

Standard Summary Project Fiche – IPA centralised programmes
Project Fiche: 8

1. Basic information

- 1.1 CRIS Number: 2009/021-170
- 1.2 Title: **Environmental Alignment and Solid Waste Management**
- 1.3 ELARG Statistical code: 02.27
- 1.4 Location: Montenegro

Implementing arrangements:

- 1.5 Contracting Authority (EC): Delegation of the European Commission to Montenegro
- 1.6 Implementing Agency: N/A
- 1.7 Beneficiary (including details of project manager):

Ministry of Tourism and Environmental protection
Rimski trg 46
81000 Podgorica
Montenegro
Tel: +382 (0)81 234 168
Project manager: Mr. Sinisa Stankovic (Deputy Minister)

Financing:

- 1.8 Overall cost: 14.155.648 EUR
- 1.9 EU contribution: 4.800.000 EUR
- 1.10 Final date for contracting: Two years after conclusion of the Financial Agreement.
- 1.11 Final date for execution of contracts: Two years after the final date for contracting
- 1.12 Final date for disbursements: One year after the final date for the execution of contracts

2. Overall Objective and Project Purpose

2.1 Overall Objective

The overall objective of the project is

- Alignment of waste management system with EU standards.

2.2 Project purpose

The purpose of the project is:

- Establishment of functional regional solid waste management system for municipalities of Bijelo Polje, Kolasin and Mojkovac.

2.3 Link with AP/NPAA / EP/ SAA

The project addresses specific priorities of the **European Partnership of Montenegro 2006**. The short term priorities mentioned in the document and related to this project are (point 3.1.):

- Continue approximating legislation to EU legislation and standards, notably environmental protection framework legislation. Develop the administrative capacity to implement and enforce adopted legislation.
- Develop an overall environment protection strategy (water, waste, air). Adopt the Land Use Plan; Adopt the Sustainable Development Strategy and sectoral strategies (integrated coastal zone management, biodiversity, climate change). Strengthen environmental management administrative capacity.

The **EC Progress Report for Montenegro 2007** recognises relative progress in the field of Environment (point 4.2.3.). However further efforts are needed in the area of waste management, where track record on implementation and enforcement of EU standards is rated as weak. The same goes for nature protection field, where strong efforts are needed. As regards the administrative capacity, the Progress Report rates it as weak, suffering from lack of satisfactory coordination. Poor linkages between national and local level are reported in particular.

The project also follows closely the provisions of the **Stabilisation and Association Agreement between the EC and Montenegro** for the field of environment (article 111). The Agreement enforces cooperation in the field of environmental protection and improvement of environmental situation. Strengthening of administrative capacity, planning of environmental issues and enforcement of EU legislation are mentioned specifically.

2.4 Link with MIPD

In the framework of Strategic Choices, the **Multi-annual Indicative Planning Document for Montenegro 2009-2011** identifies the following programmes to be implemented (point 2.2.2.):

- Under ‘‘Economic criteria’’: Improving infrastructure in the field of environment. Specific activities mentioned in the MIPD and related to this project are: improvements needed in the field of waste management, further strengthening of administrative capacity of the Environmental Protection Agency and awareness raising in the sector of nature protection and solid waste management.

2.5 Link with National Development Plan

N/A

2.6 Link with national/ sectoral investment plans

The project will support implementation of environment-related priorities identified in the Government’s **National Strategy for Sustainable Development**. In the area of waste management (point 5.2.10) the strategy lists the following tasks:

- Reduction, waste separation, adequate disposal and recycling in order to reduce pollution from waste and preserve the resource base. The task is to be implemented, among other, by: construction of landfills for municipal and hazardous waste, activities on awareness raising regarding proper waste disposal and promotion of recycling.

The Government adopted the Strategic Master Plan for Solid Waste Management in 2005.

The Waste Management Strategic goals are as follows:

- Determine main orientation of waste management for the medium term national development;
- Implement EU strategic plans through adoption of EU waste related directives;
- Determine priorities of waste management options;

The prepared Waste Management Plans are taking into account requirements of existing Montenegro legislation, supplemented with the requirements of the Waste Directive, Landfill Directive, Hazardous Waste Directive, Packaging and Packaging Waste Directive and others as required. Furthermore, the Master Plan contains proposals for restructuring of the current legislative structure in the light of the required approximation towards EU and the proposal for restructuring of the institutional build up at the national and municipal administrative level.

Beside this Strategic Master Plan, the Government adopted the **Solid Waste Management Plan for the period 2008-2012**. The project follows closely the provision of the document. The main objectives of the Plan are, among other, the following (point 1.1.):

- Establishment of an integral system of waste management, which will be based on: increased share of waste collected, lowering the scope of waste at the source and introduction of recycling.
- Revitalisation and closure of existing dump-sites.
- Development and establishment of inter-municipal landfills, where waste will be properly treated before disposal.

3. Description of project

3.1 Background and justification:

The Ministry of Tourism and Environment was established in November 2006 and has since then participated in activities related to adoption and implementation of EU compliant standards in the sector. As part of consolidation process additional support structures such as Environmental Protection Agency and Project Implementation Unit have also been established. EU and other foreign donors provided assistance in establishment and operational support to Ministry's structures. Assistance from CARDS 2006 is being focused to support to Environmental Protection Agency. Specific assistance will deal with segments of Environmental protection sector. A project from IPA 2008 will focus on issue of wastewater treatment. Montenegro has recently adopted new laws on Environmental and Nature protection which are in line with EU legislation. The next step in the process is application of legislation. Support and advice, preferably based on EU good practice examples, would be appreciated in that sense.

The area of waste management represents significant challenge due to its complexity and level of negative impacts on environment. Inappropriate disposal of solid waste and lack of recycling practice has been recognised as one of the most burning issues in the sector. Waste management requires sustainable and integral approach. Specific challenge is division of responsibilities between national (policy making) and local (implementation) level. Coordination of activities needs to overcome isolated interests with the aim of improving living conditions of people living in areas affected by the issue.

The project will aim at providing concrete solutions in resolving problematic issues in the Northern area of Montenegro, with immediate positive effects. On the other hand it will build a sustainable approach on institutional level in the specific segment of waste management and in the field of nature protection. The capacity building activities and awareness rising will be aimed at proper application of EU standards in the future.

The project is in line with EU guidelines for implementation of IPA programme as well as with national strategic documents.

3.2 Assessment of project impact, catalytic effect, sustainability and cross border impact

The project will demonstrate strong positive impact on different levels. On the national level the project will address capacity of the Ministry of Tourism and Environment and concerned stakeholders. Through intensive training and support activities performance of individuals and organisations dealing with nature protection will be improved. Specific activities in the waste management area implemented within the project will demonstrate pilot case in cooperation between national and local level.

On the local level the most obvious impact will be improvement of environmental conditions in the geographical areas covered by the project. Construction of new communal waste landfill in Bijelo Polje and broader support to waste management activities in Northern Montenegro will reduce levels of water and soil pollution and increase share of properly disposed waste. The focus of the project is on recycling activities in line with modern EU and international standards. Support to collection and recycling activities will on one hand reduce volume of waste disposed and on the other hand provide recycled material for further processing.

Additional positive impact on the local level will be achieved by capacity building in municipalities and public utility companies. The municipalities will increase their participation in waste management activities and improve their communication with the national level in matters related to waste management and nature protection.

Sustainability of the project is ensured through participation of the municipalities and stakeholders on the national level. Physical facilities and equipment purchased within the project will be maintained and serviced by the municipalities and their public utility companies. Capacity building will be an important added value to present activities in the sector. Sustainability of training and awareness rising will be guaranteed through future work of targeted individuals and organisation in the sector.

The project activities are located in Northern Montenegro in the area bordering Serbia and Bosnia and Herzegovina. The project will have positive environmental impact on neighbouring countries. Capacity building activities on local level will increase readiness for preparation of joint cross-border initiatives in the area of environmental protection.

3.3 Results and measurable indicators:

Result 1. Regional sanitary landfill and transfer station constructed in accordance with the EC Directive 99/31 and modern system of collection, transport and disposal of communal solid waste in Bijelo Polje, Kolasin and Mojkovac established

The project will build joint inter-municipal landfill in municipality of Bijelo Polje. The results will include constructed landfill, purchased basic equipment, constructed plants and facilities, collecting and recycling equipment purchased. Recycling yards and transfer station will be constructed and equipped. In addition to that the existing dumpsites in three municipalities will be closed.

Achievement of this result will be indicated by:

- 6 km of access road, average width of 3 m; 2 plateaus of total surface of 12.000 m².
- Landfill in the total volume of 260.000 m³ constructed, wastewater separation tanks and pipelines constructed.
- 1 compactor and 1 shovel/wheel loader purchased, 1 WWTP facility, 1 fire protection system purchased.
- 1 set of documentation, covering 3 recycling yards and 1 transfer station.
- Constructions of facilities and plants implemented – 1 administrative building, 1 maintenance building, 1 car wash house, 1 garage, objects for recycling, facilities for composting plant.
- 3 recycling yards constructed: 2000 m² in Bijelo Polje and 1000 m² in Mojkovac and Kolašin.
- 1 transfer station constructed in Mojkovac (10.000 m²).
- Purchase of 470 containers, 2800 bins, 11 vehicles, 1 set of laboratory equipment, 1 set of recycling equipment for the main site, equipment for recycling yards and transfer station.

- Site clearance and coverage (4 layers) of the existing dump-sites: Bijelo Polje (20.000 m²), Kolašin (5.000m²) and Mojkovac (25.000 m²) implemented.

Result 2. Improved human resources capacities of public utility companies for adequate implementation of solid waste management system.

The project will draft a human resource development plan for three participating public utility companies. One management plan for operating of the new landfill will be prepared.

The project will prepare operational proposal for cooperation between the national and local level in the field of solid waste management. The proposal will be aimed at defining communication channels and identifying key cooperation areas in policy making and implementation. The plan will be proved through joint meetings.

Achievement of this result will be indicated by:

- 1 human resource development plan developed and implemented (approx 10 training sessions), 1 management plan developed (approx 5 workshops), 30 persons involved.
- 1 operational proposal prepared, meetings between national and local level organised (minimum 5 meetings).
- 1 promotion campaign in local radio and TV (reach – 20.000 people), printed informational material delivered to households (reach – 25.000 households), 1 promotion campaign on national TV and radio (reach – 100.000 people).

Result 3. Improved administrative capacities at central and local level for enforcement of nature protection legislation in Montenegro

The training programme developed and implemented within the project will raise capacity of institutions dealing with nature protection in the implementation of the new legislation for that field. Training sessions will be held with various stakeholders on national and local level.

Achievement of this result will be indicated by:

- 1 training plan prepared
- training sessions on national and local level implemented (minimum 5 at each level)
- 50 persons trained

3.4 Activities:

The project comprises of the following activities, corresponding to the expected results:

Activity A: Creation of landfill

NOTE: The main design documentation for the access road and landfill site will be prepared prior to the signature of IPA financing agreement. It will be financed by national funds and considered as "contribution in kind".

This activity comprises the following sub-activities:

Activity A.1. Construction of access road, plateaus, main landfill, wastewater separation:

- **A1.1. Construction of access road and plateaus**

The first phase of the project will be the construction of basic waste-dump infrastructure, namely access road and handling plateaus. The access road will be 6 km long. Within the site 2 plateaus of total surface of 12.000 m² and carriage-roads of joint surface of 600 m² will be constructed. The plateaus will be base for construction of facilities and plants under the Activity 2. The land for the access road and the landfill will be provided by the Municipality of Bijelo Polje.

- **A1.2. Construction of landfill and wastewater separation**

The basic landfill site will be 260.000 m³ of volume in the first phase of construction. Work on the site will require earth excavation, filling of terrain and construction of a system for filtration protection. As a basis for installation of the wastewater treatment plant, separation tanks and drainage pipelines will be constructed.

Activity A.1. will be implemented through *1 works contract funded by the national authorities.*

Activity A.2. Purchase of compacting means, wastewater treatment facilities:

The compacting equipment would need to be operative at the time of opening of the landfill. It will consist of transport facilities and compacting machine. Another set of equipment necessary from the beginning of operating of the landfill is the wastewater treatment facility.

Activity A.2. will be implemented through *1 supply contract funded by the national authorities.*

Activity A.3. Construction of the recycling yards and the support infrastructure, including:

- **A.3.1. Main design for recycling yards and transfer station**

The necessary precondition before start of the construction works in the recycling yards and transfer station is main design of the construction project. The main design will cover construction of three recycling yards and one transfer station.

- **A.3.2. Construction of facilities and plants**

The task will cover construction of support infrastructure namely: administrative building, maintenance building, car wash house and garage, objects for recycling of delivered waste and grounds for composting plant. The support infrastructure will complement the basic infrastructure of the landfill.

- **A.3.3. Construction of recycling yards**

In order to enable waste separation and treatment at source, recycling yards will be built in each of the three municipalities. The recycling yards are horizontal platforms where separating and recycling equipment is set for implementation of the first phase in selection of waste. The dislocated recycling yards will mean economic solution due to relative distance from the main recycling centre/landfill site (selective transport). Estimated surface of the yards is 2000 m² in Bijelo Polje and 1000 m² in Mojkovac and Kolašin. The land will be provided by the municipalities.

- **A.3.4. Construction of transfer station**

In addition to the recycling yard, one transfer station will be constructed in the most distant of the three municipalities – Kolašin. The transfer station is used for initial processing of the waste. The waste will be treated using the compacting machine, located in the station. In the process the volume of waste is decreased, which consequentially lowers the transport costs. Estimated surface of the transfer station is 10.000 m². The land will be provided by the Municipality Kolašin.

Activity A.3. will be implemented through *1 works contract funded by IPA.*

Activity A.4. Purchase of collection, transport equipment, equipment for recycling yards and transfer station and other equipment for solid waste collection including:

- **A.4.1. Purchases of other equipment for solid waste collection**

Other equipment such as transport, collection equipment, water supply facilities and fire protection equipment will also be purchased in this phase.

- **A.4.2. Purchase of collection, transport and laboratory equipment and equipment for recycling yards and transfer station**

The purchase of equipment will cover upgrading the existing equipment and provide necessary means for operating of the landfill. Purchase of equipment is divided into two sets. The first set is equipment for collection of waste, transport means, laboratory and furniture equipment, recycling equipment and composting plant equipment in the main location. Purchase of 470 containers, 2800 bins, 11 vehicles, one set of laboratory, recycling and composting plant equipment is planned. The first set of equipment will be purchased through one supply contract, divided into lots.

The second set of equipment will be used in dislocated recycling yards and transfer station. This set of equipment includes forklifts, hydraulic presses, containers and other specialised equipment. The second set of the equipment will be purchased under the same supply contract in different lots.

Activity A.4. will be implemented through *1 supply contract funded by IPA.*

Activity A.5 Project design, tendering and supervision for sanitation of existing dumpsites, supervision of the construction works for access road, plateaus, landfill and wastewater separation and of the construction works for recycling yards and transfer station

In the scope of the project, the existing landfills in Kolašin (5.000m²), Bijelo Polje (20.000 m²) and Mojkovac (25.000 m²) will be closed. The first phase will be preparation of project design and tendering of the works component. The supervision will start after commencement of the works. As a precondition for IPA funds contracting, the contract for supervision of the construction works has to be signed before the start of the project implementation and it will be financed by national authorities.

Activity A.5. will be implemented through *1 service contract funded by the national authorities.*

Activity A.6. Sanitation of existing dumpsites

Sanitation works on the closing landfills will consist of site clearance, placement of 4 layers on top of the existing dump sites (support layer, clay layer, drainage layer, soil layer) and construction of drainage channels. A separate works contract will be required due to specific type of works.

Activity A.6. will be implemented through *1 works contract funded by the national authorities.*

Activity B: Human resource development and awareness raising

This component comprises the following sub-activities:

B.1. Preparation and implementation of human resource development for public utilities active in participating municipalities with particular focus on the utility responsible for management of the landfill

The three participating municipalities each have one public utility company. The construction of the new landfill will change the conditions for operating of these companies. The project will therefore aim at human resource development in the participating public utility companies. The employees will be trained on new waste collection and recycling procedures. The project will also prepare a management plan for operating of the landfill (responsible public utility company in Bijelo Polje).

B.2. Fostering cooperation between national and local level in regards of solid waste management

Solid waste management is by definition an area that connects responsibilities and interests of national and local level. The phase of policy making and strategic planning is in the domain of the national level, while the implementation falls under the responsibility of municipalities. In order to guarantee efficient implementation of policies it is necessary to establish two-way flow of information. The project will foster communication between two levels and define key areas of cooperation. The result should be a sustainable system of communication, which will enable efficient use of information from both levels, with aim of improvements and amendments of policies and implementation provisions for the future.

B.3. Preparation and implementation of public awareness campaign regarding new regime of waste collection and importance of recycling at national and local level.

The activity will be implemented with the aim of informing public at the local level about the new regime of waste collection in their municipalities. The campaign will be implemented through publications in local electronic media and printed information materials which will be delivered at each household. The second segment of awareness raising will be implemented at the national level. The Government has already started self-initiated activities on informing the public about the importance of recycling (pilot project). The public awareness campaign within this project will be the continuation of these activities with a wider reach and more specific targeting.

Activity C: Training on nature protection

This component comprises **preparation and implementation of a training plan on national and local level in regards of the implementation of nature protection legislation**

The Government has adopted a new Nature Protection Law in June 2008. The law is harmonised with EU directives for the area. The Government and responsible line ministries are now in the process of preparation of sub-laws. In order to enable effective implementation of legislation, all stakeholders (Agency for Environment Protection, Institute for Nature Protection, municipalities, researchers and others) would need to be properly informed and trained in the implementation provisions. The project will provide a series of training sessions at different levels on implementation and consequences of new legislation.

Activities B and C will be implemented through 1 twinning contract funded through IPA.

The table below summarises the activities, contracts, funding and the funding sources for this complex project.

Activities	Main contract result	Type of Contract	Contract No.	Funds (EUR)	Funding by
Activity A.1.	Construction of access road, plateaus, main landfill, wastewater separation	works	1	6.115.648	national authorities
Activity A.2.	Purchase of compacting means, wastewater treatment facilities	supply	2	1.150.000	national authorities
Activity A.3.	Main design and construction of facilities, plants, recycling yards, transfer station	works	3	1.370.000	IPA.
Activity A.4.	Purchase of collection, transport equipment, equipment for recycling yards and transfer station and other equipment for solid waste collection	supply	4	2.630.000	IPA
Activity A.5	Project design, tendering, supervision for sanitation and supervision of C1.1 and C1.3	service	5	790.000	national authorities
Activity A.6.	Sanitation works	works	6	1.300.000	national authorities
Activities B and C	Human resource development and awareness raising, training on nature protection	twinning	7	800.000	IPA

3.5 Conditionality and sequencing:

The project is subject to the following preconditions:

- Acquisition of the land for landfill and access road by the Municipality of Bijelo Polje. The Municipality has taken commitment to acquire the land for the landfill at their own costs. Initial actions have already been started. The land will need to be acquired before commencement of Activity 1.
- Building permit for construction of the landfill provided. The Ministry of Tourism and Environmental Protection has already taken actions in that relation. The Feasibility Study and Environmental Impact Assessment have already been delivered. The Ministry is in the process of preparation of the main project using national funds. The main project will be the basis for issuing of the building permit.
- Acquisition of the land for recycling yards and transfer station in the municipalities of Bijelo Polje, Mojkovac and Kolašin. The municipalities have taken commitment to acquire the land for the recycling yards and transfer station at their own costs. The acquisition will be completed before the commencement of Activity 1.
- Contract for supervision of construction works for the projects funded by National funds and IPA funds will be contracted by the beneficiary and paid from national funds.

The three participating municipalities have taken a decision on joint construction, management and use of the landfill. The decision has been adopted by the city councils and published in the Official Gazette of Montenegro (Jun, Jul, Aug 2007).

The Ministry of Tourism and Environment has already taken initiative for fulfilment of the above conditions. Through the whole duration of the project, the beneficiary's staff will provide support at the level necessary for efficient and timely delivery of the planned results. The participating municipalities and the public utility companies have also taken commitment to support the implementation of project and facilitate functioning of the landfill after the construction.

3.6 Linked activities

The Ministry of Tourism and Environment is in charge of coordination of all activities in the area. The past and present assistance from the EU and other donors has been focused on strengthening the Ministry and providing grounds for implementation of newly adapted EU compatible environmental legislation.

The new Law on Environment sets the legal basis for the establishment of the Environmental Protection Agency. The Agency will take over all executive activities in the area of environmental protection, including monitoring and reporting, communication, permits issuing and inspection supervision over the application of environmental regulations. The organizational model of the Agency has been established within the project "Support to the Ministry of Environment of Montenegro" (EAR/05/MTG01/06/002; EuropeAid 120666/D/SV/YU) financed by the European Commission (from CARDS 2005 funds) through the European Agency for Reconstruction. The Project was completed in April 2007.

As its continuation, the Project “Support to the Development of the Environmental Protection Sector in Montenegro (EAR/06/MON01/07/001; EuropeAid 123230/D/SER/YU) began its realization, financed by CARDS 2006. The duration of the Project is until 2008, where the objective is operationalization of the Environmental Protection Agency, training of the management and other employees, as well as preparation of legal and strategic documents necessary for the operation of the Agency.

The new Law on Environment sets as well the legal framework for the establishment of the Environmental Fund. The organization and field of activity of this Fund will be determined by a special law. With the support of USAID, activities for the development of a Feasibility Study for the establishment of the Environmental Fund in Montenegro are undergoing, which would support realization of projects in the communal service activities and environmental protection area.

The EC Directorate-General for Environment, in the framework of the CARDS Regional Programme, supported the project “Monitoring the Progress in the Environment Sector”. The Regional Environmental Centre (REReP 1.3 Project “Progress monitoring on legislation approximation for potential candidate countries and FYROM”) as the implementing agency has begun with the implementation of the project in Montenegro in 2007. The project includes an analysis of the degree of harmonization of the national legislation with the selected EU Directives in the area of Environment, as well as the presentation of the degree of readiness of the country for their implementation.

The Regional Environment Reconstruction Program (REReP) was an important mechanism of regional cooperation in the period of stabilization and reconstruction in the region of South-eastern Europe. Since 1999, when REReP was established as the first mechanism of regional cooperation, contributing considerably to the reinstating of confidence and the development of cooperation, especially in the fields of environment investment planning, environmental legislation and strengthening of mechanisms for the development, protection and management of natural resources. Based on significant results achieved under REReP, with considerably modified and promoted framework of regional activity in the process of integration of the South-east European states into the European Union, it was necessary to establish an instrument which allowed the continuity of activities in that direction. A new mechanism of regional cooperation, the Regional Environmental Network for Accession-RENA), was established in accordance with the conclusions brought at the meeting of the European Commission with the Ministers of Environmental Protection of the candidate states and potential candidates, as well as Bulgaria and Romania.

During 2006 and 2007, an initial project aimed at strengthening capacities for strategic assessment, supported by the World Bank, was conducted. As part of the project, an assessment of lacking capacities was initially conducted, brief general training for approximately 20 participants from various sectors delivered (training was realized along with participants from Albania) and the first pilot strategic assessment conducted for the Spatial Plan of Montenegro. Finally, a multi-annual Strategy (for the period 2007-2011) for Strengthening Capacities for Strategic Assessment was developed. Certain elements of this document are used when the Project of Strengthening Capacities for the Application of the Law on Strategic Impact Assessment and the Law on Environmental Impact Assessment was propounded as part of the IPA (Instrument for Pre-Accessions Assistance).

Co-operation was established with the European Environment Agency, even though Montenegro does not participate in the submission and exchange of data as part of the EIONET (European Environment Information and Observation Network). During 2007 the Ministry continued to participate and co-operate in the implementation of the regional CARDS project “Strengthening EIONET in the Western Balkans Countries”.

The Government of Montenegro has provided funds for the drafting of feasibility studies, environmental impact assessments and main project designs for all regional sanitary landfills in Montenegro, which are yet to be built. The governmental budget financed feasibility studies and environmental impact assessments for landfills in Bar, Kotor, Bijelo Polje, Pljevlje. The main project designs for the sites and feasibility study for Berane are in preparation.

3.7 Lessons learned

Past EU and other donors’ assistance focused on establishment of basic conditions and institutional framework in the field of environmental protection. Harmonisation of sector laws with the *acquis communautaire* has also been high on the agenda of the past initiatives.

Now, with the Ministry of Tourism and Environment fully operational, Environmental Protection Agency and Programme Implementation Unit established and the package of EU compatible legislation adopted, the second step in the process needs to be taken. The second phase in the development of the sector will further strengthen the institutional level and provide training and capacity building in implementation of a new set of legislation. Following an important discrepancy identified in a number of strategic and operational documents, namely the lack of communication between the national and local level, the second phase in the development of the environmental protection sector will also need to improve information and communication flows. This can best be initiated in segments where national and local level share responsibility. Management of solid waste is a perfect example of such joint effort.

4. Indicative Budget (amounts in EUR)

			SOURCES OF FUNDING									
			TOTAL EXP.RE	IPA COMMUNITY CONTRIBUTION		NATIONAL CONTRIBUTION					PRIVATE CONTRIBUTION	
ACTIVITIES	IB (1)	INV (1)	EUR (a)=(b)+(c)+(d)	EUR (b)	% (2)	Total EUR (c)=(x)+(y)+(z)	% (2)	Central EUR (x)	Regional/ Local EUR (y)	IFIs EUR (z)	EUR (d)	% (2)
Activity A												
Contract 1 – Activity A.1. Construction of access road, plateaus, main landfill, wastewater separation		X	6.115.648			6.115.648	100	6.115.648				
Contract 2 - Activity A.2. Purchase of compacting means, wastewater treatment facilities		X	1.150.000			1.150.000	100	1.150.000				
Contract 3 - Activity A.3. Main design and construction of facilities, plants, recycling yards, transfer station		X	1.370.000	1.370.000	100							
Contract 4 - Activity A.4. Purchase of collection, transport equipment, equipment for recycling yards and transfer station and other equipment for solid waste collection		X	2.630.000	2.630.000	100							
Contract 5 - Activity A.5. Project design, tendering, supervision for sanitation and supervision of C1.1 and C1.3		X	790.000			790.000	100	790.000				–
Contract 6 - Activity A.6. Sanitation works		X	1.300.000			1.300.000	100	1.300.000				

Activity B,C												
Contract 7	X		800.000	800.000	100							-
TOTAL IB			800.000	800.000	100							
TOTAL INV			13.355.648	4.000.000	30	9.355.648	70	9.355.648				
TOTAL PROJECT			14.155.648	4.800.000	33,9	9.355.648	66,1	9.355.648				

Amounts net of VAT

5. Indicative Implementation Schedule

Contracts	Start of Tendering	Signature of contract	Project Completion
Contract 3 works	Q3 2009	Q1 2010	Q4 2010
Contract 4 supply	Q2 2010	Q4 2010	Q1 2011
Contract 7 twinning	Q3 2009	Q1 2010	Q1 2011

Contracts 1, 2, 5 and 6 are managed by the National Authorities.

Contracts	Start of Tendering	Signature of contract	Project Completion
Contract 1 works	Q3 2009	Q4 2009	Q3 2010
Contract 2 supply	Q3 2009	Q4 2009	Q3 2010
Contract 5 service	Q4 2009	Q1 2010	Q1 2011
Contract 6 works	Q1 2010	Q3 2010	Q2 2011

6. Cross cutting issues

6.1 Equal Opportunity

Extensive legislation related to equal opportunity issues is in place in Montenegro. The project will ensure, as far as practicable, that the internal policies, structure and operating procedures of the beneficiary will conform to relevant EU directives and/or laws related to the promotion of equal opportunities.

The project will be gender sensitive and will ensure access of women to its benefits, particularly with regard to access to training and increasing opportunities for professional advancement.

6.2 Environment

The project directly addresses improvements in the environmental sector in Montenegro. Standards and directives of the EC for the relevant area will be taken into account throughout the implementation of the project.

6.3 Minorities

Improvements in the field of environmental protection, promoted through implementation of the project, will improve living conditions for all citizens, regardless of gender and minority status. The project will, as far as practicable, take the required steps to assure that the internal policies, structure or operating principles of the beneficiary will conform with or promote minority issues.

ANNEXES

Annex 1- Log frame in Standard Format

Annex 2- Amounts Contracted and Disbursed per Quarter over the Full Duration of the Programme

Annex 3 - Reference to Laws, Regulations and Strategic Documents:

Annex 4- Description of the Institutional Framework

Annex 5- Details per EU-funded Contract

Annex 1- Log frame in Standard Format

LOGFRAME	Programme name and number: Environmental Alignment and Solid Waste Management (2009/021-170)		
	Contracting period expires two years from the date of conclusion of the Financing Agreement		Disbursement period expires one year from the final date for execution of contracts
	Total budget: 14.155.648 EUR		IPA budget: 4.800.000 EUR
Overall objective	Objectively verifiable indicators	Sources of Verification	
Improvement of environmental conditions in Montenegro through development of waste management system, capacity building activities and implementation of nature protection legislation at all levels.	<ul style="list-style-type: none"> - improved quality of air, water and soil with increased area of re-cultivated land of 50 000m²; - increased number of inspection control by 5% in line with environmental legislation in place; 	<ul style="list-style-type: none"> Annual report of inspection Annual report on state of the environment EC Progress Report Project Progress Report 	
Project purpose	Objectively verifiable indicators	Sources of Verification	Assumptions
Establishment of functional regional solid waste management system for municipalities of Bijelo Polje, Kolasin and Mojkovac.	<ul style="list-style-type: none"> - 16000 tons of solid waste collected, transported and disposed in the first year of operation - Separate collection of solid waste increased by 10 % and disposed in the first year of operation - Increased waste collection coverage by 10% within five years from the start of regional solid waste management system. 	<ul style="list-style-type: none"> Environmental Inspection Annual Report Progress Report on implementation of the Master Plan for Solid Waste Management Project Progress Reports 	<ul style="list-style-type: none"> Efficient work and cooperation of public utility companies Efficient work and cooperation of local authorities Efficient work and cooperation of institutions engaged for monitoring of environment

Results	Objectively verifiable indicators	Sources of Verification	Assumptions
<p>R.1. Regional sanitary landfill and transfer station constructed in accordance with EC Directive 99/31 and the system of collection, transport and disposal of communal solid waste in Bijelo Polje, Kolasin and Mojkovac operational and existing dumpsites closed.</p> <p>R.2. Improved human resources capacities of public utility companies for adequate implementation of solid waste management system.</p> <p>R.3. Improved administrative capacities at central and local level for enforcement of nature protection legislation in Montenegro.</p>	<ul style="list-style-type: none"> - 6 km of access road; 2 plateaus of total surface of 12.000 m² constructed - Landfill in the tot. vol. of 260.000 m³ constructed - 1 compactor and 1 shovel/wheel loader purchased, 1 WWTP facility, 1 fire protection system purchased - 1 set of documentation, covering 3 recycling yards and 1 transfer station drafted - Support facilities and plants constructed - 3 recycling yards constructed: 2000 m² in Bijelo Polje and 1000 m² in Mojkovac and Kolašin. - 1 transfer station constructed in Mojkovac constructed (10.000 m²) - Purchase of 470 containers, 2800 bins, 11 vehicles, 1 set of laboratory equipment, 1 set of recycling equipment for the main site, equipment for recycling yards and transfer station - Site clearance and coverage (4 layers) of the existing dump-sites: Bijelo Polje (20.000 m²), Kolašin (5.000m²) and Mojkovac (25.000 m²) implemented - 1 human resource development plan developed and implemented (approx 10 training sessions), 1 management plan developed (approx 5 training sessions) - Min. 30 persons involved in training - 1 promotion campaign in local radio and TV (reach – 20.000 people), printed informational material delivered to households (reach – 25.000 households), 1 promotion campaign on national TV and radio (reach – 100.000 people) - 1 training plan prepared, training sessions at national level implemented (minimum 5), training sessions at local level implemented (minimum 5) - Min. 50 persons involved in training 	<p>Annual Report prepared by Municipal Public Utilities</p> <p>Project Progress Reports</p> <p>Training Reports</p> <p>Evaluation questionnaires and reports on seminars and debates</p> <p>Press-clipping</p>	<p>Municipalities remain committed to the decision regional waste collection.</p> <p>Nature Protection Institutions committed to contribute to project implementation</p> <p>Sufficient level of cooperation between various stakeholders.</p>

Activities	Means	Costs	Assumptions
<p><u>Activity A: Creation of landfill</u></p> <p>Activity A.1. Construction of access road, plateaus, main landfill, wastewater separation:</p> <p style="padding-left: 20px;">A1.1. Construction of access road and plateaus</p> <p style="padding-left: 20px;">A1.2. Construction of landfill and wastewater separation</p> <p>Activity A.2. Purchase of compacting means, wastewater treatment facilities:</p> <p>Activity A.3. Construction of the recycling yards and the supporting infrastructure:</p> <p style="padding-left: 20px;">A.3.1. Main design for recycling yards and transfer station</p> <p style="padding-left: 20px;">A.3.2. Construction of facilities and plants</p> <p style="padding-left: 20px;">A.3.3. Construction of recycling yards</p> <p style="padding-left: 20px;">A.3.4. Construction of transfer station</p> <p>Activity A.4. Purchase of collection, transport equipment, equipment for recycling yards and transfer station and other equipment for solid waste collection including:</p> <p style="padding-left: 20px;">A.4.1. Purchases of other equipment for solid waste collection</p> <p style="padding-left: 20px;">A.4.2. Purchase of collection, transport and laboratory equipment and equipment for recycling yards and transfer station</p> <p>Activity A.5 Project design, tendering and supervision for sanitation of existing dumpsites, supervision of the construction works for access road, plateaus, landfill and wastewater separation and of the construction works for recycling yards and transfer station</p> <p>Activity A.6. Sanitation of existing dumpsites</p>	<p>Activity A.1. – works contract (national funds)</p> <p>Activity A.2. – supply contract (national funds)</p> <p>Activity A.3. – works contract (IPA funds)</p> <p>Activity A.4. – supply contract (IPA funds)</p> <p>Activity A.5. – service contract (national funds)</p> <p>Activity A.6. – works contract (national funds)</p>	<p>TOTAL PROJECT: 14.155.648 EUR (IPA: 4.800.000 EUR) (national: 9.355.648 EUR)</p>	<p>Financial Agreement for IPA 2009 signed in Jun 2009</p> <p>Municipalities remain committed to the decision for regional waste collection.</p> <p>Nature Protection Institutions committed to contribute to the project implementation</p> <p>Sufficient level of cooperation between various stakeholders.</p> <p>Preconditions:</p> <ul style="list-style-type: none"> • Prepared project proposal must be in accordance with updated Solid Waste Master Plan. • National co-financing must be ensured. • Acquisition of the land for landfill and access road by the Municipality of Bijelo Polje. • Building permit for construction of the landfill provided • Contract for supervision of the construction works funded by IPA 2009 have to be signed before start of the project implementation and it will be financed by national authorities • Acquisition of the land for recycling yards in the municipalities of Bijelo Polje, Mojkovac and Kolašin

<p><u>Activity B: Human resource development and awareness raising</u></p> <p>B.1. Preparation and implementation of human resource development for public utilities active in the participating municipalities, with particular focus on the utility responsible for management of the landfill</p> <p>B.2. Fostering cooperation between national and local level with regard to solid waste management</p> <p>B.3. Preparation and implementation of public awareness campaign regarding new regime of waste collection and importance of recycling at national and local level.</p> <p><u>Activity C: Training on nature protection</u></p> <p>Preparation and implementation of a training plan at national and local level in regard of the implementation of nature protection legislation</p>	<p>Activity B&C – twinning contract (IPA funds)</p>		
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Annex 2- Amounts in EUR Contracted and Disbursed per Quarter over the Full Duration of the Programme

Contracted	Q1 2010	Q2 2010	Q3 2010	Q4 2010	Q1 2011	Q2 2011
Contract 3	1,370,000					
Contract 4				2,630,000		
Contract 7	800,000					
Cumulated	2,170,000		0	4,800,000	0	0
Disbursed	Q2 2010		Q3 2010	Q4 2010	Q1 2011	Q2 2011
Contract 3	137,000		500,000		596,000	137,000
Contract 4				1,578,000	1,052,000	
Contract 7	512,000		104,000		104,000	80,000
Cumulated	649,000		1,253,000	2,831,000	4,583,000	4,800,000

Annex 3 - Reference to Laws, Regulations and Strategic Documents:

A. Reference list of relevant laws and regulations

Laws:

Law on Waste Management (OG RM No. 80/2005)
Law on Environment Protection (OG RM No. 48/08),
Law on Nature Protection (OG RM No. 51/08),
Law on Water (2007)
Law on Air Quality (OG RM No. 48/07)
Law on Environmental Impact Assessment (OG RM No. 80/2005)
Law on Strategic Environmental Assessment (OG RM No. 80/2005)
Law on Integrated Pollution Prevention Control (OG RM No. 80/2005)
Guidelines on EIA Study content (OG RM No. 21/1997)
Law on Non-Governmental Organizations (OG RM No. 27/1999)
Law on Forests (OG RM No. 55/2000)
Law on Inspection Control (OG RM No. 39/2003)
Law on Energy (OG RM No. 39/2003)
Law on Local Self-Government (OG RM No. 42/2003)
Law on Free Access to Information (OG RM No. 68/2005)
Law on Environmental Noise (OG RM No. 45/2006)
Law on Public Procurement (OG RM No. 46/2006)
Law on Protection from Ionizing Radiation (OG FRY No. 46/1996)

Plans, Programmes, and Strategies

Poverty Reduction Strategy (2003)
Energy Efficiency Strategy (2005)
Republic Level Waste Strategic Master Plan (2005)
Strategy for Development of Food Production and Rural Areas (2006)
Administrative Capacity Building Action Plan for Implementation of the Stabilization and Association Agreement (2006)
Foreign Direct Investment Incentives Strategy of Montenegro (2006)
National Strategy for Sustainable Development (2007)
Plan for Waste Management in Montenegro for the Period 2008-2012 (2008)

Reference to other strategic documents

Communication Strategy for Informing the Public on Montenegro's EU Association Process (2004)

B. Reference to AP /NPAA / EP / SAA

European Partnership:

Short term priorities (point 3.1.):

- Continue approximating legislation to EU legislation and standards, notably environmental protection framework legislation. Develop the administrative capacity to implement and enforce adopted legislation.
- Develop an overall environment protection strategy (water, waste, air). Adopt the Land Use Plan; Adopt the Sustainable Development Strategy and sectoral strategies (integrated coastal zone management, biodiversity, climate change). Strengthen environmental management administrative capacity.

Stabilisation and Association Agreement:

Provisions in the field of environment (article 111):

- The Parties shall develop and strengthen their cooperation in the environmental field with the vital task of halting further degradation and start improving the environmental situation with the aim of sustainable development.
The parties shall, in particular, establish cooperation with the aim of strengthening administrative structures and procedures to ensure strategic planning of environment issues and coordination between relevant actors and shall focus on the alignment of Montenegro's legislation to the Community acquis. Cooperation could also centre on the development of strategies to significantly reduce local, regional and trans-boundary air and water pollution, to establish a framework for efficient, clean, sustainable and renewable production and consumption of energy, and to execute environmental impact assessment and strategic environmental assessment. Special attention shall be paid to the ratification and the implementation of the Kyoto Protocol.

C. Reference to MIPD

Strategic choices of programmes to be implemented (point 2.2.2.):

- Under “Economic criteria”, attention will be given to pursuing economic reforms, strengthening competitiveness, developing an appropriate business environment and social dialogue; fostering human resources development, employment, education; promoting social inclusion; improving infrastructure in areas such as transport, energy, environment.

D. Reference to National Development Plan

National Strategy for Sustainable Development.

Area of waste management (point 5.2.10):

- Reduction, waste separation, adequate disposal and recycling in order to reduce pollution from waste and preserve the resource base. The task is to be implemented, among other, by: construction of landfills for municipal and hazardous waste, activities on awareness raising regarding proper waste disposal and stimulating recycling.

E. Reference to national / sectoral investment plans

Solid Waste Management Plan for the Period 2008-2012

The main objectives (point 1.1.):

- Establishment of an integral system of waste management, which will be based on: increased share of waste collected, lowering the scope of waste at the source and introduction of recycling.
- Revitalisation and closure of existing dump-sites.
- Development and establishment of inter-municipal landfills, where waste will be properly treated before disposal.

Annex 4- Description of the Institutional framework

Responsibilities in the field of solid waste management are separated at two levels – the national and local level.

At the **national level**, the following ministries and institutions share responsibility:

- Ministry of Tourism and Environment is responsible for the following tasks:
 - Environmental protection system,
 - Preparation and implementation of policies, strategies in the field of waste management, preparation of the state plan for waste management and related plans and programmes;
 - Enforcement of standards for management of waste, permits issuing process and technical standards;
 - Coordination of waste management issues with other ministries and institutions;
 - Management and coordination of projects financed from national and international funds;
 - Issuing permits to solid waste treatment facilities, including recycling;
 - Inspection and participation in ecologic monitoring.

- The Ministry of Agriculture, Forestry and Water Management is responsible for:
 - Protection and use of agriculture land;
 - Supervisory of animal origin waste;
 - Management of water.

- The Ministry of Economic Development is responsible for spatial planning, mining, energy and geological surveys.

- The Ministry of Health, Labour and Social Welfare is responsible for social security, health care, including management of medical waste, sanitary standards, sanitary inspection and monitoring.

- The Environmental Protection Agency is an independent body in charge of implementation of legislative framework, monitoring of environment, inspection control, issuing permits and application of procedures. The responsibility of the Agency in the area of waste management is also data collection and transfer of information to responsible international bodies, above all the EC.

At the local level, the following institutions share responsibilities in the areas:

- Local governmental bodies (cities, municipalities) are responsible for application of waste management policies at local level through:
 - Adoption of programmes and plans for waste management in their territories;
 - Joint programmes between two or more municipalities;
 - Estimation of waste production;
 - Plans for collection and transport;
 - Plans for handling and processing;
 - Restrictions in waste production;
 - Improvement of capacity of public utility companies;
 - Application of the system of permits.

- Communal public utility companies have been established in each of the 21 municipalities. They are in charge of practical aspects of collection, transportation and processing of waste. Maximisation of waste management and harmonisation of legislation and practices with the EU requires intensive efforts in establishment of inter-municipal waste disposal facilities, with important stress on recycling activities.

The responsibilities for nature protection and capacity building of the administration fall under the Ministry of Tourism and Environmental Protection. Main research institutions in the field of nature protection is the Institute for Nature Protection, PE National Parks of Montenegro, Institute for Marine Biology, Faculty of Biology and Natural History Museum.

The practical aspects of the implementation, carried by the latter, will be supported by the newly established Project Implementation Unit that will cover specific responsibility for implementation of projects in the sector.

Annex 5- Details per EU-funded Contract

Works contract:

One works contract will be funded by IPA. The basis for implementation of the contract is:

- Feasibility study for construction and operation of regional sanitary landfill in Bijelo Polje (Hidrozavod DTD, Novi Sad, 2008).

This works contract is envisaged to be implemented through "design and build" methodology. Preparation of specific tender dossier for this project will be done by an expert engaged through a Framework Contract from the IPA 2009 Project Preparation Facility.

The works contract will cover the following activities:

- A1.5. Main design for recycling yards and transfer station. The project will finance the drafting of the main project documentation that will be the basis for construction of the recycling yards and transfer stations.
- A1.6. Construction of facilities and plants. Within the activity, support infrastructure for the landfill and facilities for recycling purposes will be constructed in the main location of the landfill.
- A1.7. Construction of recycling yards. Within the activity, support infrastructure for recycling of waste will be constructed in the three dislocated locations within the participating municipalities.
- A1.8. Construction of transfer stations. Within the activity, one facility for sorting and recycling of waste will be constructed in the municipality Kolašin.

The constructions made within the project will become the ownership of the participating municipalities. Operative and other costs will be covered by revenues (duties on waste) or other municipalities' resources.

The works contract will be implemented through a local open procedure. No derogations from PRAG rules are expected within the works contract. The contract will be 100% financed from IPA funds.

Supply contract:

One supply contract will be implemented within the project. The basis for implementation of the contract is:

- Feasibility Study for Construction and Operation of Regional Sanitary Landfill in Bijelo Polje (Hidrozavod DTD, Novi Sad, 2008).

The technical specifications for the equipment purchased will follow the provisions of the Feasibility Study.

The supply contract will cover the following activity:

- A2.4. Purchase of collection, transport and laboratory equipment and equipment for recycling yards and transfer station. Within the activity, the following equipment will be purchased: transport and sorting equipment for public utility companies, recycling

equipment for main location and dislocated recycling yards, equipment for transfer station.

The equipment purchased from the contract will become ownership of the municipalities and the public utility companies (non-profit companies owned by municipalities). Amortisation and other costs related to the use of equipment will be carried by the municipalities/PUC

The supply contract will be implemented through open international procedure. No derogations from PRAG rules are expected within the supply contract. The contract will be 100% financed from IPA funds.

Twinning Contract:

One Twinning Contract will be implemented within the project, covering the following tasks:

- A2.1. Preparation and implementation of human resource development plan for public utilities active in concerned municipalities with particular focus on the utility responsible for management of the landfill.
 - Review of existing situation in PU and municipalities
 - Preparation of human resource development plan in accordance with EU practice and regulative
 - Preparation of training programmes
 - Implementation of formal training sessions
 - Support to the municipalities and PU and on-job training
- A2.2. Fostering cooperation between national and local level in regards of solid waste management
 - Review of existing situation and relations between the national and local level
 - Preparation of rules of operation, in accordance with EU practice and regulative
 - Support to participants on all level, on-job training
 - Organisation of bilateral meetings, workshops and brain-storming sessions
- A2.3. Preparation and implementation of public awareness campaign regarding new regime of waste collection and importance of recycling on national and local level
 - Preparation of public awareness plan in cooperation with the Ministry and involved stakeholders
 - Preparation of media plan – sub-contracted
 - Preparation of promotional materials (printed, electronic) – sub-contracted
 - Implementation of campaign (leaflets, electronic media) – sub-contracted
- A3.1. Preparation and implementation of training plan on national and local level in regards of the implementation of nature protection legislation
 - Review of existing situation on national and local level
 - Preparation and coordination of training plan in accordance with EU practice and regulative
 - Organisation and implementation of formal training sessions
 - Intensive support and on job training at all levels

The **Pre-accession Advisor** will be responsible for coordination of all project activities and implementation of specific training at national and local level. The expert will be working within the Ministry with frequent visits to the local level. An ideal expert would have experience in working within EU MS public administration on issues related to nature

protection legislation, applications of environmental protection at local level and issues related to solid waste management.

Short-term experts will be in charge of preparation and organisation of training sessions and implementation of on-the-job training for participating organisations. Ideal experts would have experience in implementation of nature protection legislation at national and local level, extensive knowledge in dealing with local level (direct beneficiaries) and/or experience in dealing with public utility companies in the legislative and operational context.

The twinning contract will require sub-contracting of services in the segment of awareness raising. Presumably a local marketing agency will be sub-contracted for the task. The twinning contract will be 100% financed from IPA funds.