



Contracting Authority: Delegation of the European Union in Albania

Kukes Region Tourism and Environment Promotion KRTEP

IPA 2008

Reference:

Name of applicant:	United Nations Development Programme	
Title of the action:	Kukes Region Tourism and Environment Promotion – KRTEP	
Location(s) of the action:	ALBANIA: Kukes Region	
Total eligible cost of the action (A)	Amount requested from the Contracting Authority (B)	% of total eligible cost of action (B/Ax100)
1,137,000 EUR	1,017,000 EUR	89.45 %
Total duration of the action:	43 months	

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ACRONYMS

ATLAS	UNDP's global Management Information System
CBC	Cross-Border Cooperation
CBO	Community Based Organizations
CSRD	Cross-cutting Regional Development Strategy
DEX	Direct Execution
IPM	International Project Manager
KRDI	Kukes Regional Development Initiative
LG	Local Government
LT	Long-Term
MADA	Mountainous Areas Development Agency
MEFWM	Ministry of Environment, Forests and Water Management
MEI	Ministry of European Integration
METE	Ministry of Economy, Trade and Energy
MTCYS	Ministry of Tourism, Culture, Youth and Sports
NPC	National Project Coordinator
PMT	Project Management Team
RPC	Regional Partnership Council
RTA	Regional Tourism Agency
ST	Short-Term
TIC	Tourism Information Centre

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I. THE ACTION

1. DESCRIPTION

1.1. Title

Kukes Region Tourism and Environment Promotion – KRTEP

1.2. Location(s)

ALBANIA: Region of Kukes

1.3. Cost of the action and amount requested from the Contracting Authority

Total eligible cost of the action (A)	Amount requested from the Contracting Authority (B)	% of total eligible cost of action (B/Ax100)
1,137,000 EUR	1,017,000 EUR	89.45 %

1.4. Summary

The proposed Action intends to support Kukes Region develop a strategic vision, build local capacities and institutions, promote cooperation among stakeholders and their awareness about local development values and potentials of the Region's eco-tourist and cultural values. This support will combine soft assistance with a component of small capital investments for repairing or upgrading priority infrastructures of eco-tourist or cultural heritage importance.

The Action will advocate for collaboration and partnerships among local stakeholders for maximizing results and improving the Region's image and attractiveness for its own community as well as guests. It is expected that tourism and culture promotion will contribute to enabling a friendlier environment for local development, more opportunities for economic returns, improved public and private sector services and an increase of cross-border cooperation prospects.

The Action will assist in:

- equipping the Region with a Regional Action Plan for Tourism and Environment Promotion, a basic document containing the local strategic vision on those sectors,
- consolidating dedicated structures for providing technical and informational services to the Region,
- building local capacities and networking through tailored and targeted training
- developing a wide public awareness about regional resources and their economic opportunities
- building up a set of tourism promotional materials from a quasi nonexistent baseline
- improving some of the identified regional priority infrastructures having a tourist or environmental impact, including the construction and a full refurbishment of

the Kukes town museum with required furniture and artefacts that could possibly be retrieved locally or nationally.

For the Region, it is time to consider exploiting in full its own resources, in a sustainable and clever manner, if it seriously aspires to get out of the vicious poverty circle and set out on a competitive development. Although the Region is still in great need of external assistance, efforts to retain the existing human capital and build its capacities are critical for the present and the future. The Action will contribute to this respect with the belief that linking tourism, culture and environment to local development provides a win-win opportunity for a positive impact on the economy and makes those sectors more sustainable and competitive.

The Action will be implemented in a fertile ground, as a successor of Kukes Regional Development Initiative, a project co-funded by the European Commission, UNDP and Kukes local governments for improving small public infrastructures throughout the Region through social mobilization and participation. Again, the Action will not move forward in isolation. Kukes Region is actually a participant in EU cross-border programmes with Montenegro and potentially in the near future with Kosovo. A unilateral cross-border programme for preparing Kukes region to a fully fledged cooperation with Kosovo has been developed through IPA 2007 funds and is under implementation until end 2011. In this perspective, the present Action will constitute an important building block and complement the envisaged activities under IPA 2007 since both initiatives are implemented in parallel, interacting with the same stakeholders and having the same geographic scope.

In addition, the Action will seek to cooperate and coordinate with other past, ongoing or newly started initiatives in the Region including the EC-UNDP co-funded Mine Action programme, the new One UN Joint Programme on "Youth and Migration: Reaping the Benefits and Mitigating the Risks" as well as interact with other donor programmes such as the "Mountains to Markets Programme" (MMP) implemented by the Mountainous Areas Development Agency (MADA), the World Bank Feeder Roads project, the SNV Kukes antenna on Forestry Management, and the like.

With regard to the implementation, the present Action is considered complementary and in full synergy with the Kukes Cross-Border Cooperation programme, which is being implemented in parallel. The present Action is therefore proposed and structured in a way that envisages a shared management of both Actions as well as shared running costs between the two Actions. Starting from January 2012, the present Action will continue being implemented with a reduced staff and running costs as it will be focused only on the finalization of infrastructure interventions, especially the completion and refurbishment of Kukes Museum.

In terms of management arrangements, the Action will be overseen by a Project Board composed of representatives from relevant line ministries, Kukes Region authorities, the European Commission Delegation and UNDP. The Project Board will provide overall guidance and oversight as well as seek to develop synergies with other related initiatives throughout the implementation. The main counterpart for the implementation of the Action will be Kukes Regional government. A Regional Partnership Committee (RPC), composed of representatives from local governments, civil society and private sector of the Region and headed by the Chairperson of the Regional Council will equally play a critical consultative and advisory. Together with relevant local government authorities, these structures will monitor progress and endorse quality of outputs at various stages of implementation.

A Project Management Team (PMT) has been established by UNDP for the day-to-day implementation of the Action. The PMT works closely with the local structures and the Regional administration to provide technical assistance, coordination and monitoring of the overall implementation in compliance with the objectives of the Action. The composition of the PMT comprises essential professional and support staff for a proper management of the Action, for the remaining skills and expertise, the PMT relies on

collaboration with the regional and local authorities, which are assumed to make their technical staff available when needed.

Total duration of the action	43 months
Objectives of the action	<p><u>Overall Objective:</u> to contribute to the promotion of sustainable economic growth and attractiveness of the Albanian Kukës Region so as to make better use of its socio-economic and natural potentials in pursuing regional development and facilitating cross border cooperation.</p> <p><u>Specific Objective:</u> Development of local planning, management and entrepreneurial capacities, small scale tourism and environmental related interventions for an integrated approach on regional tourism development and environmental protection in accordance with the applicable national policies on regional development</p> <p>The main components pursued for the achievement of the Action's Specific Objective are:</p> <p>Component 1 - Local human and institutional capacities strengthened for integrating tourism and environmental concerns into local development vision</p> <p>Component 2 - Tourism and environmental related infrastructure improved in accordance with Region's identified priorities.</p>
Partner(s)	<ul style="list-style-type: none"> ▪ Kukës Regional Council and administration, ▪ Local governments of Kukës region ▪ Local civil society organizations ▪ Ministry of Economy Trade and Energy (METE) ▪ Ministry of European Integration (MEI) ▪ Ministry of Environment, Forests and Water Management (MEFWM) ▪ Ministry of Tourism, Culture Youth and Sports (MTCYS) ▪ Other regional development stakeholders
Target group(s)	Staff from the local governments of the municipalities, the Regional government, local civil society, local business people and entrepreneurs, and other local community representatives exposed or participating in different activities of the initiative.
Final beneficiaries	Local communities of the region of Kukës, related local government bodies and segments of private sector, especially residents in the areas of cultural and eco-tourist interests and indirectly neighbouring regions which will exchange experiences and lessons and draw benefits from the achievements of this current initiative.
Estimated results	<p>Result 1 – Capacities and cooperation among local stakeholders and institutions in managing and programming regional cultural and eco-tourism development enhanced.</p> <p>Result 2 – Enhanced awareness about regional assets through structured and professional information dissemination and socio-cultural activities targeting internal and external audiences, markets and customers.</p> <p>Result 3 - Improved tourism and environment related infrastructures through targeting and supporting identified regional priorities.</p>

<p>Main Deliverables</p>	<ul style="list-style-type: none"> ▪ A functional Regional Partnership Committee established for directing and monitoring activities at the regional and local level. ▪ A thorough Assessment Study on Region's cultural and eco-tourist assets carried out ▪ A Regional Action Plan on Tourism, Culture and Environment promotion completed, agreed and endorsed by local governments ▪ Promotional materials on specific regional products developed alongside the publication of Kukes Tourist Guide; ▪ A Regional Tourism Information Centre established under the auspices of the Regional authorities to support information sharing ▪ A study tour of regional representatives to an experienced European Member State organized. ▪ Over 200 local stakeholders from local governments and non-government organizations and private sector participating and in tailored trainings on tourism and environmental promotion and development ▪ At least two cultural and/or tourism related events organized with support from the Action ▪ Relevant infrastructure projects co-financed by the Action and completed for an amount of over 0.5 MEUR
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1.5. Objectives

The Overall Objective, to which this Action is part, is "to contribute to the promotion of sustainable economic growth and attractiveness of the Albanian Kukes Region so as to make better use of its socio-economic and natural potentials in pursuing regional development and facilitating cross border cooperation".

A substantial and desired progress in this respect requires, however, long term engagement, multi-faceted efforts, improved local governance and financing to build capacities and create a new culture and environment conducive for exploiting resources and opportunities in a sustainable manner.

In the context, the present Action sets out its Specific Objective focusing on the "development of local planning, management and entrepreneurial capacities, small scale tourism and environmental related interventions for an integrated approach on regional tourism development and environmental protection in accordance with the applicable national policies on regional development".

The Action will endeavour to fulfil the above Specific Objective by following a twofold approach focused on two main components:

Component 1 - Local human and institutional capacities strengthened for integrating tourism and environmental concerns into local development vision;

including the following main priorities:



- a) Establishment of an institutional framework for the promotion of tourism, culture and environment initiatives
- b) Development of the Region's Action Plan for interventions in the above sectors
- c) Implementation of a public awareness/sensitization programme coupled with support for local initiatives to promote regional cultural and eco-tourist values through exchanges and social events
- d) Design and carrying out of a training programme for key stakeholders focusing on the technical and managerial aspects of tourism and environment development and related standards

and

Component 2 - Tourism and environmental related infrastructure improved in accordance with Region's identified priorities;

These tasks will be carried out in close collaboration and consultation with local actors, seeking their active participation and ownership. Their consensus and commitment to design and pursue a joint Action Plan for the Region are critical for lasting results and further follow up.

1.6. Relevance of the Action

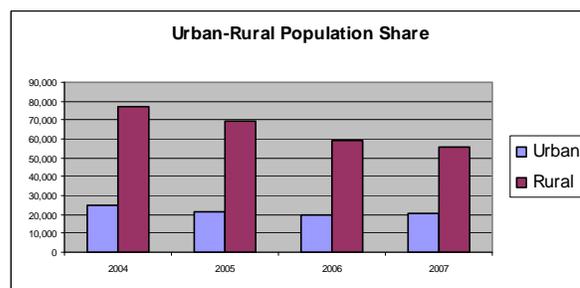
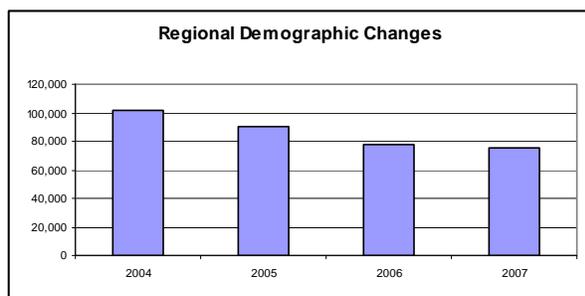
1.6.1. REGIONAL CONTEXT

Kukes Region

The Region of Kukes is geographically located between Albania's state borders with Montenegro and Kosovo and administrative borders with Shkodra, Lezha and Diber regions within Albania. Given the poor state of the national road network the region has been relatively distant from the main economic centres of the country. This remoteness coupled with inadequate policies has virtually and historically cut-off the region from the dynamics of national development, which in the last decades was exacerbated by the out migration of a substantial share of the region's population towards other areas in and outside the country. As a consequence, Kukes region still remains the poorest Albanian region and it is lagging behind national averages according to a range of macroeconomic and human development indicators.

Population

At present, the population of the Region is about 79,289¹ inhabitants, relatively young and with an aging coefficient of 7.5 %.



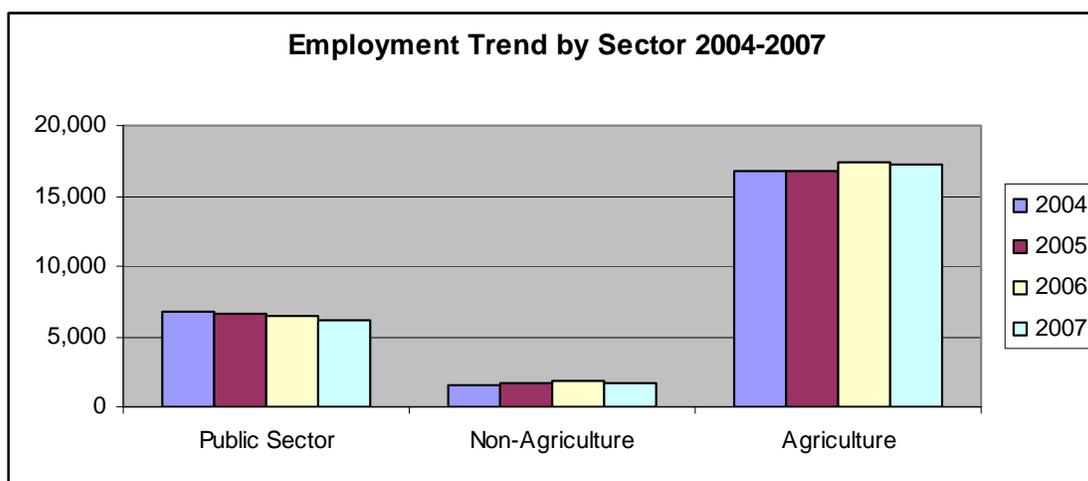
From 1989 to 2001, approximately 24% of the population left the region and during 2004–2007 an additional 26% decline was recorded where the rural population shrank with 28% and the urban one with 17%. People have moved within the region from rural

¹ INSTAT 2011, Regional Accounts in Albania

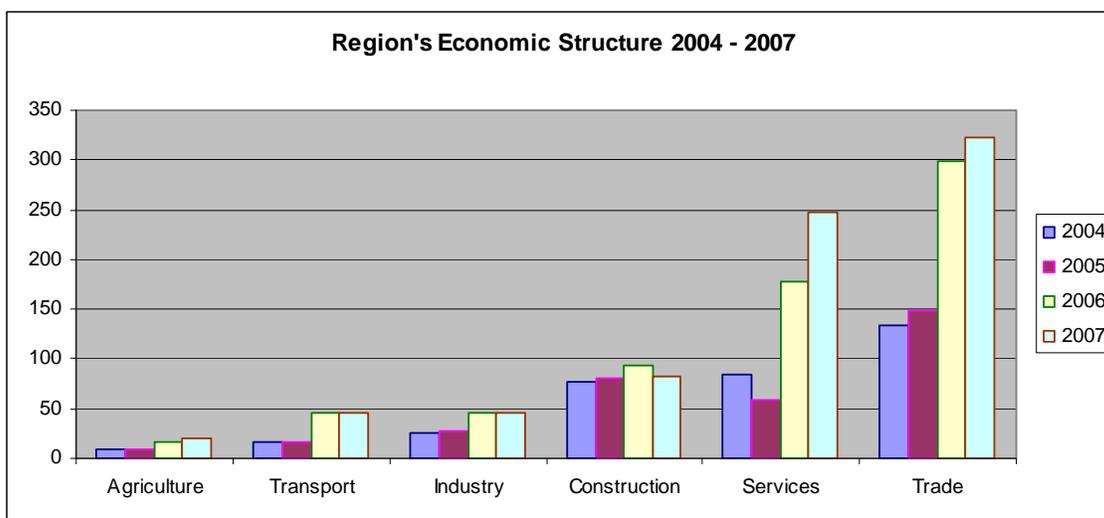
to urban areas and outside the region to more prosperous ones. The majority of population resides in rural areas spread in 24 communes and representing about 73% of the total population in 2007. This population share has not changed much during 2004-2007 with a slight increase of urban share from 24% to 27% and a decrease in rural areas from 76% to 73%. The remaining 24% make up the population of the three municipalities of Kukes, Kruma and Bajram Curri.

Employment and Non-agriculture Economy

In 2007, the rate of registered unemployment in the prefecture of Kukes was 31.3%. The share of youth unemployed on the total unemployed registered is 38.2%. However, the total share of funds for employment promotion programmes allocated in 2008 was nil. Employment trends have maintained a constant pattern over the last years with a slight decline for the employment in the public sector and a slight increase in agriculture.



Nevertheless, Kukes region has a share of only 0.5 percent in the national SME sector. The structure of economic activities includes trade, agriculture, construction, transport and other services.



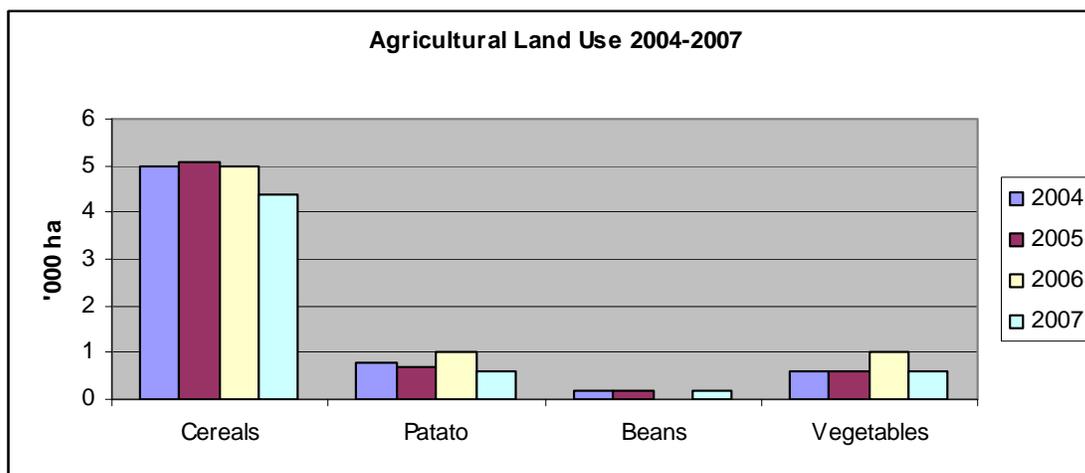
As of end 2007, the major economic share is occupied by the trade sector with 42 percent, followed by services 32 percent and construction 11 percent. Also the first two sectors have known a faster growth relative to the economic activities and free enterprise. SMEs working in other sectors such as industry, transport and agriculture represent a very small fraction with respective shares of six, six and three percents.

However, these available data do not provide information on the wealth and sustainability of the enterprises, which might explain in part the slight decline in the construction sector in 2007 and that of services in 2005. The micro enterprises consisting of 1-5 employees are the majority representing 87% of the total, followed by small enterprises of 6-20 employees with a share of only 8.4%, and medium size enterprises representing only 1.6% of the total.

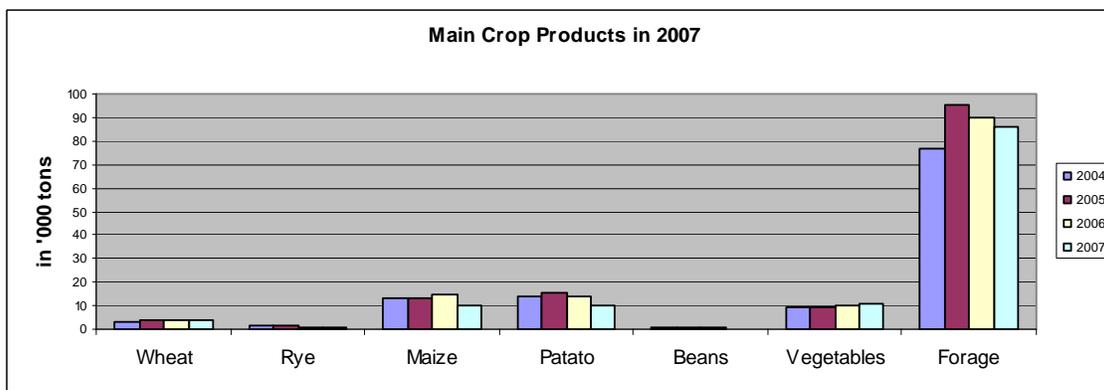
Agriculture

Although agriculture does not occupy a major economic share, the region remains predominantly rural with 73 percent of the population living in the rural areas. In spite of its potential, the agriculture sector is underdeveloped and further neglected during the transition. About 50 percent of the region's territory is covered by mountains and pastures, while the agriculture land represents only 10.5 percent from which only a half is exploited.

Cereal crops have been a traditional staple of the region. Wheat planting has reduced slightly over the past 10 years, while maize is popular in all three districts for use as animal feed, although many of the poor also use maize for family consumption. Here below, the structure of land use during 2004-2007 and the main crop products yielded in 2007 are shown.



and

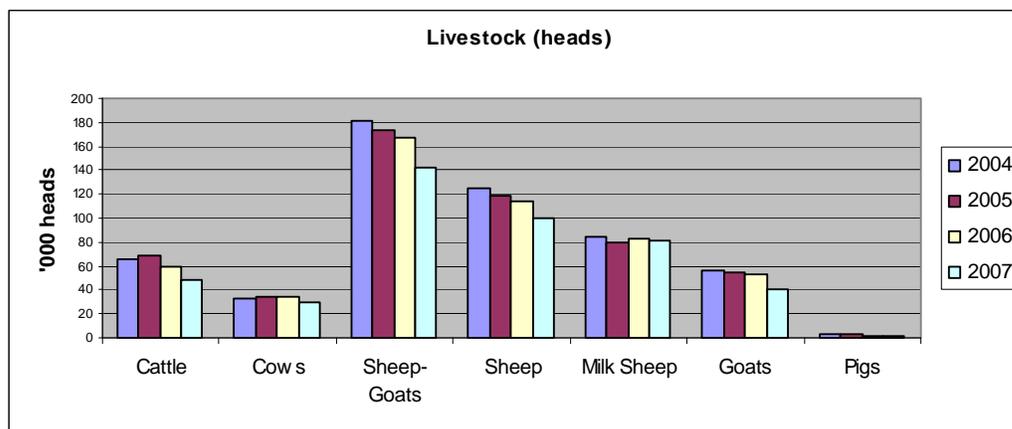


Other crops grown, as shown above include vegetables, fodder and especially potatoes. Potatoes are planted mostly in the Kukes and Tropoje districts, being the main source of income for farmers in the highlands Yields for potatoes are very high and represent a

possible area for economic expansion.² Medicinal plants also represent a key commercial crop but are planted in small quantities. Green-houses are present only in Kukes district yielding an annual output of only nine tons.

The fruit processing facilities make use of only 14 percent of the overall production of the region. Most fruit trees are plums, apples, cherries and pears. Of particular interest are the chestnut and hazelnut trees that represent a large potential revenue source. The estimated number of chestnut trees is 240,000 located mainly in the Tropoja district; however, the present annual yield is as low as 1,750 tons, out of which 930 tons are exported.³

As shown above, the high output in animal food also indicates the importance of the livestock for the regional economy. Livestock is the most important sector of agriculture due to the incomes generated. The major source of income comes from meat production, which is also noted for its particular quality, while milk and its sub-products are mainly a staple food for the households, more so as there are no milk collection and processing facilities within the region. Meat production has boosted in the last years from 6 thousands to 9 thousands tons annually, putting Kukes on top of other regions for the per capita product since year 2006, although this ratio is affected by the dramatic shrink of regional population. However, this growth in meat output occurs in a time that the number of livestock in the region is decreasing steadily. The increase in output and decrease in number of heads, shown below, might be also due to two factors: improved techniques for feeding and fattening animals as well as possibly unsustainable consumption calling for immediate attention.



The local honey production is increasingly recognized as a high quality bio-product. Given the related low setup costs, this activity is gaining attention and expanding. The annual production is increasing every year and actually the regional output is about 200 tons.

Fishing is another undeveloped economic potential for the region, where an overall water lake surface of about 8,200 ha contains more than 10 different species. The estimated annual reserves are about 150-200 tons.

Tourist and Environmental Resources

Kukes region despite its backward economic situation is endowed with unique natural resources and a culture heritage of its own. The Region has several attractive natural and environmental resources including Fierza lake with a coast length of 80 km within the region, the unique landscape of the Albanian Alps, the well-known Valbona valley, which is increasingly becoming a destination for wild nature tourism, the canyons of Gryka e Gashit and Shishtavec, the skiing station of Shishtaves, which has lost presently part of

² Kukes Regional Development Strategy 2005

³ Kukes Regional Council homepage, <http://www.qarkukukes.gov.al/>

its fame, the tower houses of Arren and several other tourist sights including characteristic houses, natural landscapes, rare species, and sites of historical and cultural interest.

The natural wealth of the Region includes also a considerable stock of forests, which cover over the half of the region's surface. Nevertheless, uncontrolled deforestation and logging despite of the existence of a protective legal framework had diminished the region's resources. In 2003, the European Environmental Agency estimation was that Albania is losing approximately 7800 hectares of forest per year. Efforts are being made to reverse this trend and tight control. As part of this management reform forests properties are being transferred to the ownership and oversight of the communes. This exercise began in 1999 and is being extended with the aim of improving forests management by encouraging local ownership over resources.

Data and monitoring from the Ministry of Environment, Forests and Water Management indicate that illegal exploitation of forests, where the major impact is noted in areas with greater forests stock including Kukës, in general are in decline. Figures for law and administrative infringement provide this picture for 2006-2007:

Year	Law infringement	Administrative contravention
2006	325	2820
2007	309	1949

In addition, three national protected areas have been identified in Kukës Region including:

- Lumi i Gashit in Tropoja with a surface of 3,000 ha
- Lugina e Valbones in Tropoja with a surface of 8,000 ha, and
- Tej Drini i Bardhe in Has with a surface of 30 ha.

Yet much needs to be done to address protection from illegal use, treat tree diseases, plan for sustainable forest utilization and even re-forestation and furthermore identify opportunities for attracting forest and environment tourism through improving landscapes and preserving fauna and flora.

1.6.2. REGIONAL STRENGTHS AND OPPORTUNITIES

Although sizeable infrastructure projects are under implementation in the region, the needs for capital investments are huge and their impact alone will require time to come and will have an uneven impact on the population. The growth of SME sector requires less efforts and finances but more opportunities and know-how. Marketing product surplus requires new markets and customers and a new approach in attracting them. In this perspective, the existing regional eco-tourist and cultural resources are heavily underused mainly because of combined lack of capacities and know-how. Some elements are at the surface but this is too little compared to the potential the region can offer.

The region has a number of opportunities, sometimes unique, which in part can be explored through the present Action. Opportunities identified include among others the development and potential of the tourism sector and indirectly the SMEs sector, as significant vehicles for improving the quality of life through economically sustainable measures to protect the natural and man-made environment. While unlikely to become a focus for mass tourism, the region has considerable potential to increase incomes from diversifying economic activities, putting market values to its resources and their sustainable exploitation thereof, for boosting local economy and improving living conditions of its citizens.

From a positive perspective, although the SME sector is small, yet there is room to adopt it to the local and neighboring markets as distances to the new markets across the border are not very long. Moreover, such transformation might not necessarily require transporting products to consumers as especially in environmental, rural and cultural tourism for instance, targeted consumers would be potentially those who would visit the region. Such a potential for tourism activities could be further developed with limited improvements to infrastructure.

For a fact, service and trade sectors are in a rise, while most of the population still lives in rural areas and employed in agriculture activities. This evolution is coupled with lack of capacities for providing quality services and data are not easily available about the income levels and performance in these sectors. In economic terms Kukes remains still among the poorest region in the aggregate and per capita revenues, if major national infrastructure investments are not taken into account. This shows, together with the constant decrease of regional population, that most activities are limited to a subsistence level and without considering alternative options, where tourism development has an untapped and low cost potential, this trend would not be reversed.

In addition, the cross-border cooperation potential has just started to surface. In the cross-border area contacts and relationships are being developed among various local actors and levels. At the local government level, close contacts exist between the local authorities across the border. Frequent visits take place and officials from both sides participate in joint activities. The municipality of Kukes has a twinning arrangement with that of Gjilan and also frequent contacts with the municipality of Prizren. Meetings between local and regional government councils also do take place occasionally.

Contacts have been also established in the cultural field between different institutions and groups. There is joint promotion of books, participation in painting and other exhibitions. Other artistic activities like the poetic event Spring, Rapsodia Has 2001, Fest-Folk, Sofra Dardane, Sofra e Dukagjinit and the like have seen participation from Kosovo, Montenegro and Macedonia. Although these attempts are still spontaneous at this stage, Kukes has started to participate in programmes of regional cooperation. The region is already part of the Cross-Border Cooperation programme Albania – Montenegro, developed under IPA Component 2, and shortly will embark on a new one paving the way for a full future cross-border cooperation programme with Kosovo.

The geographic location at the border with Kosovo is a great potential for socio-economic growth. With the recent geopolitical changes in the larger cross-border region, Kukes has become a major entry point for Kosovo people to Albania and to a lesser extent for FYROM citizens as well. According to year 2007 statistical data of the Albanian Ministry of Tourism, Culture, Youth and Sports, the border point with Kosovo is ranked third by the number of visitors passing through to Albania for leisure. Subsequent statistics for 2008 indicate that FYROM and Kosovo account for respectively 26% and 25% of the total number of visitors to Albania during January – October 2008. The construction of the Durres-Kukes highway, expected to complete in summer 2009, will trigger other development opportunities for Kukes region as distances will become shorter and business and people mobility easier and cheaper.

However, most of the border crossing at present uses the region as a transit point for doing business in other larger economic areas of Albania or for tourism purposes to the Albanian coast. The potential for retaining part of these visitors to Kukes for a while or attracting them to make Kukes a final destination is conditioned by the quality and nature of the products the region can offer and their promotion thereof.

Kukes Region will have to grasp these opportunities and could reap benefits only if it develops local capacities and know-how for putting successfully the region's resources in a competitive market. In this context, the proposed Action intends to support the establishment and strengthening of local capacities and an enabling environment for improved management of regional cultural, environmental and tourist assets. This will in turn contribute to furthering socio-economic development and increasing the region's

competitiveness, having a direct impact on improving the livelihoods of the local populations. Although, needs for such support are considerable and of a longer-term, the current interventions and objectives would be proportional to the available funding, yet lay down sustained basis for further progress.

1.6.3. INSTITUTIONAL FRAMEWORK

From a policy perspective there is significant development and a new supporting environment for local development. The Government has recently undertaken to address the issue of sub-national disparities on a more systemic way. The National Plan for the Implementation of the Stabilization and Association Agreement (Sep 2007) refers to the commitment of the Government of Albania to ensure *“a balanced development of the country regions, as per implementation of policies and projects, aiming at a diminution of poverty and softening the differences in regional development”* as well as *“encouragement of inter-regional and cross-border cooperation and partnership”*.

The EC Multi-annual Indicative Planning Document 2007 – 2009 describing the nature of IPA CBC programmes between Albania and the Western Balkan neighbouring countries recommends orienting them towards *“promoting trade and competitiveness and supporting the activities of SMEs, including in the areas of handicraft, tourism, agriculture and rural development, as well as the preservation of cultural heritage”* for social and economic development.

As part of the formulation of the National Strategy for Development and Integration the Government approved in March 2008, a Cross-cutting Strategy for Regional Development (CSRSD) was developed and approved in November 2007. The CSRSD's vision calls for *“A balanced and sustainable socio-economic growth among the regions of Albania, in general, and of mountainous and peripheral areas, in particular, in order to support a fast development of the whole country and accelerate the integration processes into the EU and NATO”*.

The draft Strategy and Action Plan for the Development of the Albanian Tourism Sector Based on Cultural and Environmental Tourism (2005), prepared by Ministry of Tourism, Culture, Youth and Sports, articulates in its vision that *“cultural tourism and ecotourism are the most important parts of the Albania tourism product and successful elements of the national economy”*. In addition, the same cited document points out that *“Nature and culture tourism require substantial involvement of local governments in tourism planning, urban planning, infrastructure development, cultural preservation and environmental protection”*.

At the regional and lower levels of government the potentials for linking tourism and environment with local development have been often quoted in strategic documents such as the former Kukes Regional Development Strategy (2004). However, these findings have mostly remained at a descriptive level, lacking support, know-how and capacities.

1.7. Description of the Action and its Effectiveness

1.7.1 General Objective

The Action intends to contribute to improved and sustainable socio-economic growth of Kukes Region and trigger its comparative advantages and opportunities so as to reduce the Region lagging behind and enable its participation in a competitive environment. The areas of tourism, environment, cultural heritage and other natural and human resources that the region can offer would be explored as drivers for local development. The Action will take into account previous experiences of donor assistance in local development in the region, especially the Kukes Regional Development Initiative and its social mobilization component in local capacity building and infrastructure rehabilitation, so as

to make use of the established networks and the active CBOs for participatory consultations.

On the other hand, the Action will take account of present and future development opportunities of the region, especially the cross-border cooperation potentiality, the improved communication access to national economic areas through the completion of the highway Durres – Kukes, the World Bank Feeder Roads programme, expected to support the improvement of the Region's rural road network, the Mountainous Areas Development Agency's programme related to rural economic development and other supportive initiatives and plans of assistance envisaged by other donors and the national budget.

The Overall Objective of the Action, being:

“to contribute to the promotion of sustainable economic growth and attractiveness of the Albanian Kukes Region so as to make better use of its socio-economic and natural potentials in pursuing regional development and facilitating cross border cooperation.”

it will be supported by the Action's Specific Objective:

“Development of local planning, management and entrepreneurial capacities, small scale tourism and environmental related interventions for an integrated approach on regional tourism development and environmental protection in accordance with the applicable national policies on regional development”,

this latter being pursued through two main components:

Component 1 – Local Capacity Building: Local human and institutional capacities strengthened for integrating tourism and environmental concerns into local development vision

Component 2 - Infrastructure Improvement: Tourism and environmental related infrastructure improved in accordance with Region's identified priorities

The Action's main partner will be Kukes Regional administration, though the Action will heavily rely on the active participation and cooperation of relevant local governments – municipalities and communes, local civil society organizations and private sector in determining needs, approaches and intervention priorities. Capacity building efforts will therefore target regional and local administration staff as well as local NGOs and other development stakeholders.

In parallel and in support to the Cross-Border Cooperation programme, the present Action will encourage the dialogue for identifying potential measures for consideration by cross-border programmes in the mid-term and this element will become an integral part of the regional strategic vision formulated within the Region's Action Plan for Tourism and Environment Promotion.

Final beneficiaries will be directly the wide population of the region and specifically those segments of the administration, private sector and civil society being directly engaged in or housing the main eco-tourist and cultural values and potentials of the region as well as people from outside the region having an interest and attraction to discover Kukes.

1.7.2 Specific Objective

As mentioned earlier, the Specific Objective of the present Action is about “development of local planning, management and entrepreneurial capacities, small scale tourism and environmental related interventions for an integrated approach on regional tourism development and environmental protection in accordance with the applicable national policies on regional development”.

As the Specific Objective indicates, assistance will be geared towards organizational development efforts at the regional level for institutional building, development of a strategic framework for undertaking sustainable and well-thought interventions, capacity building of local stakeholders and a general public awareness to attract attention of local population as well as target potential visitors to “consume” tourist, environmental and cultural products of the region.

Care will be paid to ensure that tourism and environment promotion are not being seen in isolation, but as part of and in function of Region's future potential for a greater role not only as a physical interface between Montenegro, Kosovo, fYRoM and Albania's developed coastal area. Therefore, a strategy for promoting those two sectors will identify and comprise also potential actions for joint cross-border cooperation or with an impact on the latter.

These efforts will be complemented by a capital investment component focusing on regional tourist and environmental related infrastructure rehabilitation. Indeed, the full impact of the interventions will be visible in a longer-term as the Action will be limited in time and resources and will therefore aim at laying down the basis for further sustained progress.

A summary description of the interventions comprises the following directions:

- Establishment of the institutional framework for the promotion of tourism, culture and environment initiatives
- Development of the Region's Action Plan for interventions in the above sectors
- Development and implementation of a public awareness/sensitization programme coupled with support for local initiatives promoting regional cultural and eco-tourist values through exchanges and social events
- Development and execution of a training programme for key stakeholders focusing on the technical and managerial aspects of tourism and environment development and related standards
- Contribution to the implementation of regional priorities in upgrading regional tourist and environmental infrastructure, including the construction and refurbishment of Kukes Museum

1.7.3. – Deliverables and expected results

In Kukes there is no regional forum in place or specific local office in charge of tourism or environmental promotion. In order to engage all potential development stakeholders and ensure their participation and support the Action will promote the establishment of a participatory and advisory body, the **Regional Partnership Committee (RPC)** with membership from local governments, local civil society and private sector. The composition of this body will recall the one advocated by the Cross-cutting Strategy for Regional Development and the Committee will serve as a forum for debating strategic directions in the area of tourism and environmental development, monitoring the progress of implementation of the Action, and reviewing and endorsing the Action's outputs. The RPC will be headed by the Chairperson of Kukes Regional Council, who also sits as a member in the Project Board. The Action will also advocate for the establishment of a regional **Tourism Information Centre (TIC)** for improving information management and sharing, data collection and analysis as well as performing in the mid-term other technical tasks on behalf of the region and its local governments.

The other major deliverable of the capacity building component is the assistance in formulating the **Regional Action Plan**, a strategic approach for adopting tourism and environment into the region's development agenda and consequently turning it into an agreed upon programme for implementation by all local governments and development stakeholders. The Action will initially provide support to undertaking a thorough **Assessment Study** of the region's cultural, tourism and environmental assets. The

information will then become an input for the formulation of the Action Plan where tourism and environment promotion will be treated in correlation with development and partnership opportunities deriving from potential cross-border cooperation initiatives.

Building local capacities is a critical element that affects all development actions, not only those advocated by the Action. For this reason, the Action will pay special attention to design and offer tailored **training for local stakeholders** in technical and management aspects of tourism development and environmental protection. Training focus groups will include local officials from the political and technical levels, civil society and private sector representatives as well as other interested local stakeholders. The Action envisages promoting twining arrangements between Kukes Region tourism structures and a European Regional Tourism Agency sharing similar characteristics. It is hoped that such twining will open up a new window of cooperation and support for Kukes and become a source of practical training and experience from best European practices.

Public awareness on tourism, culture and environment promotion carried out in parallel with the development of promotional and informational materials, with **Kukes Tourist Guide** as a distinctive product will further contribute to capacity building. Other **informational brochures and leaflets** identifying unique regional products able to compete in the regional markets as well as an Action's periodic newsletter about implementation progress will be produced and disseminated to share information and encourage active participation of people and organizations. Within this public awareness framework, the Action will cooperate with local authorities to co-sponsor different socio-economic events and attract external audiences to get acquainted with Kukes Region human and natural resources.

With regard to the **capital investment** component, within the financial limits of the Action, small eco-tourism and/or cultural related infrastructure will be financed in partnership and with co-financing from participating local governments. Selected priorities will have to comply with a set of criteria to which participants will have to agree upon in advance. Eligible infrastructure works must be related to and contribute the development of tourism sector, the preservation of environmental landscape and natural resources, the promotion of cultural and heritage values and in improving the overall image of the region.

A special infrastructure intervention relates to the construction and refurbishment of **Kukes Museum**. At present, Kukes town, the most important urban centre of the region located along the main road axis between Kosovo and Albania, has not a museum facility. However, this infrastructure has been since early identified a priority by the Kukes municipality as well as regional actors.

Following this consensus, the Action supported the design, tendering and construction of the museum building during 2010-2011. The construction per se is expected to be completed by end 2011. However, since the outset, it has been noted that the situation of the artefacts for the museum is poor and this deficiency, whereby the local government has not the required capacities to respond alone, risks to threaten the destination or use of the infrastructure works developed.

With savings made during the tendering and construction phases throughout 2011, it became possible for the Action to envisage support for the museum refurbishment, provided that the Action's implementation period is extended further and sufficiently in 2012.

Also, through various interactions with field experts from the MTCYS and other relevant institutions, it has become also clear that the museum refurbishment, as it relates to an infrastructure type falling within the culture and heritage legislation, would require a special process of expertise and consensual platform/thematic development and corresponding formal endorsement by national culture institutions, prior to undertaking concrete measures in the field.

This above stage would be followed by the development of a detailed plan of museum interiors and display, definition of necessary furniture as well as the identification of representative artefacts including their physical location/ownership. During this period there is need to subcontract expertise from specialized disciplines including architecture, archaeology and ethnography for the development of the platform through an expert and consultative process and the assessment of the available sources and artefacts of relevance that would also play an important role in the interior organization of the museum.

The following implementation would call for tendering the production/procurement of museum furniture and media equipment and the organization of collection of artefacts and their eventual restoration, concluding with the installation and artefacts placement accordingly, all of the actions taken care of by expertise related at least to architecture, ethnography and restoration.

In summary, the main deliverables of the Action, to be produced in cooperation with and support by local stakeholders, are listed below:

- A functional Regional Partnership Committee established for directing and monitoring activities at the regional and local level.
- A thorough Assessment Study on Region's cultural and eco-tourist assets carried out
- A Regional Action Plan on Tourism, Culture and Environment promotion completed, agreed and endorsed by local governments
- Promotional materials on specific regional products developed alongside the publication of Kukes Tourist Guide;
- A Regional Tourism Information Centre established under the auspices of the Regional authorities to support information sharing
- A twining arrangement concluded with a European Regional Tourism Agency
- A study tour of regional representatives to an experienced European Member State organized.
- Over 200 local stakeholders from local governments and non-government organizations and private sector participating and in tailored trainings on tourism and environmental promotion and development
- At least two cultural and/or tourism related events organized with support from the Action
- Relevant infrastructure projects co-financed by the Action and completed for an amount of over 0.5 MEUR

The above outputs will contribute to achieving a series of expected results along the lines of priorities identified for the Action:

Result 1 – Capacities and cooperation among local stakeholders and institutions in managing and programming regional cultural and eco-tourism development enhanced.

Result 2 – Enhanced awareness about regional assets through structured and professional information dissemination and socio-cultural activities targeting internal and external audiences, markets and customers.

Result 3 - Improved tourism and environment related infrastructures through targeting and supporting identified regional priorities.

1.7.4 Proposed activities and their effectiveness

PHASE 1 – Start-up and Inception		
Activities	Indicative Human Resources	Narrative
<p><u>1.1 Establishment of the Project Board</u></p> <p>1.1.1 Official appointments from relevant institutions</p> <p>1.1.2 Share project document with Project Board members</p> <p>1.1.3 Inform Project Board on start-up preparations</p>	UNDP	The Project Board will be activated at the outset of the implementation and its members will be given time to get acquainted with the details and envisaged activities of the Action, meanwhile the recruitment and procurement processes for the establishment of the Project Management Team (PMT) are completed.
<p><u>1.2 Set up PMT for starting implementation</u></p> <p>1.2.1 Recruit International Project Manager</p> <p>1.2.2 Recruit LT technical and support staff</p> <p>1.2.3 Arrange PMT office premises</p> <p>1.2.4 Procure necessary office equipment</p> <p>1.2.5 Input Action budget into UNDP financial system</p> <p>1.2.6 Finalize operational start-up</p>	UNDP	<p>UNDP will initiate requests to relevant offices, as per the proposed Board composition, to appoint representatives in the Project Board.</p> <p>Terms of Reference for PMT staff are prepared in advance by UNDP. Recruitment process will take up to two months as per standard UNDP procedures. PMT office is identified to be the ex-KRDI project premises in Kukes.</p> <p>Since the Action will make use of assets procured under KRDI, only new essential equipment purchases will be made for those items that are not in working order or not easily repairable. These items as well as existing items deemed not necessary for the operations would be subject to donation to beneficiaries on an "as is" basis.</p>
<p><u>1.3 Inception Report preparation</u></p> <p>1.3.1 Initial consultations with local stakeholders</p> <p>1.3.2 Development of Terms of Reference for immediate</p>	PMT	<p>A short situational analysis will take place at the outset of implementation when preparing the Inception Report. The International PM and the National Coordinator will consult with local counterparts and discuss details of implementation and timing as well review immediate expectations and needs.</p> <p>Based on this information and the Action framework, the PMT will develop the Inception Report detailing the work-plan, the indicators of progress and success and the milestone</p>

PHASE 1 – Start-up and Inception		
Activities	Indicative Human Resources	Narrative
activities 1.3.3 Fine-tune project implementation details 1.3.4 Draft Inception Report 1.3.5 Review and endorsement of Inception Report by the Project Board		targets to be achieved and monitored in the course of the implementation. In parallel, to anticipate the preparatory requirements of the immediate next steps, the PMT will develop draft Terms of Reference for: <ul style="list-style-type: none"> - Regional Partnership Council - Short term international and local experts for a comprehensive situational analysis Upon Project Board review and endorsement of the Inception Report, the PMT will reflect eventual feedback in the approach and documents and engage in the next phases of implementation.
<u>1.4 Establish Regional Partnership Committee</u> 1.4.1 Undertake local stakeholder analysis 1.4.2 Consultation and negotiations on RPC composition 1.4.3 Fine-tune RPC Terms of Reference 1.4.4 Convene first RPC meeting to present the Action 1.4.5 Agreement on nature and frequency of communication with RPC	PMT	The establishment of the RPC stands as a pre-condition for the implementation of the entire Action, since it is critical to secure the ownership and direction of beneficiaries and respond to their expectations in each step of the implementation. While the PMT will consult with different stakeholders and suggest the level of participation, this task remains the responsibility of the regional government, who has to assure proper and timely establishment of the RPC. Besides the Regional government, the RPC will play the main local counterpart role for the implementation of the Action. The RPC composition will include representation from: <ul style="list-style-type: none"> - the Regional Council, whose Chairperson will head the Committee, - local governments, - most active local non-governmental organizations, and - private sector. The first RPC meeting will convene to take stock of the start up phase and the Project Inception Report developed by the PMT and review and agree on the RPC role and modalities of operation as per the suggested Terms of Reference.

PHASE 2 – Assessment		
Activities	Indicative Human Resources	Narrative
<u>2.1 Comprehensive Situational Analysis – the Assessment Study</u> 2.1.1 Hire necessary ST expertise 2.1.2 Desk review of available information	ST local experts on: <ul style="list-style-type: none"> - cultural tourism – 3 months - environmental management – 3 months 	The Assessment Study will be the groundwork for the identification and inventorying of the region's resources and subsequently the assessment of their specific potential for triggering economic returns. The Study will provide recommendations for the preparation of the Region's Action Plan and populating a database of regional resources. The Assessment will focus in identifying and inventorying physical and traditional customs of interest from a tourist, environment, cultural and market value including the following not

PHASE 2 – Assessment

Activities	Indicative Human Resources	Narrative
<p>2.1.3 Definition of field trip plans</p> <p>2.1.4 Definition of standards and requirements for data collection</p> <p>2.1.5 Field trips in the Region</p> <p>2.1.6 Data compiling and analysis</p> <p>2.1.7 Draft of Assessment Report</p> <p>2.1.8 RPC draft review</p> <p>2.1.9 Eventual translation into local language</p> <p>2.1.10 Finalization of Assessment Report</p>	<ul style="list-style-type: none"> - forestry management – 1.5 months - SME/Market Analysis – 1.5 months - IT expert – 1 month - Translator – 0.5 months - PMT <p>ST international expert on:</p> <ul style="list-style-type: none"> - tourism planning – 1.5 months 	<p>exhaustive subject matters:</p> <ul style="list-style-type: none"> - Potential tourist sites, - Landscapes - Existing traditions of handicrafts - Traditional cultural events - Unique products and services - Data on current tourist places and economic returns - Current management of tourist sites - Preliminary capacity needs assessment, etc. <p>A team of ST local experts on cultural tourism, environmental management, forestry management, SME/Market Analysis and one international expert on Local Tourism Management will be engaged in carrying out the Assessment supported by the PMT.</p> <p>A desk review of existing information and data will precede the field trips in the region. Information will be gathered through contacts with local institutions and regional offices of the central government as well as extensive field trips to contact people, entrepreneurs and communities, gather information on the latter knowledge and experiences with tourism activities, their needs and weaknesses as well as assess the physical situation and the likely potential of various natural, cultural and tourist resources. Visits to indicated sites of interest will be also documented with photos.</p> <p>The time required for this exercise is estimated as follows:</p> <p>Desk review – 0.5 months Field trips – 1.5 months Data compiling and draft Assessment Report – 1 month Feedback and Report finalization – 0.5 months</p> <p>The Assessment Study will mostly serve as input for the Action Plan and building up the database of regional resources, to be maintained by the Region</p> <p>The second Project Board meeting will be convened approximately at this stage to review the findings of the Assessment Study, take stock of progress made as well as preparations for next steps.</p> <p>An IT expert will be hired to design and operate an informational database with open access to the public. The database will be later handed over to and operated under the management of the regional administration. The database will be populated with information gathered during the Assessment. In cooperation with the regional administration, which has already developed a GIS mapping unit, relevant tourist information will be entered for preparing the production of regional and sub-regional maps as well as informing the work for the</p>

PHASE 2 – Assessment		
Activities	Indicative Human Resources	Narrative
		formulation of the Region's Action Plan.

PHASE 3 – Institutional Building		
Activities	Indicative Human Resources	Narrative
<p><u>3.1 Development of Regional Action Plan</u></p> <p>3.1.1 Terms of Reference for Action Plan Developed</p> <p>3.1.2 Mobilization of experts for formulating the Action Plan</p> <p>3.1.3 Desk review of available information</p> <p>3.1.4 Meeting with key tourist & travel agencies</p> <p>3.1.5 Kick-off meeting with RPC</p> <p>3.1.6 Draft version 1</p> <p>3.1.7 RPC review and feedback</p> <p>3.1.8 Draft version 2</p> <p>3.1.9 RPC and Project Board review</p> <p>3.1.10 Final draft of Action Plan</p> <p>3.1.11 Action Plan endorsed by the Regional Council</p>	<p>ST local experts on:</p> <ul style="list-style-type: none"> - cultural tourism – 3 months - environmental management – 3 months - SME/Market Analysis – 1.5 months <p>ST international expert on:</p> <ul style="list-style-type: none"> - tourism planning – 1.5 months 	<p>The Region's Action Plan on Tourism and Environment promotion is the major output of the Action's soft assistance. The Action Plan will equip the Region and all its stakeholders with a strategic vision and the roadmap for turning cultural and eco-tourist assets and potentials into vehicles for economic development.</p> <p>The Action Plan will contain a series of measures related to tourism promotion, environmental protection and cross-border cooperation initiatives to be undertaken in coordination among local stakeholders. The document, taking in due consideration of local views and expectations will:</p> <ul style="list-style-type: none"> - Identify stakeholders to be actively engaged in cultural and eco-tourism development - Suggest approaches for structuring the cooperation among various interests and views - Prioritize requirements and actions based on consultations with target beneficiaries - Identify gaps where action is needed in view of the harmonization of all assets for the long term sustainable development the regional capabilities. - Propose an approach to the governance and data access policy issues - Set a timetable for action and develop a budgeted plan taking in consideration the available local portfolio and assets resulting from relevant current and future projects and programmes in the region. - When identifying the necessary elements, ensure specific evaluation of the following themes: <ul style="list-style-type: none"> ▪ Capacity building framework ▪ Long-term management of natural resources ▪ Potential of rural development ▪ Viability of specific tourism promotion measures ▪ Infrastructures and territorial development ▪ Water resource management ▪ Level of support from beneficiaries ▪ Likely threats of natural disasters ▪ Impacts of climate variability and change <p>The Action Plan will strategize the findings and recommendations of the Assessment Study, which will furnish the substantial information for the Plan itself. The Terms of Reference of an Expert Team for this undertaking will have been finalized by the PMT earlier. The Expert Team will include local ST experts on cultural tourism, environmental management and SME/Market Analysis and an international expert on Tourism Planning. The PMT expertise will</p>

PHASE 3 – Institutional Building

Activities	Indicative Human Resources	Narrative
		<p>complement the work of the Team.</p> <p>Upon mobilization, the Expert Team will get acquainted with the available relevant information, inclusive of the Assessment Study. Early in the assignment, the Expert Team will also participate in a meeting of key tourist and travel agencies, organized in Kukes, a dialogue aiming at promoting Kukes as well as identifying external views, expectations and requirements Kukes should consider fulfilling for making its access to the tourism market.</p> <p>This review will follow with a kickoff meeting with the RPC to identify counterpart expectations and views. The Team will then engage in a drafting process combined with consultations and field trips in accordance with a work-plan designed in response to the task. The first draft of the Action Plan will be submitted for comments to the RPC and local governments will make sure to secure additional feedback from their jurisdictions. An improved draft of the Action Plan will be further developed reflecting feedback and by again submitted to the RPC for a final review.</p> <p>A second Project Board meeting will convene to receive an update on the progress and introduced to the Action Plan. Upon the Project Board eventual comments and recommendations, the draft Action Plan is finalized and ready to be considered by the Regional Council, which is the ultimate official instance for endorsing the document.</p> <p>The time required for this exercise is estimated as follows:</p> <p>Desk review - 0.5 months Draft version 1.5 months Feedback 1 – 0.5 months Draft version 2 - 0.5 months Feedback 2 – 0.5 months Final draft – 0.5 months</p>
<p><u>3.2 Public Awareness activities</u></p> <p>3.2.1 Organization of public meetings</p> <p>3.2.2 Preparation of TV/radio broadcasts</p> <p>3.2.3 Action's newsletter quarterly</p> <p>3.2.4 Identification and support organization of regional social events</p>	<p>PMT</p>	<p>A successful implementation of the Action will require broad support from and cooperation with local authorities and other development stakeholders from civil society and private sector as well as from the population at large; since the latter is the final beneficiary and carries the potential to promote and replicate further the initiatives advocated by the Action.</p> <p>Ordinary citizens are expected to benefit from improved information, access and infrastructure related to tourist and environmental resources for recreational purposes or by grasping employment opportunities and services. At the same time the local population will often be interacting with potential visitors in a dual role: as “consumers” of regional resources as well as “contributors” of an adequate environment for promoting “consumption” of those resources. In this sense, the population at large can both benefit and contribute to this dual purpose only if people become aware of the potential of new economic opportunities and change their mentality vis-à-vis utilization and preservation of their own resources.</p>

PHASE 3 – Institutional Building

Activities	Indicative Human Resources	Narrative
<p>3.2.5 TV publicity spots at national level</p>		<p>The Action intends to provide assistance targeting the regional population with a public campaign aiming at:</p> <ul style="list-style-type: none"> - increasing awareness about the social and economic values of regional tourist, cultural and environmental resources, - the importance of promoting and preserving these values for economic development, - the different ways of making sustainable use out of them, and - information sharing on the progress of implementation of the Action's components. <p>Main activities envisaged for increasing awareness and active participation will include:</p> <ul style="list-style-type: none"> - three public meetings organized in the three main municipalities at the early stage of implementation to present the Action. - issuing a quarterly newsletter about the Action in both languages, starting from the second quarter of the implementation period. - four specific topics will be elaborated and broadcasted in the local TV/radio - a TV publicity spot will be prepared for broadcast at national level in a later stage where some tangible Action outputs and the regional strategic vision are in place. - two social events, involving youth and women and promoting local products and resources and strengthening cooperation and exchanges with Kosovo social and economic actors and values will be identified and financed
<p><u>3.3 Promotional/informational materials</u></p> <p><u>I - Promotion of local products</u></p> <p>3.3.1 Mobilize expertise for promotion of potential products</p> <p>3.3.2 Identification of target products</p> <p>3.3.3 Review of information and field visits</p> <p>3.3.4 Draft leaflets developed</p> <p>3.3.5 Feedback reflected leading to final drafts</p>	<p>ST local experts on:</p> <ul style="list-style-type: none"> - cultural tourism – 3 months - SME/Market Analysis – 3 months 	<p><u>I - Promotion of local products</u></p> <p>Based on a desk review of existing information, studies and documents as well as the findings of the Assessment Study, at least five potential regional products will be identified for specific promotion. Local expertise on cultural tourism, and SME/market analysis complemented by the PMT, will elaborate on those products based on criteria of:</p> <ul style="list-style-type: none"> - uniqueness, - quality, - accessibility, - identified potential markets, and - economic viability. <p>The expert team will preliminary consult with the PMT on the identification of the products. Then the team will engage in field visits to collect more details for an in-depth market analysis. The information will be formatted in a four-pager leaflet and provide indications about:</p> <ul style="list-style-type: none"> - Specific relevance and interest for the resources - Additional features confirming its uniqueness or scarcity

PHASE 3 – Institutional Building

Activities	Indicative Human Resources	Narrative
3.3.6 Final drafts submitted to PMT electronically		<ul style="list-style-type: none"> - Current use of the resources - Eventual potential for further exploitation - Main access points, or - Contact details, etc.
3.3.7 Printing of leaflets		
<u>II – Kukes Tourist Maps</u>		
3.3.8 Consultation with RPC on nature of information and maps to be produced	- IT expert – 1 month	<p>The leaflets will be prepared in an editable format and delivered to the PMT. The PMT will take care of producing a few hard copies for wide dissemination, setting out an example for replication by local entrepreneurs and the public administration. The electronic support format will be handed over to the eventual corresponding entrepreneurs and/or the regional government for their further use.</p>
3.3.9 Review available information fro GIS map processing		<u>II – Kukes Tourist Maps</u>
3.3.10 Fix information gaps		<p>In addition, a set of Kukes maps, with tourist related information drawn from the Assessment Study will be produced in collaboration with the regional and local governments. GIS information mapping developed during the Assessment Study period will be extensively utilized.</p>
3.3.11 Print the agreed maps		
<u>III – Kukes Tourist Guide</u>	ST local experts on:	<u>III – Kukes Tourist Guide</u>
3.3.12 Terms of Reference prepared and agreed by RPC	- cultural tourism – 2.5 months	<p>The production of the first Kukes Tourist Guide will be the major promotional output. The Guide will be the first-hand document for introducing the region to outside audiences and potential visitors.</p>
3.3.13 Mobilization of ST experts	- environmental management – 2.5 months	
3.3.14 Desk review of available information	- translator – 0.5 months	<p>The Guide drafting process will start after the conclusion of the Action Plan preparation. The work will engage a team of experts composed of an International Tourism Planning expert and local ST experts on cultural tourism and environmental management. Taking into account the information collected and structured during the previous implementation stages of the Action, the drafting process will mainly involve desk work in writing the Guide and consultations with stakeholders about its content, although a few field trips might take place as well. The work will require also costs for a professional layout, editing and visual materials.</p>
3.3.15 Draft version 1 prepared	- editor/layout – 1 month	
3.3.16 Feedback received from RPC		
3.3.17 Draft version 2 prepared	ST international expert on:	
3.3.18 Translation	- tourism planning – 1 month	<p>The Guide preparation process will indicatively proceed in accordance with the following course:</p>
3.3.19 Editing and layout		<ul style="list-style-type: none"> - Draft Guide Terms of Reference prepared by PMT and agreed by RPC before the process starts - Mobilization of experts and review of required tasks – at start of activity - Desk review of information and identification of information gaps – 0.5 months - Draft version 1 and eventual field trips – 1 month
3.3.20 Guide printing		
3.3.21 Launch at a regional event		

PHASE 3 – Institutional Building

Activities	Indicative Human Resources	Narrative
		<ul style="list-style-type: none"> - PMT and RPC feedback on draft 1 – 0.5 months - Final draft reflecting feedback – 0.5 months - Translation – 0.5 months - Editing and layout – 0.5 months each - Eventual final comments and checks before print – 0.5 months - Printing the Guide – 1 month - Regional event to launch the Guide <p>With regard to the last sub-activity, a regional event will be organized for launching the Kukes Tourist Guide and the set of promotional materials on the products the region could offer. Invitations will be extended to major national tourism agencies as well as relevant representatives of national government. Participation will also be extended to similar agencies operating in Kosovo and FYROM as well as local government representatives from the neighbouring cross-border area. It is expected that the promotion of Kukes Tourist Guide will help furthering relationships, especially with tourist agencies and among local governments from both sides of the border.</p>
<p><u>3.4 Training needs assessment and provision</u></p> <p>3.4.1 Develop Terms of Reference for training</p> <p>3.4.2 Identify and hire training experts</p> <p>3.4.3 Carry out a training needs assessment</p> <p>3.4.4 Identification of training target groups</p> <p>3.4.5 Preparation of training packages</p> <p>3.4.6 Training delivery to potential target groups</p>	<p>ST local experts on:</p> <ul style="list-style-type: none"> - cultural tourism – 3.5 months - environmental management – 3.5 months - SME/Market Analysis – 3.5 months <p>ST international expert on:</p> <p>tourism planning – 1.5 months</p>	<p>Lack of capacities for managing natural resources is identified as a critical factor inhibiting utilization of full potentials for local development. This deficiency prevents active participation as stakeholders are not well aware of experiences that work and as well as of required coordination and planning mechanisms for promoting and taking advantage of local opportunities for growth.</p> <p>The Action will therefore contribute in filling in the gap by designing training packages and targeting relevant groups. Training will comprise three main stages: (i) a training needs assessment exercise, (ii) development of training programme packages, and (iii) implementation of training programmes at the regional and sub-regional levels.</p> <p>Local expertise in cultural tourism, environmental management and SME/Market Analysis will be supported by an international training expert on tourism management.</p> <p>Training content will take into consideration the findings of the Assessment Study, the institutional setting and the potential role of specific relevant stakeholders. However, at this stage a certain level of detail with regard to the focus of training activities can comprise indicatively topics such as:</p> <ul style="list-style-type: none"> - management and entrepreneurship, - work ethics, - safety and service standards, - use of information and communication technologies, - networking and marketing, - review of best experiences, - technical aspects or requirements of various and likely forms of tourism such as:

PHASE 3 – Institutional Building

Activities	Indicative Human Resources	Narrative
		<ul style="list-style-type: none"> ▪ farm and food/culinary tourism, ▪ culture and heritage tourism, ▪ environmental and naturalist tourism, ▪ gifts and souvenirs, and the like. <p>Training packages will be developed using case studies and documentation of success stories and best practices identified, baseline and market studies, relevant and available resources drawn from National Tourism Agency and the Ministries of Tourism, Agriculture, Environment, as well as from successful community tourism projects.</p> <p>The training programme will include on-site and community-based training, reciprocal visits to farms, communities, nature sites and cross exchanges between entrepreneurs and groups as well as specific focus workshops.</p>
<p><u>3.5 Partner with a European MS Regional Tourism Agency</u></p> <p>3.5.1 Identify a potential European Regional Tourism Agency</p> <p>3.5.2 Organize a study tour for reps of the RPC</p> <p>3.5.3 Conclusions on the capacity building needs</p>	PMT	<p>In order to go beyond theoretical training and get in touch with real life experiences as well as for networking purposes the Action envisages to assist Kukes region and its newly established structures for tourism and environment promotion to partner with a developed Regional Tourism Agency from an EU member state.</p> <p>Assistance for identifying a suitable European Regional Tourism Agency will be sought from the Ministry of Tourism and the National Tourism Agency as well, drawing upon their contacts and networks. Nevertheless, the suitability requirements of a potential Regional tourism Agency should indicatively comprise:</p> <ul style="list-style-type: none"> - a good experience in tourism promotion in a similar geographic and operational context with that of Kukes, - capacities to coach/assist a sister organization, with preferably similar past experience, and - interest and willingness to partner with Kukes region. <p>A study tour of up to ten representatives from RPC will be organized to visit the partner Regional Tourism Agency in order to establish contacts, gain first-hand experience on how tourism is managed, identify cooperation areas and follow up activities.</p> <p>Although much depends on the specifics and nature of the identified partner Regional Tourism Agency, it is anticipated that the partner will pay at east one visit of about ten days to Kukes, sponsored by the Action, to assess the situation and provide hands-on training to the newly established TIC, selected members of the RPC and other relevant local stakeholders through working meetings and a workshop.</p>
<p><u>3.6 Creation of Kukes Regional Tourism Information Centre - TIC</u></p>	PMT	<p>As there is no dedicated structure in charge of tourism promotion in the region and no place where visitors might receive information or directions, the Action will assist regional authorities establishing a Regional Tourism Information Centre (TIC), under the auspices of</p>

PHASE 3 – Institutional Building		
Activities	Indicative Human Resources	Narrative
3.5.1 Develop terms of Reference for the TIC	International Expert from European Regional Tourism Agency – 10 days	the Regional administration providing services to the entire region.
3.5.2 Negotiations carried out for TIC staffing modalities		A first precondition for assistance in establishing the TIC will be the provision free of charge of suitable premises by the regional/local government. By “suitability” it is meant that such premises are well visible and accessible by citizens and potential visitors at all times.
3.5.3 TIC staffing and premises identified		The other important precondition is about a sustainable solution for the staffing of the TIC, which needs to be worked out by regional and local authorities and ensure allocation of necessary staffing stability and budget for the running costs.
3.5.4 Provision of basic office equipment to TIC		The Action will assist in provision of basic office equipment for the running of the TIC office as well as tailor training to the TIC staff and coaching them during the implementation so as to build their capacities and expand the menu of the services they could provide to the region.
3.5.5 Identified European partner provides training		
3.5.6 TIC finalizes functional objectives		The TIC is expected to establish contacts with national tourist agencies and receive support from central institutions in charge of tourism and culture promotion, besides work at the regional level in data collection and analysis and an information point for guests and visitors, maintaining close contacts with local governments and entrepreneurs and providing technical assistance to various regional initiatives
3.5.7 RPC endorses the purpose and objectives of the TIC		

PHASE 4 – Infrastructure Development		
Activities	Indicative Human Resources	Narrative
<u>4.1 Identify infrastructure interventions</u>	PMT	The capital investment component will complement the soft assistance of the Action and be guided by the identified priorities within the Action Plan. Investments will focus in improving tourist and environmental related infrastructures in the targeted areas. A set of criteria will be elaborated in detail for identifying works interventions, to be agreed upon by the RPC prior to tender and fund the respective design and implementation.
4.1.1 Finalize criteria for identified infrastructure priorities		An anticipated indicative criteria list will have to include the following compliance requirements:
4.1.2 Select possible interventions for co-funding		<ul style="list-style-type: none"> - Potential interventions must be part of the Region's Action Plan - Works costs must be affordable so as the co-financing from local governments is within an acceptable range - Co-financing from local partners/other sources is secured at a ratio of at least 10% of the total value of works - The budget for a infrastructure works should indicatively range between 30,000 and 200.000
4.1.3 Prepare and launch call for project design		
4.1.4 Appraise designs with relevant local government		
<u>4.2 Implement infrastructure works</u>	PMT	
4.2.1 Tender designed works		- Works identified meet regional needs which are not in contradiction with national development plans.

PHASE 4 – Infrastructure Development

Activities	Indicative Human Resources	Narrative
<p>4.2.2 Tender works supervision</p> <p>4.2.3 Issue corresponding contracts</p> <p>4.2.4 Monitor progress of implementation of works</p> <p>4.2.5 Organize visibility events around completed works</p> <p>4.2.6 Hand over completed works to local beneficiaries</p>		<ul style="list-style-type: none"> - Direct beneficiaries are usually public authorities, which will be responsible for provision of services, maintenance and sustainability of the built/rehabilitated infrastructure and facilitate/solve any conflict of ownership or the like during and after the implementation. - In particular cases, such as reforestation in privately owned land, a possible agreement would be made with the owner through the regional/local government for maintaining and preserving the investment. - Access to the infrastructure must be guaranteed for all potential users on equal terms - The infrastructure works project interacts possibly with other projects or measures in the area - The rehabilitated infrastructure contributes to safeguarding natural or man - made environment and an improved eco-tourist value and attractiveness. - The improved infrastructure has visibility and a considerable demonstration effect <p>In terms of eligibility, examples of eligible activities may include:</p> <ul style="list-style-type: none"> - Improvements to trade or cultural fair sites - Construction or improvement of access roads to these sites - Construction and/or improvement of roads connecting areas of eco-tourism potential. - Small scale public infrastructure related to tourism (including tourist information posts) - Reforestation of public or private areas for improving the landscape - Increase/improvement of green and/or recreational spaces particularly in the Region's urban areas - Reconstruction/renewal of state owned buildings to be used for tourist purposes, for example, as museums/cultural centres - Restoration of historical and cultural monuments - Both construction works and purchase of equipment shall be eligible. <p>Project design will be subcontracted to a local company as well as supervision of works. Technical designs will be reviewed and endorsed by the relevant local governments prior to tender. The design stage should take into account the following requirements:</p> <ul style="list-style-type: none"> - The design should be developed in a flexible way that will meet current and future needs - Generally accepted codes of practice should be used in design and implementation, with appropriate exceptions made to accommodate local conditions and characteristics. - Least-cost techniques should be used wherever possible. - The project's technical and financial documentation must be complete and accurate <p>Tendering will follow standards UNDP procedures and will be open to local companies. The PMT will provide quality assurance and overall monitoring of works progress and upon</p>

PHASE 4 – Infrastructure Development

Activities	Indicative Human Resources	Narrative
		<p>completion of works certified by the supervision will hand them over to local government authorities.</p> <p>The following indicative timetable will be followed:</p> <ul style="list-style-type: none"> - PMT, in consultation with the RPC, finalizes criteria for selecting infrastructure interventions - A potential list of interventions is developed - The list is screened and prioritized by RPC, becoming a final list - A design company is identified and sub-contracted through standard tendering procedures – 30 days - Works design is completed – 30 days - Tender for implementation of works launched – 45 days - Tender for supervision of works launched – 45 days - Winner companies are sub-contracted - Implementation of works under progress and supervision to completion – 160 days - Works are handed over to public authorities
<p><u>4.3 Kukes Museum refurbishment</u></p> <p>4.3.1 Development and approval of museum platform</p> <p>4.3.2 Development of detailed museum interiors (specifications)</p> <p>4.3.3 Identification of necessary artefacts</p> <p>4.3.4 Subcontract for museum furniture production</p> <p>4.3.5 Subcontract for Museum IT equipment</p> <p>4.3.6 Installation of furniture and other museum systems</p> <p>4.3.7 Collection/procurement of artefacts</p> <p>4.3.8 Restoration of artefacts and</p>	<p>Local experts in museum architecture, archaeology, ethnography</p> <p>--ii--</p> <p>--ii--</p> <p>Local experts in architecture, ethnography</p> <p>Local experts in archaeology, ethnography</p> <p>Local experts in archaeology,</p>	<p>The development of the museum platform has to comply with the specific cultural heritage and history of Kukes region. Kukes region has its own specifics and is renowned for its handmade textiles and carpets; variety of rural lifestyles as well as for its unique response to the Kosovo crisis of 1999 and the regional unique natural beauties and resources, besides a few number of remaining archaeological sites (another part covered by the waters of the Fierza Lake.</p> <p>A decision has to be made on the Museum themes' focus and the geography coverage. This process involves close cooperation and consultations of experts with local authorities and communities for an optimal consensus among beneficiaries. The process will also be guided by national policies on cultural heritage promotion and requirements and will consequently have to comply with such requirements as the platform will be reviewed and formally approved by the National Committee on Museums.</p> <p>Based on the platform approval, a detailed development of museum interiors will ensue, including the number, type, location and specifications of furniture, development of the museum lighting and information systems, all this in parallel with the assessment of existing artefacts, the identification of new ones according to the museum platform, the identification of the likely location/source and their possibly physical check.</p> <p>Corresponding subcontracts will be issued for the production of furniture and IT equipment provision. With regard to artefacts collection, arrangements will be made with the region and an expert's commission for the collection and storage of these objects prior to their physical procurement. Installation of necessary lighting and information systems will also be subcontracted and competed in parallel with the furniture production, prior to the latter's</p>

PHASE 4 – Infrastructure Development

Activities	Indicative Human Resources	Narrative
placement	ethnography, restoration	<p>installation.</p> <p>The artefacts collected will be reviewed and checked on whether any of them requires special treatment and restoration prior to be placed in the respective position as per the specifications.</p> <p>At the conclusion of the above phases, the whole and detailed inventory of the equipments and artefacts will be handed over to the municipality of Kukes as the main beneficiary of the Museum.</p>

PHASE 5 – Closure

Activities	Indicative Human Resources	Narrative
<u>5.1 Ex-post evaluation of the Action</u> 5.1.1 Develop Terms of Reference for Independent Evaluation 5.1.2 Tender and hire evaluation experts 5.1.3 Assist the evaluation exercise 5.1.4 Review, accept and share the Evaluation Report	Local Evaluation experts – 1 month	<p>Towards the end of the implementation an independent evaluation will be undertaken for the assessment of the Project performance and its delivered outputs and related impact. Local qualified evaluation consultants will be selected through competition tender procedures. The evaluation report will be then shared with key stakeholders and used for the preparation of the Project Final narrative and financial Report.</p> <p>A final Project Board meeting will take place at the completion of activities to receive a final status of the achievements, the related evaluation and findings and approve in principle the Project Final Report</p>
<u>5.2 Prepare for final reporting and closing the Action</u> 5.2.1 Draft Action's Final and Lessons Learnt Reports 5.2.2 Convene the last Project Board meeting to review and conclude implementation activities 5.2.3 Close the Action operationally and later financially	PMT	

1.8. Methodology

The Action will be implemented in a period of 43 months from the start date set in the contractual Agreement with the European Commission Delegation. An indicative timetable of the sequence of activities and their inter-relationship is shown earlier in the present document. Efforts will be made to meet major milestones for achieving the set objectives.

The Action will be overseen by a Project Board, which is the highest management level for strategic direction and political support. The day-to-day management of the Action will be ensured by a Project Management Team, established on purpose by UNDP and located in Kukes. UNDP will provide quality assurance on the performance of the PMT and the progress of implementation so as to make sure results are being achieved. The Action will closely interact with Kukes Regional authorities, the Regional Partnership Committee established on purpose and various other local development stakeholders. The required long-term expertise will be part of the PMT while short time expertise will be hired when needed.

Finally, the core PMT staff will ensure proper management of the Action and coordinate local stakeholders for active participation and engagement in such an integrated exercise.

The implementation of the Action will go through the following sequence:

- Establishment of the PMT and endorsement of start-up by the Project Board
- Establishment of the Regional Partnership Committee
- Undertaking of an Assessment Study for inventorying the regional tourist, cultural and environmental assets and potentials
- Design and delivery of a training programme targeting various categories of local recipients from public, private and civil society
- Establishment of Kukes Tourism Information Centre in partnership with a European Regional Tourism Agency
- Development of Kukes Regional Action Plan to be adopted and supported by local governments
- Co-financing infrastructure priorities identified in the Action Plan
- Public awareness campaigns and publications of informational materials; a component that will be present throughout the implementation of the Action.

The above management structures and their roles are described in more detail in the following sections:

1.8.1 – Project Board

The Project Board will be chaired by the Deputy Minister of Tourism, Culture, Youth and Sports and composed of representatives of:

- Kukes Regional Council
- Ministry of European Integration (MEI)
- Ministry of Economy Trade and Energy (METE)
- Ministry of Environment, Forests and Water Management (MEFWM)
- European Commissions Delegation
- United Nations Development Programme

The role of the Project Board will be to guide and monitor progress of implementation of the Action, responsible for making by consensus management decisions for the project when guidance is required. The Project Board will meet preferably quarterly or as often as necessary upon the request of one of its members. The Project Board will be consulted

by the Project Manager in order to receive necessary decisions when project management tolerances in terms of time, cost and scope have been exceeded. Specifically the Board will have the responsibility for:

- Setting broad policies relating to the implementation
- Reporting to relevant institutions on performance and the level of compliance with procedures agreed upon
- Approving annual operational plans, including the budget
- Approving major policy changes with respect to the implementation of the Action;
- Initiating new ideas, methods and instruments aimed at improving the performance of the Action
- Setting standards for and providing monitoring and evaluation services regarding the adherence to agreed upon targets and objectives.

Upon signature of the agreement, UNDP will assist the Board Chairperson, who should be responsible for establishing the Board, in requesting official appointments/representation from the relevant institutions composing the Board. The first meeting of the Board though would be scheduled once the Project management is in place. Besides provision of strategic direction throughout the various stages of implementation of the Action, the Board will also seek to develop synergies with other initiatives related to culture and tourism promotion in the country.

Once the Project Management Team is in place, a detailed results framework and monitoring plan based on Annual outputs and objectively verifiable indicators (OVIs) will be developed. The PMT will make reference to this framework in preparing quarterly and annual progress reports.

The first meeting of the Project Board would be convened at this time to seek the expectations and initial guidance from the Board as well as introduce the work and monitoring plan for review and endorsement by the Board. This will establish the baseline for further Project Board meetings.

1.8.2 Project Management Team

UNDP, as the implementer of the Action, will establish a dedicated core Project Management team for the day-to-day management of the implementation, in close cooperation with the relevant UNDP Programme Officer and under the supervision of UNDP Senior Management.

The Project Management team will be established and located in Kukes as an essential core team in charge of the substance and financial management and as a liaison and coordination agent for the implementation of the Action. The recruitment will be done in accordance with UNDP rules and procedures.

The team composition will include basically an International Project manager and national technical and support staff as per the indicative list:

- International (or National) Project Manager x 1 – (post will be closed in Dec 2011)
- Local Project Coordinator x 1
- Finance Assistant x 1 - (post will be closed in Dec 2011)
- Driver x 1
- Support staff x 1 - (post will be closed in Dec 2011)

The International Project Manager, supported by the Local Project Coordinator, will have direct responsibility for the day-to-day management and operation of the Action to ensure its successful implementation.

It is important to note that the above core PMT staff will take in the responsibility of managing the forthcoming IPA 2007 CBC Kukes programme as well. Other Action specific

national and international experts will be identified in the course of implementation for implementing different tasks for each action.

The IPM is expected to have sound managerial skills in project management, preferable experience in similar programmes and geography as well as previous experience in the region.

The Local Project Coordinator, besides supporting the International Project Manager in his duties, is expected to cover one of the profiles considered essential for the Action's technical assistance. The qualifications to be sought might include urban/rural planning, landscape planning, agriculture and rural development, social impact assessment or the like.

More specifically, for both Action, the International Project Manager seconded by the Local Project Coordinator, will be responsible for:

- Planning, organizing, leading and controlling the day to day operations of the Action
- Articulating and setting standards for effective financial management and management of technical and operations staff, as reflected in the procedures and performance criteria, professional ethics and work programme
- Determining whether intended results can be achieved and implementing necessary correction actions, in the management and operation of the Action
- Ensuring the development of technical capabilities of staff associated with the project
- Providing timely financial and technical reports to the Project Board for review and recommendations
- Liaising with the relevant organizations to ensure successful implementation of the Action

The Action will be located in the same premises where KRDI was operating and therefore share office running costs with the ongoing Mine Action programme. The Action will also make use of KRDI assets so as to lower the costs of additional equipments down to the essential and necessary ones.

From January 2012 onward, it was deemed feasible to operate without a physical office in Kukes, therefore reducing the running costs.

1.8.3 Regional Partnership Committee

The implementation will heavily rely on the cooperation with local stakeholders and institutions, especially with the Regional Council authorities, but also with local governments, local civil organizations and private sector.

The above stakeholders will participate in the establishment and functioning of a Regional Partnership Committee, which will become the main counterpart for the Action, providing guidance and endorsing implementation decisions throughout the implementation life. The establishment of the RPC is in turn a key result of the Action and the aim is to support such capacities and institutional strengthening so as this structure is maintained and operational after the project ends. This arrangement is also in line with the institutional requirements of the national Cross-cutting Strategy for Regional Development, therefore it is likely that the structure will be consolidated further in the near future by additional assistance.

In the implementation of the Action, various RPC members have also different roles to play. The Regional Council is the main direct interlocutor as it is also heading the RPC. In addition, the Regional authority will be requested to lead efforts and come to a solution with regard to the establishment of a Regional Tourism Information Centre and secure staffing and sustainability. Local governments interested and covered by the Action will contribute in each phase of the implementation through the RPC, but also in the

development of major strategic documents envisaged by the Action. Local governments are also directly involved in priority setting, reviewing design of sub-projects and in co-financing the implementation of the selected ones.

1.8.4 UNDP's Quality Assurance role

In accordance with UNDP's Financial Rules and Regulations, UNDP will maintain a direct control over financial aspects of the Action and include it within UNDP's internal monitoring mechanisms.

1.9. Duration and indicative action plan for implementing the action

The duration of the action will be 43 months.

The Action Plan follows in the next pages

1.10. Sustainability (max 3 pages)

Actions to be financed under this project are expected to have an impact on promoting local economic and social development activities and create favourable conditions for enhancing quality of services, competitiveness and especially attractiveness of the tourism sector. The project will affect, in particular, initiatives to improve tourism services by the development of promotion activities and improving the area's image to potential visitors and investors. The expected results will have an impact on the development of tourism entrepreneurial activities in the Region and enhancement of cultural and historical values.

The Action will also support the identification and implementation of small scale investment projects with a cost-sharing scheme following the approach already successfully adopted with the KRDI Project. Project proposals should be in line with regional priorities, agreed with consensus by the Regional Partnership Committee and relate to the areas of focus of the Action.

The Action is expected to have a positive impact on cross-border cooperation initiatives as it will support Kukes Region maximize the use of its cultural, tourist, and environmental potentials for its local people and visitors who would come to the region either from across the border - the expected majority - or from the country inland. Thus, the Region will strive to become an interface or first contact point for such exchanges and cooperation benefiting first the communities from both sides of the border.

From this perspective, the risks involved in this undertaking are not major. Given the nature of the activities, the possible risks might be classified in the following rank of importance or severity:

Political risk: lack of harmonization of local governments' priorities and vision, therefore lack of adequate coordination and ownership.

Likely severity: medium

Mitigation of this risk if it appears will be in the focus of the first specific objective of the Action. UNDP has an excellent track record in working with all levels of local government in the region and has the required experience for building partnerships. Furthermore, since the objectives of the Action are shared by all local governments during the formulation stage, it is unlikely that cooperation will fail. UNDP will provide throughout the implementation adequate technical assistance for advising on technical and organizational aspects and decisions will be sought by consensus within the Regional Partnership Committee. Decisions will be also made mostly on strategic aspects in defining the Regional Action Plan and marketing tools, therefore resistance is not expected to be considerable.

Social risk: local capacities insufficient for managing, taking over and following up after the Action completion

Likely severity: medium

An important effort of the Action will be dedicated to capacity building concerns within government and non-government institutions in the region. Relevant participants will be indirectly exposed and directly trained in various methods of resources management and promotion. Training will also involve civil society and private sector representatives and these latter might seem more interested to follow the right track since they have a direct economic interest and therefore would exercise a positive pressure on the public administration. Other opportunities will be made available with the expansion of the cross-border cooperation support and it is expected that Kukes will be targeted in the

near future by a successor programme piloting the implementation of the Cross-cutting Strategy for Regional Development and IPA financing through centrally and regionally established management arrangements for promoting regional development. Therefore, donor presence in the area will be guaranteed for a few additional years and to assist consolidation of results.

Economic risk: lack of local government resources to comply with the co-financing scheme for infrastructure sub-projects

Likely severity: low

The cost sharing modality is already being applied for similar infrastructure projects in Kukes in the KRDI phases, therefore the municipalities are prepared and have experience in funding this type of projects. A track record of co-financing of more than 10% has become a norm and seems to be affordable for the region. As modalities will not change, it is expected that this aspect of complementarities will accompany the project implementation successfully and contribute to the overall local ownership of the results

1.11. Logical framework

LOGFRAME PLANNING MATRIX FOR	Project name and number	
Kukes Region Tourism and Environment Promotion – KRTEP	Contracting period expires: One year following the expiry date for Contracting	Disbursement period expires: Up to one year after the end date for the execution of contracts
	Total budget: 1.137 MEUR	IPA budget: 1.017 MEUR

	Intervention Logic	Objectively Verifiable Indicators of achievement (OVI)	Sources and Means of verification (MOV)	Assumptions
Overall objective(s)	<u>Overall Objective:</u> to contribute to the promotion of sustainable economic growth and attractiveness of the Albanian Kukes Region so as to make better use of its socio-economic and natural potentials in pursuing regional development and facilitating cross border cooperation.			
Specific Objective	<u>Specific Objective:</u> Development of local planning, management and entrepreneurial capacities, small scale tourism and environmental related			<ul style="list-style-type: none"> • Effective cooperation and commitment of public institutions • Strong cooperation and participation of civil

	Intervention Logic	Objectively Verifiable Indicators of achievement (OVI)	Sources and Means of verification (MOV)	Assumptions
	<p>interventions for an integrated approach on regional tourism development and environmental protection</p> <p>Component 1 - Local human and institutional capacities strengthened for integrating tourism and environmental concerns into local development vision</p> <p>Component 2 - Tourism and environmental related infrastructure improved in accordance with Region's identified priorities.</p>	<ul style="list-style-type: none"> • A Regional Partnership Committee established • Assessment study on culture and eco-tourism assets and Regional Action Plan for Tourism produced • TV/radio broadcast and quarter newsletter produced and circulated • Tourist Guide and map and other information material produced • Training course for local stakeholders held • Partnership with a MS Regional Development Agency established • Tourism Information Centre established • At least six infrastructure projects completed. 	<ul style="list-style-type: none"> • Proceedings of the Regional Partnership Committee works • Physical evidence of the publications • Project regular reports • Summary reports from regional government authorities • Physical evidence of the sub-projects results 	<p>society in each stage of implementation</p> <ul style="list-style-type: none"> • Common understanding of importance of data on local policy making • Realistic and qualitative project design

	Intervention Logic	Objectively Verifiable Indicators of achievement (OVI)	Sources and Means of verification (MOV)	Assumptions
Expected Results	Result 1 - Established and improved capacities of local authorities, institutions and other local development actors in programming and managing regional cultural and eco-tourism development	<ul style="list-style-type: none"> • A Regional Partnership Committee established • Assessment study on culture and eco-tourism assets and Regional Action Plan for Tourism produced • Training course for over 100 local stakeholders held • Partnership with a MS Regional Development Agency established • Tourism Information Centre established 	<ul style="list-style-type: none"> • Official decision confirming establishment of the structure • Proceedings of the Regional Partnership Committee works 	<ul style="list-style-type: none"> • Consensus and cooperation among local stakeholders • Continuous commitment of the regional government • Civil servants and running costs budget assigned to Tourism Information Centre
	Result 2 – Enhanced awareness about regional assets through structured and professional information and socio-cultural activities targeting internal and external audiences, markets and customers	<ul style="list-style-type: none"> • At least five cultural/ tourism related events organized • TV/radio broadcasting aired • Project Newsletter published • Information materials / leaflet / maps produced • Tourist Guide and information material 	<ul style="list-style-type: none"> • Physical evidence of the study • Regular project reports • Reports/information from Regional Authorities • Official endorsement by concerned LG units 	<ul style="list-style-type: none"> • Continuous commitment of the regional government • Participation and support from civil society and private sector • Support and cooperation of all local data holders/providers (local government units, border police, civil society, etc)

	Intervention Logic	Objectively Verifiable Indicators of achievement (OVI)	Sources and Means of verification (MOV)	Assumptions
		produced		<ul style="list-style-type: none"> • Adoption of Study findings by all local development and administrative actors • Adoption of the Action Plan and its inclusion in local development programmes
	Result 3 – Improved tourism and environment related infrastructures through targeting and supporting identified regional priorities	<ul style="list-style-type: none"> • At least six infrastructure projects completed. 	<ul style="list-style-type: none"> • Physical evidence of the sub-projects results 	<ul style="list-style-type: none"> • Co-financing support from local governments • Quality and detailed design of project interventions • Local maintenance

Activities	Per Results	Means	Costs	Pre-conditions/ Assumptions
Start up and Inception				
	<u>1.1 Establishment of the Project Board</u> 1.1.1 Official appointments from relevant institutions 1.1.2 Share project document with Project Board members 1.1.3 Inform Project Board on start-up	<ul style="list-style-type: none"> • Communication with representative institutions 	<ul style="list-style-type: none"> • Project running costs 	<ul style="list-style-type: none"> • All participant institutions familiar with the proposed Action

Activities	Per Results	Means	Costs	Pre-conditions/ Assumptions
	preparations			
	<u>1.2 Set up PMT for starting implementation</u> 1.2.1 Recruit International Project Manager 1.2.2 Recruit LT technical and support staff 1.2.3 Arrange PMT office premises 1.2.4 Procure necessary office equipment 1.2.5 Input Action budget into UNDP financial system 1.2.6 Finalize operational start-up	<ul style="list-style-type: none"> • Project Manager Recruitment process procedure • Local Staff Recruitment process procedures • Internal arrangements for use of former KRDI facilities in UNDP Regional Office • Procurement procedure for essential equipment • Processing transactions in ATLAS as for UNDP procedures 	<ul style="list-style-type: none"> • International PM 168,888 € • International travel 1,000 € • Local staff 46,125 € • Project Office rent 8,580 € • Project Office equipment 6,000 € 	<ul style="list-style-type: none"> • Qualified local team available • Previous KRDI office premises in Kukes are used in sharing with other UNDP Projects
	<u>1.3 Inception Report preparation</u> 1.3.1 Initial consultations with local stakeholders 1.3.2 Development of Terms of Reference for immediate activities	<ul style="list-style-type: none"> • Task of project management and local staff 	<ul style="list-style-type: none"> • Project running costs 	<ul style="list-style-type: none"> • Project team is properly and timely established and functioning

Activities	Per Results	Means	Costs	Pre-conditions/ Assumptions
	1.3.3 Fine-tune project implementation details 1.3.4 Draft Inception Report 1.3.5 Review and endorsement of Inception Report by the Project Board	<ul style="list-style-type: none"> • Communication with Project Board 		
	<u>1.4 Establish Regional Partnership Committee</u> 1.4.1 Undertake local stakeholder analysis 1.4.2 Consultation and negotiations on RPC composition 1.4.3 Fine-tune RPC Terms of Reference 1.4.4 Convene first RPC meeting to present the Action 1.4.5 Agreement on nature and frequency of communication with RPC	<ul style="list-style-type: none"> • Meeting with various potential local actors • Task of project management • Request official appointments in RPC • Meeting of RPC 	<ul style="list-style-type: none"> • Project running costs 	<ul style="list-style-type: none"> • Work and monitoring plans completed • ToRs for RPC properly developed and shared
Result 1 - Improved capacities of local authorities, institutions and other local development actors in managing and programming regional cultural and eco-tourism development				
	<u>2.1 Comprehensive</u>			

Activities	Per Results	Means	Costs	Pre-conditions/ Assumptions
	<p><u>Situational Analysis – the Assessment Study</u></p> <p>2.1.1 Hire necessary ST expertise</p> <p>2.1.2 Desk review of available information</p> <p>2.1.3 Definition of field trip plans</p> <p>2.1.4 Definition of standards and requirements for data collection</p> <p>2.1.5 Field trips in the Region</p> <p>2.1.6 Data compiling and analysis</p> <p>2.1.7 Draft of Assessment Report</p> <p>2.1.8 RPC draft review</p> <p>2.1.9 Eventual translation</p>	<ul style="list-style-type: none"> • ST local experts on: <ul style="list-style-type: none"> - cultural tourism – 3 months - environmental management – 3 months - forestry management – 2 months - SME/Market Analysis – 2 months - IT expert – 0.5 months - Translator – 0.5 months • ST international expert on tourism planning – 1.5 months - PMT - PMT + IT expert - Pool of experts + Project vehicles and travel costs - Pool of experts 	<ul style="list-style-type: none"> • ST local experts 23,000 € • St international expert 15,000 € • Per diem • Printing 100 € 	<ul style="list-style-type: none"> • ToRs for Assessment Study developed and approved by RPC • Quality and easiness of information collected

Activities	Per Results	Means	Costs	Pre-conditions/ Assumptions
	<p>into local language</p> <p>2.1.10 Finalization of Assessment Report</p> <p>2.1.11 Printing of assessment report</p>	<ul style="list-style-type: none"> - Communication with RPC - Translation costs - PMT - Printing subcontract 		
	<p><u>3.1 Development of Regional Action Plan</u></p> <p>3.1.1 Terms of Reference for Action Plan Developed</p> <p>3.1.2 Mobilization of experts for formulating the Action Plan</p> <p>3.1.3 Desk review of available information</p> <p>3.1.4 Meeting with key tourist & travel agencies</p> <p>3.1.5 Kick-off meeting with RPC</p> <p>3.1.6 Draft version 1</p> <p>3.1.7 RPC review and feedback</p>	<ul style="list-style-type: none"> • Task of Project Management • ST local experts on: <ul style="list-style-type: none"> - cultural tourism – 3 months - environmental management – 3 months - SME/Market Analysis – 1.5 months • ST international expert on tourism planning – 1.5 months • Communication with RPC 	<ul style="list-style-type: none"> • ST local experts 18,000 € • St international expert 15,000 € • Per diem • Workshops 1,200 € • Printing 300 € 	

Activities	Per Results	Means	Costs	Pre-conditions/ Assumptions
	3.1.8 Draft version 2 3.1.9 RPC and Project Board review 3.1.10 Final draft of Action Plan 3.1.11 Action Plan endorsed by the Regional Council			
	<u>3.4 Training needs assessment and training provision</u> 3.4.1 Develop Terms of Reference for training 3.4.2 Identify and hire training experts 3.4.3 Carry out a training needs assessment 3.4.4 Identification of training target groups 3.4.5 Preparation of training packages 3.4.6 Training delivery to potential target groups	<ul style="list-style-type: none"> • Task of Project Management • ST local experts on: <ul style="list-style-type: none"> - cultural tourism – 3.5 months - environmental management – 3.5 months - SME/Market Analysis – 3.5 months • ST international expert on tourism planning – 1.5 months • Training materials 	<ul style="list-style-type: none"> • Project running costs • ST local experts 21,000 € • ST international expert 15,000 € • Workshops 2,400 € • Printing 1,000 € 	
	<u>3.5 Partner with a European</u>			

Activities	Per Results	Means	Costs	Pre-conditions/ Assumptions
	<u>MS Regional Tourism Agency</u> 3.5.1 Identify a potential European Regional Tourism Agency 3.5.2 Organize a study tour for reps of the RPC 3.5.3 Conclusions on the capacity building needs	<ul style="list-style-type: none"> • PMT • Study tour 	<ul style="list-style-type: none"> • Project running costs • Study tour 18,000 € 	
	<u>3.6 Creation of Kukes Regional Tourism Information Centre - TIC</u> 3.5.1 Develop terms of Reference for the TIC 3.5.2 Negotiations carried out for TIC staffing modalities 3.5.3 TIC staffing and premises identified 3.5.4 Provision of basic office equipment to TIC 3.5.5 Identified European partner provides training 3.5.6 TIC finalizes functional objectives	<ul style="list-style-type: none"> • PMT • Meetings with local counterparts • Equipment 	<ul style="list-style-type: none"> • Project running costs • TIC Equipment 21,000 € 	

Activities	Per Results	Means	Costs	Pre-conditions/ Assumptions
	3.5.7 RPC endorses the purpose and objectives of the TIC			
Result 2 – Enhanced awareness about regional assets through structured and professional information and socio-cultural activities targeting internal and external audiences, markets and customers				
	<u>3.2 Public Awareness activities</u> 3.2.1 Organization of public meetings 3.2.2 Preparation of TV/radio broadcasts 3.2.3 Action's newsletter quarterly 3.2.4 Identification and support organization of regional social events 3.2.5 TV publicity spots at national level	<ul style="list-style-type: none"> • PMT • Subcontracting • Event organization 	<ul style="list-style-type: none"> • Project running costs • Workshops 1,200 € • Newsletter 700 € • Events 8,000 € • Radio broadcasting 2,500 € 	<ul style="list-style-type: none"> • Active participation of people – support from local governments • Respect the frequency of newsletter issuing and disseminate widely
	<u>3.3 Promotional/informational materials</u> <u>I - Promotion of local products</u>	<ul style="list-style-type: none"> • PMT • ST local experts on: - cultural tourism – 3 	<ul style="list-style-type: none"> • Project running costs • ST local experts 	<ul style="list-style-type: none"> • Real market or tourist value of identified

Activities	Per Results	Means	Costs	Pre-conditions/ Assumptions
	<p>maps</p> <p><u>III – Kukes Tourist Guide</u></p> <p>3.3.12 Terms of Reference prepared and agreed by RPC</p> <p>3.3.13 Mobilization of ST experts</p> <p>3.3.14 Desk review of available information</p> <p>3.3.15 Draft version 1 prepared</p> <p>3.3.16 Feedback received from RPC</p> <p>3.3.17 Draft version 2 prepared</p> <p>3.3.18 Translation</p> <p>3.3.19 Editing and layout</p> <p>3.3.20 Guide printing</p> <p>3.3.21 Launch at a regional event</p>	<ul style="list-style-type: none"> • ST local experts on: <ul style="list-style-type: none"> - cultural tourism – 2.5 months - environmental management – 2.5 months - translator – 0.5 months - editor/layout – 1 month • ST international expert on tourism planning – 1 month • Printing subcontract 	<ul style="list-style-type: none"> • ST local experts 16,000 € • ST international expert 10,000 € • Printing 2.500 € 	<ul style="list-style-type: none"> • Good quality and level of detail of Terms of Reference • Close and professional monitoring of the product substance • Agreement among local authorities on the focus and content of the Guide

Activities	Per Results	Means	Costs	Pre-conditions/ Assumptions
Result 3 – Improved tourism and environment related infrastructures through targeting and supporting identified regional priorities				
	<p><u>4.1 Identify infrastructure interventions</u></p> <p>4.1.1 Finalize criteria for identified infrastructure priorities</p> <p>4.1.2 Select possible interventions for co-funding</p> <p>4.1.3 Prepare and launch call for project design</p> <p>4.1.4 Appraise designs with relevant local government</p>	<ul style="list-style-type: none"> • PMT • Communication with LGs 	<ul style="list-style-type: none"> • Project running costs 	<ul style="list-style-type: none"> • Consensus on selected criteria beyond local interests • Full respect of agreed criteria in making priority selection • Assurance for commitment, ownership and co-financing • Quality designs timely produced
	<p><u>4.2 Implement infrastructure works</u></p> <p>4.2.1 Tender designed works</p> <p>4.2.2 Tender works supervision</p> <p>4.2.3 Issue corresponding contracts</p> <p>4.2.4 Monitor progress of implementation of works</p>	<ul style="list-style-type: none"> • PMT • Communication with LGs • Selection and subcontracting procedure • Monitoring visits 	<ul style="list-style-type: none"> • Project running costs • Subcontract design 15,000 € • Subcontracting work implementation 537,235 € • Subcontract monitoring 15,000 € • Per diem 	<ul style="list-style-type: none"> • Timely tendering for ensuring completion in time

Activities	Per Results	Means	Costs	Pre-conditions/ Assumptions
	<p>4.2.5 Organize visibility events around completed works</p> <p>4.2.6 Hand over completed works to local beneficiaries</p>	<ul style="list-style-type: none"> • Memorandum of understanding with LGs • Event organization 	<ul style="list-style-type: none"> • Visibility 4,000 € 	
	<p><u>4.3 Kukës Museum refurbishment</u></p> <p>4.3.1 Development and approval of museum platform</p> <p>4.3.2 Development of detailed museum interiors (specifications)</p> <p>4.3.3 Identification of necessary artefacts</p> <p>4.3.4 Subcontract for museum furniture production</p> <p>4.3.5 Subcontract for Museum IT equipment</p> <p>4.3.6 Installation of furniture and other museum systems</p> <p>4.3.7 Collection/procurement of artefacts</p>	<ul style="list-style-type: none"> • Consultancy • Consultancy • Consultancy • Subcontract • Subcontract • Subcontract • Subcontract + Consultancy 	<p>Inputs from local architect, archaeologist, ethnographer and culture experts during platform development, consultation and approval and artefacts identification (mainly 4.3.1, 4.3.2, 4.3.3)</p> <p>Cost: 21,405 Eur</p> <p>Subcontracts for furniture production, installation of various museum systems and collection/purchasing of artefacts (lines 4.3.4, 4.3.5, 4.3.6, 4.3.7 and 4.3.8) including production and delivery of goods and monitoring expertise during production and installation.</p> <p>S/contracts: 42,750 EUR</p> <p>Consultancy: 15,600 EUR</p>	<p>Cooperation and support from the Ministry Tourism and Culture</p> <p>Full support from Kukës Qark and municipal authorities</p> <p>A good willing of the local communities and various institutions to contribute and donate to the museum artefacts of value on voluntary basis or at reasonable costs</p>

Activities	Per Results	Means	Costs	Pre-conditions/ Assumptions
	4.3.8 Restoration of artefacts and placement	<ul style="list-style-type: none"> • Subcontract + Consultancy 		
Closure				
	<u>5.1 Ex-post evaluation of the Action</u> 5.1.1 Develop Terms of Reference for Independent Evaluation 5.1.2 Tender and hire evaluation experts 5.1.3 Assist the evaluation exercise 5.1.4 Review, accept and share the Evaluation Report	<ul style="list-style-type: none"> • Task of Project Management • Local Evaluation Experts 	<ul style="list-style-type: none"> • Project running costs • Monitoring and Evaluation 9,000 € 	
	<u>5.2 Prepare for final reporting and closing the Action</u> 5.2.1 Draft Action's Final and Lessons Learnt Reports 5.2.2 Convene the last Project Board meeting to review and conclude		<ul style="list-style-type: none"> • Project running costs 	<ul style="list-style-type: none"> • Evaluation report submitted • Project Final Report completed

Activities	Per Results	Means	Costs	Pre-conditions/ Assumptions
	implementation activities 5.2.3 Close the Action operationally and later financially			