITURES (as of January 1, 2006)	
ACTIVITY DESCRIPTION	AMOUNT (USD)
Regional Consultants	17,092.11
Project staff costs	18,147.82
Local Consultants	8,466.18
ICT Equipment	25,403.19
NGO Grants (80%)	22,600.21
Public Awareness/Information Campaign	37,221.93
Other media events	1,025.59
Expert Working Group on Institutional Analyses	5,493.03
Training/Workshops	15,129.12
Office Furniture	888.76
Project staff travel	1,334.59
Miscellaneous expenses	1,125.88
Office Accommodation and Utilities	3,112.65
GMS	11,156.24
TOTAL	168,197.30

Please note that the final 2005 expenditures amount is to be confirmed in March 2006 when official financial report (Combined Delivery Report), which is UNDP valid audit certificate for spent funds in one budget year, is to be produced.

¹³ Please see attach: Delivery of IT Equipment – media coverage

PART D – ANNEX

Please note all file listed below are on CDs:

1. Project document signing – media coverage
2. Institutional Analysis Report
3. Policy Paper
4. Communication and Time Management (Agenda, PP Presentation and Curriculum)
5. Report on Construction sector – assessment and analysis of the situation in Montenegro
6. Public Awareness Information Campaign: TV Clip
7. Public Awareness Information Campaign: Billboard
8. Calendar for 2006
9. Delivery of IT Equipment – media coverage