Conservation of Biodiversity and Sustainable Land Use Management in Dragash project

2011 Year Progress Report
January to December 2011

Prepared For
Government of Finland and project Steering Committee

Prepared by
Maria Elena Zuniga – Project manager

V3 May 2012, 2012
**Executive Summary**

**Notable achievements of the project during the reporting period:**

The area of the municipality of Dragash is now one of the best documented areas in Kosovo with respect to biodiversity and natural resources. This allows the national decision making process for the national Park, other donor cooperation projects and the municipality to develop concrete measures to support local development.
Under output 1, a substantial set of natural, social and economic resources assessments as well as data
base have been produced and collected and introduced in a GIS platform allowing for the completion of the
Sustainable Development Atlas (SDA). The Atlas is the basis for production of the development options and
development scenarios for the MDP.
Biodiversity and related studies and assessments have allowed for technical/scientific definition of Sharr
National Park borders and its zoning, which have been discussed with the technical counterparts at MESP -
national park Directorate and Nature Protection Department. Ministry of Environment has sent draft Law
proposal to the Parliamentarian committee for Agriculture, Forestry, Environment and Spatial Planning, for
revision and approval.

Under output 2, community needs for training, focusing on improved economic activities, have been
identified. 3 village projects, to be implemented under Art Gold, have been initiated and partially
completed. A 4 days Visioning Workshop for the Municipal Development Plan with participants from whole
Dragash Municipality was implemented and a preliminary vision has been compiled, a collection of pressing
issues to be addressed in the MDP has also been completed. Based on this, the project has established
relationship with ART Gold ILS LEDA programme to initiate the assessing establishment of a local
development agency, for which a local products and value chains has been designed and discussed with
local actors. Coordination with other donor agencies has taken place; Swiss development agency and
MAFRD.

Under output 3: Strong interest of the communities in several areas in Dragash for energy efficiency and
SHPP potential has been realized and voiced during field visits to several villages. Project has provided
review of SHPP in the areas of the national park and suggested EIA to ensure environmental impacts are
considered and taken into account. Energy efficiency audit has been carried out to Dragash hospital as well
as assessment of needs to improve and finalize solar water heating system. Energy questionnaires have
been developed for some 200 samples and a baseline study was prepared.

Under Output 4: Job descriptions for municipal staff positions are being completed and this will lead the
way to implement a capacity development programme. Some activities have been initiated in 2011, training
for energy efficiency for 1 municipal officer, purchase of 3 computers to transfer and train on GIS tool
/capacity/ GIS license bought, and identification of training providers has been completed.
At least two capacity development components for community based actors are developed; agro-forestry
and women handcrafts upgrading skills.

New risks/challenges identified:

Ensuring active and substantive participation of the municipality in drafting the MDP appears to be a
challenge. The practical involvement of the Municipality in the design process is crucial. This includes the
Municipalities’ contribution of relevant information as well as building the municipality’s capacity for
planning. With the help of the project the Municipality is about to complete the definition of roles and
responsibilities for each department. This will be the basis to jointly discuss existing gaps in capacities and
the drafting of a joint Capacity Development plan.

Coordination with different actors working in the Dragash region is also a relevant challenge that requires
permanent coordination. In particular, the forests within the national park proposed zones seem to be a
Overall progress towards project objective:

Project moves consistently towards achieving the targets set for the 1st year of implementation, some activities especially under output 2 and 4 have been prepared, but the implementation will only be possible in 2012. Complete systematization and analysis of village data and the completion of the Sustainable Development Atlas are the key elements to allow for the proposal of development options. SDA completed in draft. Overall implementation may be reaching 65 to 70% of the target for 2011.

AN important lateral achievement is the coordination mechanism established with other UN agencies and international donors. UNKT agencies such as UNICEFF and UNFPA have initiated implementation of programmes in Dragash targeting children, women and other specific social groups. The coordination around nature tourism potential can strongly support the delivery of economic benefits for the Dragash community.

Situational Background

The project will address institutional capacity development needs and support policy implementation in key sectors including local economic development, social protection and environment, particularly biodiversity conservation in the Sharr Mountain region. It is primarily aligned with the UNDP Kosovo strategic outcome of “Sustainable development plans and policies regarding environmental protection, effectively responding to the need of stakeholders”.

The purpose of this three-year project is to provide continuing support to the establishment of a sustainable development framework for Dragash/Đragaš municipality, one of the poorest municipalities in Kosovo, where biodiversity, valuable not only for Kosovo but also for the whole Balkan region, is a major asset. This project builds upon the results, achievements and problem analysis developed over a one-year preparatory phase project implemented by UNDP Kosovo, with funding from the Government of Finland.

The project promotes sustainable development focusing on: i) the conservation of biodiversity; ii) the re-establishment and development of improved local businesses based on sustainable use of land and natural resources; iii) environmentally sound energy services and sustainable development principles; and iv) improved capacities and empowerment of local governments, community leaders and women to promote development in collaboration with central level sectors.

Conservation of biodiversity in Dragash/Đragaš area can only be ensured in combination with improved livelihood of those communities living in the area. This should be based on sustainable development principles and gender equality, especially with regard to the use of land and natural resources, and on the provision of sufficient basic services. The proper zoning and border definition of the new National Park is therefore important. Targeting the development of the energy sector will also raise the capability of the community and municipality to ensure sustainable use of natural resources and support further business development. In addition, enhancing the capacities of local government and various stakeholders, especially women, to manage development in a sustainable manner is a key component for the short-, medium- and long-term success in Dragash/Đragaš.

1 “Kosovo” throughout the document refers to Kosovo under UNSCR 1244.
The project objective and results supports the Government of Kosovo in adhering to European standards and international frameworks, especially with regard to the protection of biodiversity, and enhanced environment and gender equality.

Strategic approach of the project:
Overall, the project aims to establish an effective framework for sustainable development in Dragash/Dragaš. All three cornerstones of the sustainable development framework - environment, economy and social development including modern forms of energy services - are embedded in the four project outputs. Environmental sustainability will be achieved through the conservation of biodiversity, and integrated water, waste and energy management. Economic development will be pursued through the establishment of a local economic development strategy, particularly through supporting the development of a market for local products and the certification for increased production and exporting beyond the region. Social development will be tackled in various ways – the technical capacity development of municipal officers and community leaders, women empowerment through local action groups to promote environmental awareness, and community organisation and establishment of local economic development actions at the community level. On all fronts, the local development strategy (the Municipal Development Plan together with the local economic development strategy) in Dragash/Dragaš is and will be closely related to the Kosovo protected area system, namely through the Sharr National Park. The project will thus support the creation of capacities at the central level to conduct financial and management analysis and plans for the National Park.

Evaluation of Progress during the Reporting Period
*(Detailed summary table attached in Annex B shares development of each of the activities planned)*

---

Footnote:
² Municipal capacity development has been identified by the municipality as a key component to ensure long term sustainability of project outputs.

V3 May 2012
2011 Year Report – January to December 2011
Conservation of Biodiversity and Sustainable Land Use Management project in Dragash
Output 1 (reformulated). Plans and policies in place for the adequate conservation and sustainable land use management.

TARGET YEAR 2011 - All planning-related processes initiated in close cooperation with relevant stakeholders, ensuring a substantial level of shared responsibility

<table>
<thead>
<tr>
<th>Indicators 2010-2013</th>
<th>Unit</th>
<th>Baseline</th>
<th>Target</th>
<th>Means of verification</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.1 Protected area in Dragash</td>
<td>ha</td>
<td>none</td>
<td>22,000</td>
<td>Sharr National Park law</td>
<td>25,000 has proposed in extension of SNP</td>
</tr>
<tr>
<td>1.2 Relevant plans in place</td>
<td>MDP, Economic Dev Strategy, Water, swage, Waste</td>
<td>None, or outdated</td>
<td>MDP, Economic Dev Strategy, Water, swage, Waste</td>
<td>publication on municipality website</td>
<td>Being produced</td>
</tr>
<tr>
<td>1.3 Institutions using Sustainable Development Atlas</td>
<td>MESP, Nat Park Directorate, Municipality</td>
<td>No consistent spatial data available</td>
<td>MESP, Nat Park Directorate, Municipality</td>
<td>publication on MoESP website incl. reference to users</td>
<td>Partial data sets have been transferred to MESP, Nat. Park Directorate</td>
</tr>
<tr>
<td>1.4 Participants in consultation/planning events</td>
<td>disaggregated by stakeholders - organisation, level, gender</td>
<td>No consistent registry in place</td>
<td>500</td>
<td>Attendance lists</td>
<td>100 attendees recorded</td>
</tr>
</tbody>
</table>

Overall progress achieved against identified targets and indicators for Output 1:

Progress:
Target 2011 Achieved with restrictions. Project has succeeded in initiating all planning processes; MDP has been advanced (visioning, structure outlined, key issue analysis, SDA resources mapping); Water, waste water and waste, master plans have been initiated and fairly advanced. It has not succeeded in sharing responsibility with municipality, heads of departments and the municipal core planning team. The municipality’s current capacity has not allowed taking responsibility on its own for any of the components of the process (like the provision and/or support in gathering relevant data).

Sustainable Development Atlas being completed with input of several national experts and necessary field work (exp. Biodiversity, Water Resources and Village Economic potentials). Municipal Development Plan (MDP) process being developed as per work plan, included a participatory Visioning workshop – the first time that key village representatives discussed together with the national Ministry and the Municipality. Census population data are still missing but their collection is organised at the moment. The census data are substantial to define population projections for all of the MDP development scenarios.
Changes Affected:
Relevant new information has been created, thus allowing for planning decisions to be made at present (borders and zoning of National park) and in the coming semesters (land use development options for the MDP – Conservation, protection, restoration or development areas, can now be zoned) based on a scientific approach and on relevant information.

Participatory planning through Visioning workshop and Village Working Groups (VWG) have allowed for some 100 participants to learn about the SDA findings. Participation of women has been a challenge as this region is very conservative and they tend to ban the participation of women.

Output 2. (Reformulated) Plans and capacities developed for improved livelihoods

TARGET 2011: All activities described (new small grants program for economic and environmental development, recycling business oriented initiatives, and ART GOLD decentralised cooperation) are launched and initiated, and the community is involved in tackling development actions.

<table>
<thead>
<tr>
<th>Indicators 2010-2013</th>
<th>Unit</th>
<th>Baseline</th>
<th>Target</th>
<th>Means of verification</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.1 Local economic development (LED) strategy updated &amp; improved</td>
<td>LED</td>
<td>Current LED is outdated</td>
<td>Updated by 2012 for 2012-2016</td>
<td>Publication in print &amp; municipal website</td>
<td>Advanced, resources mapping in place</td>
</tr>
<tr>
<td>2.2 % of entrepreneurs participating in producers association</td>
<td>%</td>
<td>O association, 854 SMEs in 2009</td>
<td>10% SMEs registered in local business association</td>
<td>Registration &amp; registry at the chamber of commerce</td>
<td>Not advanced</td>
</tr>
<tr>
<td>2.3 Local producers passing certification tests</td>
<td>Number by field and gender</td>
<td>Unknown trained producers</td>
<td>150</td>
<td>Certification records</td>
<td>Not advanced</td>
</tr>
</tbody>
</table>

Progress:

Targets partially achieved. MDP and the economic development strategy are being developed with participation of the local people. The resources mapping implemented through village questionnaires is integrating into the development options the needs and demands by the local communities, and a clear quantifiable indication of the use of the local resources.

The most relevant achievements under this output refer to the inclusion of participatory planning at community level. The communities are now being informed on the process of planning. Project is now integrating 5 more villages totalling 10 were the participatory planning takes place. The Village Working Groups (VWG) are not only running a planning cycle, but also being provided training based on the demands and opportunities identified in the SDA. At least 2 capacity development programmes have been designed (establishment of handmade business opportunities for women in Dargash, and, Establish and increase the production capacity of seedlings and managing skills for a nursery for agro-forest production at local level in Dragash) and several trainer providers contacted.
Changes Affected:
Relevant new detailed information has been created at the village level, thus allowing understanding what resources the community utilizes and for what. This is a strong basis for deciding how small grants for promotion of livelihood improvement can be implemented. It is now clear in which villages there are better opportunities due to stronger leadership and organization, where there is a strong demand based and where there is larger specialization in relationship to existing resources. Village characterizations for all 36 villages have been developed allowing also to feed the planning process.

Output 3. (Reformulated) A sustainable energy strategy and capacities for its implementation developed

TARGET YEAR 2011- Consensus reached with local and central stakeholders on basic concepts for decentralised energy provisions. Basic data collected for consensus building and decision making, and, basic analysis for legal and administrative frameworks completed

<table>
<thead>
<tr>
<th>Indicators 2010-2013</th>
<th>Unit</th>
<th>Baseline</th>
<th>Target</th>
<th>Means of verification</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.1 Energy strategy approved</td>
<td>Yes/no</td>
<td>none</td>
<td>Energy strategy</td>
<td>Published in print &amp; on municipal website</td>
<td>Basic information in place to draft a strategy</td>
</tr>
<tr>
<td>3.2 renewable resource pilots (micro-hydro; wind; solar; biofuel)</td>
<td>Number of pilots</td>
<td>none</td>
<td>4</td>
<td>Project reports</td>
<td>1 solar heating system being completed-hospital</td>
</tr>
<tr>
<td>3.3 Trained staff in municipality</td>
<td>Number</td>
<td>none</td>
<td>1</td>
<td>Project reports</td>
<td>1 municipal engineer is receiving training</td>
</tr>
</tbody>
</table>

Progress:
Targets have are mostly achieved: Discussions with ERO and MED have taken place on how energy provisions will be decentralized, it is still a pending discussion at the local level. This will be main target for Q1 2012. As per data, this has been collected and basic analysis for legal and administrative frameworks have been completed.

Changes Affected:
The information about energy and renewable energy potential is crucial to assess the potential support of local development. One of the main issues it to reduce the burden on forests. This has been shared with Municipal officers and community. A great interest and shift of minds in regards to recognise and value the renewable energy potentials and energy saving techniques is taking place. People where not at all aware of energy potentials and its impact to local development.
Output 4. Relevant mechanisms and capacities are developed within the municipality for the promotion of sustainable development

TARGET YEAR 2011 - Municipal capacity development assessment conducted, and agreement reached on proposed action plan. All other activities initiated.

<table>
<thead>
<tr>
<th>Indicators 2010-2013</th>
<th>Unit</th>
<th>Baseline</th>
<th>Target</th>
<th>Means of verification</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.1 municipal capacity assessment developed</td>
<td>Yes/ no</td>
<td>1 general assessment produced by MLGA</td>
<td>Assessment completed by Q1 2012, implementation throughout 2012-2013</td>
<td>Publication in municipal website or project report</td>
<td>Concept for capacity development produced; assessment pending</td>
</tr>
<tr>
<td>4.2 capacity development plan implemented</td>
<td>Number</td>
<td>none</td>
<td>16 municipal officers and 10 community groups</td>
<td>Trainees certificates</td>
<td></td>
</tr>
<tr>
<td>4.3 Environmental financing mechanisms studied/designed</td>
<td>Yes/no</td>
<td>none</td>
<td>torism tax, park entrance fees, water usage tax, payment for ecosystem services, carbon sequestration credits types are analyzed</td>
<td>Project report, municipal publication</td>
<td>Not initiated</td>
</tr>
</tbody>
</table>

Progress:
Assessment of capacities has been initiated; a definition of job descriptions for all municipal posts by the municipal administrator was produced. These job descriptions did not exist and now they will allow the completion of the capacity needs assessment. An assessment of the needs of skills training for local (village based) micro and small enterprises was drafted and discussed with village representatives and village working groups and is now the basis for planning and implementation.
A proposal has been drafted on how to move along three major areas of capacity development vis a vis the new planning instrument being produced, the MDP.

Changes Affected:
At this stage not many changes have impacted the municipality or the communities, changes are to take place once capacity development is initiated consistently. Needs for capacity development in productive sectors at the community level has been produced, as well as identification of training providers. This will allow for implementation and will have a direct impact on capacities.
**Gender Mainstreaming**

Impacts of the project are same for men and women, planning framework affects both equally. The project is trying to strengthen the participation of women in all components. It is trying to ensure that there is a presence of women in all activities particularly in all planning related processes. This project effort is a challenge for the local culture by which women are not expected to be active social participants. The Visioning workshop (September 2011), has demonstrated that women do appreciate their involvement and are more than able (and qualified) to substantially contribute to the MDP and business development activities. Under output 2 a specific target group is women and the improvement of women’s economic conditions. Special efforts are being made to set up a sub-project to enhance women’s art crafting skills in a way that they can be upgraded and participate actively in the local economy.

**Partnerships**

The project is undertaking serious efforts to coordinate with all donor initiatives, projects and programmes acting in Dragash region and beyond. It has developed a stakeholder analysis and a working relationship with most - if not all - trying to ensure that there is no duplication of efforts and that lessons learnt as well as relevant material results produced are shared with all relevant actors at all levels.

At present efforts are made to effectively coordinate with all other implementing organizations, In particular Dragahs project works in close cooperation with the Belgium funded ART GOLD initiative.

**Challenges, Responses and Lessons Learned**

- Ensure active participation of municipality in drafting the MDP, and ensure positive attitude of municipal officers towards learning process and participation of the citizens and civil society organisations.
- Organizing the business sector/business association with involvement of municipality and LAG (local action group), to ensure sustainability of the tourism and economic strategies.
- Providing a strong consistent package of capacity building/training and small grants for business and innovative productive development in coordination with existing actors
- Promote and consolidate village organization structures/ village councils as a basis for sustainability, i.e. Village Working Groups of the Art Gold programme in Dragash
- Expansion of the Sustainable Development Atlas and village questionnaires (resources/ resources use mapping) to the entire Sharr Mountain region appears to be a key task (asked for by the Ministry) to ensure that project can deliver a national park management plan. A National Park management cannot be effective and implementable; if there is no understanding of the sustainable use of natural resources by the people/communities and if local people don’t gain any added value from a National Park.

With regards to the project’s relevance;

- There have been no changes impacting the project rationale. The adherence of the UNKT approach towards supporting Dragash municipality and to work in close coordination with Dragash project is seen a big added value.
- As explained in Q2 report, a significant change appears in the approach of ensuring that capacity building is brought to the active Village working groups and community, to ensure economic development actions become sustainable. Q2, 2011 report is available at UNDP Website:
Annexes

Annex A  Financial Report


Annexes to be provided in separate table

- Annex 1  Status of SDA maps + SDA Structure
- Annex 2  Vision report
- Annex 3  Key Issue Analysis
- Annex 4  Note on LEAP
- Annex 5  SEA-LEAP-MDP
- Annex 6  Water, Waste water and Sewage Master Plan – WORK PLAN
- Annex 7  SNP Management plan process for 2012
- Annex 8  Recommendations for SNP management planning- Mike Appleton
- Annex 9  Recommendations for management and financial planning of SNP – Marlon Flores
- Annex 10  TOR for PA economic valuation study
- Annex 11  Activities for women community strengthening initiatives
- Annex 12  Business opportunities for women
- Annex 13  Community based capacities for seedling and nursery production
- Annex 14  Local products value chain workshop
- Annex 15  Energy Baseline summary report
- Annex 16  Engineering plan/design for revitalization indoor hospital hot water system
- Annex 17  Energy auditing report
- Annex 18  On SHPP in National Park
- Annex 18 b. Location of small HHPP in Dragash
- Annex 19  Dragash Tourism Potential Analyses
- Annex 20  Draft Tourism Strategy- MDP
- Annex 21  Lake Shutman Hiking Path Case Study Brod
- Annex 22  Application for Village participatory planning exercises
- Annex 23  Art Gold Dragash joint implementation report 2011
Annex A  Financial Report

Project Number: 00076321  
Project Title: Conservation of Biodiversity and Sustainable Land Use Management in Dragash's

Designated Institution: United Nations Development Programme Kosovo  
Duration: January 2011 - December 2011  
Currency: USD

<table>
<thead>
<tr>
<th>Activity</th>
<th>Total Expenditures</th>
</tr>
</thead>
<tbody>
<tr>
<td>Activity 1 (Spatial Framework)</td>
<td>373,640.30</td>
</tr>
<tr>
<td>Activity 2 (Economic development)</td>
<td>100,881.27</td>
</tr>
<tr>
<td>Activity 3 (Energy strategy)</td>
<td>101,720.79</td>
</tr>
<tr>
<td>Activity 4 (Capacity development)</td>
<td>17,214.05</td>
</tr>
<tr>
<td>Activity 5 (Management cost)</td>
<td>322,298.07</td>
</tr>
</tbody>
</table>

75100 - Facilities & Admin 7%: 67,635.00  
72400 - Communication 1%: -

Total expenditures: 983,389.48

Note: This figure represents the official book accounts closed by March 2012.

Other Contributions to the project:

Financial Contribution:
- UNDP project "Art Gold" - Belgium funded: $82,265.85
- UNDP New York: Innovative approaches: 5,000

Total: $87,265.85

In Kind Contribution:
- In kind contribution by UNDP: Two 4x4 vehicles & 1 generator
- In kind Contribution by Municipality Dragash: Project office space and Utilities

Signature: Arnesha Miftari, UNDP Head of Finance
Signature: Maria Elena Zuniga, Project Manager
Activity Results | Activity Actions
--- | ---
1. **Conservation of Biodiversity and Sustainable Land Use Management in Dragash**

- **PLANNED ACTIVITIES**
  - **Activity Results**
  - **Activity Actions**

- **Land Use Management**
  - **PLANNED ACTIVITIES**
  - **Activity Results**
  - **Activity Actions**

- **Conservation of Biodiversity**
  - **PLANNED ACTIVITIES**
  - **Activity Results**
  - **Activity Actions**

- **Summary**
  - **Activity Results**
  - **Activity Actions**

**Annual Work Plan 2011 versus Achievements**

**Conservation of Biodiversity and Sustainable Land Use Management in Dragash**

**Activity Results**

- Activity Actions

- **Summary**

- **Activity Results**

- **Activity Actions**

**Annex B Summary Table**

**Annual Work Plan 2011 versus Achievements**

**Conservation of Biodiversity and Sustainable Land Use Management in Dragash**

V3 May 2012

2011 Year Report – January to December 2011

Conservation of Biodiversity and Sustainable Land Use Management project in Dragash

Page 13 of 20
2.1) A local business strategy and unit developed in agreement with the municipality, and capacities of local actors developed and connected with the local business network and the municipality, and capacities of local actors developed and connected with the local business network.

2.2) Business initiatives based on recycling and organic waste management, developed and selected, with municipalities and local actors, the project management of forest protected areas further improved, and capacities and local level development.

2.3) MAFRD agricultural and forest policy implemented in cooperation with other initiatives and partners acting in Dragash or other areas of Kosovo.

2.4) New capacities for improved local businesses developed in Dragash/Dragaš through the ART GOLD decentralised cooperation mechanism.

2.5) A local business strategy and unit developed in agreement with the municipality, and capacities of local actors developed and connected with the local business network and the municipality, and capacities of local actors developed and connected with the local business network.

3.1) Establish cooperation with USAID KPEP project in regard to forest certification process ongoing in Koritnik mountain region. "

3.2) Design a strategy to integrate the related forestry and agriculture activities to the broader MDP development strategy.

3.3) Ensure the engagement of local community in forest programs like pre-commercial thinning.

3.4) Work together with Ministry of Agriculture and local communities, with the goal of fostering the local forest management system.

4.1) Small scale scheme implemented for sustainable local businesses, focusing on market development and compliance with international standards.

4.2) Business initiatives based on recycling and organic waste management, developed and selected, with municipalities and local actors, the project management of forest protected areas further improved, and capacities and local level development.

5.1) Design and implement village project initiatives

5.2) Further develop decentralised cooperation actions (e.g. Tree-Planting, socio-economic initiatives, etc.)

5.3) Ensure Local Action Group (LAG) is strengthened to play a sustainable role in implementing local development strategies in cooperation with MAFRD.

5.4) Design and implement capacity building business oriented training at village level.

5.5) Provide capacity development – on-the-job, training, study tours (1 trip abroad 3 persons)

6.1) Establish cooperation with USAID-KPEP project in regard to forest certification process ongoing in Koritnik mountain region. "

6.2) Design a strategy to integrate the related forestry and agriculture activities to the broader MDP development strategy.

6.3) Ensure the engagement of local community in forest programs like pre-commercial thinning.

6.4) Work together with Ministry of Agriculture and local communities, with the goal of fostering the local forest management system.

6.5) Small scale scheme implemented for sustainable local businesses, focusing on market development and compliance with international standards.

6.6) Business initiatives based on recycling and organic waste management, developed and selected, with municipalities and local actors, the project management of forest protected areas further improved, and capacities and local level development.

7.1) Develop municipal energy balance and forecast. A energy consumption survey may be conducted.

7.2) Develop municipal electricity generation strategy and implementation programme

7.3) Establish cooperation with USAID KPEP project in regard to forest certification process ongoing in Dragash (January 2012).

8.1) Integrate municipality into government and commercial database for electricity generation and distribution.

8.2) Support prioritisation of electricity generation below 1 MW (hydropower and wind) in cooperation with Energy Regulatory Office.

9.1) Integrate municipality into government and commercial database for electricity generation and distribution.

9.2) Support prioritisation of electricity generation below 1 MW (hydropower and wind) in cooperation with Energy Regulatory Office.

10.1) Design and implement village project initiatives

10.2) Further develop decentralised cooperation actions (e.g. Tree-Planting, socio-economic initiatives, etc.)

10.3) Ensure Local Action Group (LAG) is strengthened to play a sustainable role in implementing local development strategies in cooperation with MAFRD.

10.4) Design and implement capacity building business oriented training at village level.

10.5) Provide capacity development – on-the-job, training, study tours (1 trip abroad 3 persons)

11.1) Develop municipal energy balance and forecast. A energy consumption survey may be conducted.

11.2) Develop municipal electricity generation strategy and implementation programme

11.3) Establish cooperation with USAID KPEP project in regard to forest certification process ongoing in Dragash (January 2012).

12.1) Integrate municipality into government and commercial database for electricity generation and distribution.

12.2) Support prioritisation of electricity generation below 1 MW (hydropower and wind) in cooperation with Energy Regulatory Office.

13.1) Design and implement village project initiatives

13.2) Further develop decentralised cooperation actions (e.g. Tree-Planting, socio-economic initiatives, etc.)

13.3) Ensure Local Action Group (LAG) is strengthened to play a sustainable role in implementing local development strategies in cooperation with MAFRD.

13.4) Design and implement capacity building business oriented training at village level.

13.5) Provide capacity development – on-the-job, training, study tours (1 trip abroad 3 persons)
**Activity Results**

<table>
<thead>
<tr>
<th>Activity Actions</th>
<th>Activity Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>Conduct baseline study on municipal electricity supply available.</td>
<td>Partially completed</td>
</tr>
<tr>
<td>Discussions with local working groups of Brod and Restelica took place and will continue in 2012</td>
<td>Partially completed</td>
</tr>
<tr>
<td>Solar Thermal Collectors installed at Dragash Hospital, some more clinics and schools identified.</td>
<td>Completed</td>
</tr>
<tr>
<td>Baseline study finalized, report available 15 December 2011.</td>
<td>Completed</td>
</tr>
<tr>
<td>First auditing team will provide information workshop to staff of audited objects (Dragash Hospital and UNDP buildings).</td>
<td>Partially completed</td>
</tr>
<tr>
<td>Hydropower sites proposed by municipality and private investors, environmental impacts under assessments, letter of intent sent to Ministry of Environment and Spatial Planning.</td>
<td>Partially completed</td>
</tr>
<tr>
<td>Conservation of Biodiversity and Sustainable Land Use Management project in Dragash.</td>
<td>Partially completed</td>
</tr>
</tbody>
</table>

**Activity Actions**

<table>
<thead>
<tr>
<th>Activity Actions</th>
<th>Activity Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>Identification of the potential for solar thermal applications for Dragash.</td>
<td>Partially completed</td>
</tr>
<tr>
<td>Awareness raising and education on using the solar thermal energy. Study case, best practices in similar situations.</td>
<td>Partially completed</td>
</tr>
<tr>
<td>Implementation of the solar thermal installation projects (5 demo projects in hospital, mosques).</td>
<td>Partially completed</td>
</tr>
<tr>
<td>Capacity building of local technical staff on monitoring the utilization and maintenance of implemented solar thermal projects - learning by doing.</td>
<td>Partially completed</td>
</tr>
<tr>
<td>Identification of the potential for solar thermal applications for Dragash municipality.</td>
<td>Partially completed</td>
</tr>
<tr>
<td>Implementation of energy efficiency measures in public buildings.</td>
<td>Partially completed</td>
</tr>
<tr>
<td>Identification of the potential for energy savings for private households, energy assessment on house lighting.</td>
<td>Partially completed</td>
</tr>
<tr>
<td>Ensuring the transition from incandescent lighting to more efficient lighting in the households.</td>
<td>Partially completed</td>
</tr>
<tr>
<td>Developing the awareness and education materials.</td>
<td>Partially completed</td>
</tr>
<tr>
<td>Implementation of EE measures in public buildings.</td>
<td>Partially completed</td>
</tr>
<tr>
<td>Capacity development and training for energy service providers (operators for wind and hydro powerplants), solar thermal installation companies, and EE measures are conducted and training material is developed.</td>
<td>Partially completed</td>
</tr>
</tbody>
</table>

**Activity Actions**

<table>
<thead>
<tr>
<th>Activity Actions</th>
<th>Activity Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>Developing the training manual.</td>
<td>Partially completed</td>
</tr>
<tr>
<td>Training for energy service providers on EE.</td>
<td>Partially completed</td>
</tr>
<tr>
<td>Training for energy service providers on wind and energy.</td>
<td>Partially completed</td>
</tr>
<tr>
<td>Workshops for local villages groups.</td>
<td>Partially completed</td>
</tr>
<tr>
<td>Expansion of distribution of EE measures in public buildings.</td>
<td>Partially completed</td>
</tr>
<tr>
<td>Expansion of distribution of EE measures in private households.</td>
<td>Partially completed</td>
</tr>
<tr>
<td>Monitoring the implemented projects.</td>
<td>Partially completed</td>
</tr>
</tbody>
</table>

**Comments**

- No comments noted.

**Table 1**

<table>
<thead>
<tr>
<th>Activity</th>
<th>Year</th>
<th>Report</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Identification of the potential for solar thermal applications for Dragash.</td>
<td>2011</td>
<td>Presentations of alternatives and above pros and cons of 2-kWHR system.</td>
</tr>
<tr>
<td>2. Awareness raising and education on using the solar thermal energy. Study case, best practices in similar situations.</td>
<td>2011</td>
<td>X</td>
</tr>
<tr>
<td>4. Capacity building of local technical staff on monitoring the utilization and maintenance of implemented solar thermal projects - learning by doing.</td>
<td>2011</td>
<td>X</td>
</tr>
<tr>
<td>5. Identification of the potential for solar thermal applications for Dragash municipality.</td>
<td>2011</td>
<td>X</td>
</tr>
<tr>
<td>7. Identification of the potential for energy savings for private households, energy assessment on house lighting.</td>
<td>2011</td>
<td>X</td>
</tr>
<tr>
<td>8. Ensuring the transition from incandescent lighting to more efficient lighting in the households.</td>
<td>2011</td>
<td>X</td>
</tr>
<tr>
<td>9. Developing the awareness and education materials.</td>
<td>2011</td>
<td>X</td>
</tr>
<tr>
<td>10. Implementation of energy efficiency measures in public buildings.</td>
<td>2011</td>
<td>X</td>
</tr>
<tr>
<td>11. Capacity development and training for energy service providers (operators for wind and hydro powerplants), solar thermal installation companies, and EE measures are conducted and training material is developed.</td>
<td>2011</td>
<td>X</td>
</tr>
<tr>
<td>12. The legal and administrative framework and responsibilities for electricity supply and other energy related activities are analyzed and put in a transparent manner, to be endorsed by Central and Municipal Authorities.</td>
<td>2011</td>
<td>X</td>
</tr>
<tr>
<td>Activity Results</td>
<td>Activity Actions</td>
<td>Comments</td>
</tr>
<tr>
<td>------------------</td>
<td>------------------</td>
<td>----------</td>
</tr>
<tr>
<td>1.1.2.1. Capacity development demand assessment and training programmes for municipal areas related to sustainable development established and for the municipality is motivated to implement.</td>
<td>Workshop to evaluate the municipality and its needs and to develop a skills training offer</td>
<td>X - A concept has been produced, workshop is pending</td>
</tr>
<tr>
<td>1.1.2.2. Municipality empowered to implement institutional capacities for implementing the Municipal Development Plan.</td>
<td>Development of training providers for the selected capacity building programmes and development of training courses</td>
<td>X - Completed report in Q3</td>
</tr>
<tr>
<td>1.2. Tools to promote to master and implement sustainable development established.</td>
<td>Implementation of skills training and training schemes to raise awareness on rural tourism, regional marketing and business development and rehabilitation of infrastructure and optimization of services</td>
<td>X - Rescheduled spring 2012, suggested UNESCO Biosphere reserves</td>
</tr>
</tbody>
</table>

**PLANNED ACTIVITIES**

<table>
<thead>
<tr>
<th>Year</th>
<th>Report</th>
<th>Activity Actions</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>V3 May</td>
<td>1.1.2.1. Setting up a capacity development demand assessment and training programme for the municipality</td>
<td>X - A concept has been produced, workshop is pending</td>
</tr>
<tr>
<td>2011</td>
<td>V3 May</td>
<td>1.1.2.2. Setting up institutional capacities for implementing the Municipal Development Plan</td>
<td>Development of training providers for the selected capacity building programmes and development of training courses</td>
</tr>
<tr>
<td>2011</td>
<td>V3 May</td>
<td>1.2. Tools to promote to master and implement sustainable development established.</td>
<td>Implementation of skills training and training schemes to raise awareness on rural tourism, regional marketing and business development and rehabilitation of infrastructure and optimization of services</td>
</tr>
</tbody>
</table>

**Activity Results**

<table>
<thead>
<tr>
<th>Activity</th>
<th>Results</th>
<th>Action</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accomplished</td>
<td>Yes</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Partial</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Not Developed</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Activity Actions**

<table>
<thead>
<tr>
<th>Activity</th>
<th>Results</th>
<th>Action</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accomplished</td>
<td>Yes</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Partial</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Not Developed</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Comments**

<table>
<thead>
<tr>
<th>Activity</th>
<th>Results</th>
<th>Action</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accomplished</td>
<td>Yes</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Partial</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Not Developed</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Annex 2**

[Conservation of Biodiversity and Sustainable Land Use Management project in Dragash](#)
Response to:


Prepared by:
Maria Elena Zuniga - UNDP Dragash Project Manager

1.1. The Annual Report generally provides comprehensive information on the progress of the Project towards the expected results defined in the Project Document (PD) and Annual Work Plan 2011 (AWP 2011). The revised Output and Indicator statements are now used in the Annual Report. The revisions of Outputs 3 and 4 were proposed in the 2nd Quarterly Progress Report and apparently approved by the Project (Steering Committee) Board in its August 2011 meeting (the minutes have not been made available to SYKE).

Response:
Yes, suggested changes have been presented to the SC in the Q2/2011 report and these were reviewed during the SCM, as these were in the Summary table through which the quarter activities are reviewed. During this session, both lead advisors to these outputs were present and responded to the SCM questions. No problems where encountered by the SC members. The MoM of the SCM held in April was then approved during SCM of August 2012. No comments have been received by the members or presented during this meeting. Attached is the Q2/2011 report

1.2. In the Executive Summary, it is explained that the MESP has sent the draft law proposal concerning the Sharr National Park (SNP) to a parliamentarian committee for review and approval. As the proposed expansion of the SNP is crucial for the achievement of the Project objectives and directly affects its activities (particularly the Activity Results 1.7 and 1.8) it would be useful to provide further information on the review and approval process and the related key issues and possible challenges in the Annual Report. Important new challenges/risks identified in the Executive Summary include the controversy over forests in the SNP. A brief analysis of the possible role of the Project in facilitating required conflict resolution would be useful.

Response:
The project can try to create consensus on some of the issues under dispute, but there is no assurance of succeeding as this relates to overlaps in two different relevant pieces of legislation; Law on Nature protection and Law on Forestry. Both Ministries have tried in the past to settle their arguments without success, over whose responsibility it is to manage the forest within national parks or protected areas. The project has and will pursue trying to support agreements between the parts in what relates to the definitions within the territory of Dragash. Details of such type agreement are reflected in the note presented in Annex A to this note.
1.3. The Activity Result 1.2 (municipal development planning) seems to proceed more slowly than expected. An analysis of the constraints and challenges would be useful as a basis for the planning of the relevant measures in the AWP 2012.

Response:
No, this is wrong perception, The MDP flows at a correct pace. The MDP has stages and a timeframe that is between 18 to 24 months. Project is on time, the updates timeframe is given in Annex 5 of the Q1 2011 Report - Annexes.
Main constrains have always related to weak or no data existing on many aspects relevant for planning, project has overcome these hiring needed experts to complete data collection in all sectors required.

1.4. According to the Annual Report, a legal assessment on land ownership issues has been produced under the Activity Result 1.3. A brief summary of the main conclusions and their implications for the Project would be useful in the Annual Report. The Activity Actions also included decision-making on further action. It should be clarified in whether such decisions have been made, or if not, why not.

Response:
The municipality has expressed insistently that they will not open the discussion on this matter as they deem the SOE land is municipal. This has been said repeatedly in SCM during 2011. For this reason, together with the fact that the project had not concluded the resources mapping over the territory, it was decided to put the topic on hold. This is one topic that will be undertaken now under the MDP. There will be a chapter that will explain the impacts of the declaration of national park over SOE and over private lands. The project will reinitiate clarifications of this process together with PAK (Privatization Agency of Kosovo) during Q3, 2012.

1.5. Relatively little progress in 2011 has been reported under Output 2 (improved livelihoods), the only reported Activity Action (2.4) being related to the ART GOLD project: 5 village project initiatives developed. The (possible) constraints and challenges should be analysed to provide a basis for refocusing or prioritisation of activities supported by Finland, if necessary. For the coordination of the two projects it is useful that the relevant ART GOLD project activities are also summarised in the progress reports of the Finnish-supported project. However, it should not become unclear from which project the financial support has been provided for each activity.

Response:
Little was advanced in this output due to our lack of understanding of the Dragash situation, meaning a strategic approach towards investment required a clear picture of the impact. As explained through the report the project now has a clear vision of the way forward through the value chain analysis already initiated in 2012. Art Gold project report is included under Annex 23, 2011 Year report. Attached to this note, the financial report for 2011 of ART project is added - Annex C. As per 2012 no resources have been yet transferred to Dragash. The overall investment of 150,000 USD is considered for 2012 to match resources of the Dragash Finnish funded project.
1.6. Output 4 (municipal capacity development): The possible role of the human resource office of the Municipality in the capacity needs assessment and the planning of capacity building should be explained.

Response:
Annex 24 explains in detail the work done with municipality and where work is focusing on today.

1.7. When reporting that planned actions have not been accomplished the reasons should always be explained and it should be clarified whether such actions have been postponed or rejected (e.g. under Activity Results 1.5, 1.6, 1.11, 2.1, 2.2, 2.3, 2.4).

Response:
A revised table has been included in the 2011 report –Annex B Summary table

1.8. The structure of the Financial Report does not allow easy comparison with the original budget ("Preliminary Allocation of Funds by Type of Expense" and "Simplified Budget") nor monitoring of the overall accumulated expenses. The financial or in-kind contributions of the Municipality are not reported either.

Response:
A new version of the 2011 Year expenses has been included in this report by output as per the PRODOC.

1.9. The Monitoring Framework defined in the PD includes an "Annual Project Revision/Review" to be conducted during the fourth quarter of the year or soon after. It should be presented if and how such a review has been carried out in 2011.

Response:
Yes, the Annual review took place during the December 15th Steering Committee Meeting. During SCM of October 25th 2011, the members discussed this issue of whether we should have two separate meetings, 1 for review of annual work and a second to review the project work plan 2012. Members decided that one meeting to run both actions was sufficient.
Annexes (provided in separate file)

Annex 1  Status of SDA maps + SDA Structure
Annex 2  Vision report
Annex 3  Key Issue Analysis
Annex 4  Note on LEAP
Annex 5  SEA-LEAP-MDP
Annex 6  Water, Waste water and Sewage Master Plan – WORK PLAN
Annex 7  SNP Management plan process for 2012
Annex 8  Recommendations for SNP management planning- Mike Appleton
Annex 9  Recommendations for management and financial planning of SNP – Marlon Flores
Annex 10  TOR for PA economic valuation study
Annex 11  Activities for women community strengthening initiatives
Annex 12  Business opportunities for women
Annex 13  Community based capacities for seedling and nursery production
Annex 14  Local products value chain workshop
Annex 15  Energy Baseline summary report
Annex 16  Engineering plan/design for revitalization indoor hospital hot water system
Annex 17  Energy auditing report
Annex 18  On SHHPP in National Park
Annex 18 b.  Location of small HHPP in Dragash
Annex 19  Dragash Tourism Potential Analyses
Annex 20  Draft Tourism Strategy- MDP
Annex 21  Lake Shutman Hiking Path Case Study Brod
Annex 22  Application for Village participatory planning exercises
Annex 23  Art Gold Dragash joint implementation report 2011
Annex 24  Capacity development assessment compilation