

## **1. Basic information**

- 1.1 CRIS Number:** 2010/022-264
- 1.2 Title:** Strengthening the administrative capacities at central and local level for implementation and enforcement of the environmental acquis.
- 1.3 ELARG Statistical Code:** 03.27
- 1.4 Location:** Skopje and additional nation wide project related locations

### **Implementing arrangements:**

#### **1.5 Implementing Agency**

The Central Financing and Contracting Department (CFCD) will be the contracting authority and will be responsible for all administrative and procedural aspects of the tendering process, contracting matters and financial management including payment of project activities. The Head of CFCD will act as the Programme Authorising Officer (PAO) of the project.

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#### **1.6 Beneficiary (including details of SPO)**

Ministry of Environment and Physical Planning will be the leading beneficiary institution:  
Head of IPA Unit in the MEPP acts as a SPO.

#### **Contacts:**

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In the implementation of the project the following bodies will be included:

- State Environmental Inspectorate (add contact details) within the MEPP,  
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### **Financing:**

**1.7 Overall cost (VAT excluded)<sup>1</sup>: EUR 3 000 000**

**1.8 EU contribution: EUR 2 625 000**

**1.9 Final date for contracting:**

Two years from the date of the signature of the Financing Agreement.

**1.10 Final date for execution of contracts:**

Two years after the final date for contracting.

**1.11 Final date for disbursements:**

One year after the final date for execution of contract.

## **2. Overall Objective and Project Purpose**

**2.1 Overall Objective:**

Contribute to improved environmental protection in the country, at both central and local level.

**2.2 Project purpose:**

Enhanced capacities of the municipalities for implementation of environmental legislation and of the environmental inspection bodies for enforcement of environmental legislation.

**2.3 Link with AP/ NPAA/EP/SAA**

The **Accession Partnership**, in its Chapter 27 stipulates its short-term goals:

- Continue legislative alignment with the *acquis*, in particular in the fields of air quality, waste management and water quality, and improve significantly implementation of legislation and environmental monitoring;
- Strengthen the Environmental Inspectorate and other enforcement bodies, establish a credible enforcement record and ensure that fines and other sanctions are effectively applied and have a dissuasive effect;
- Strengthen administrative capacity at national and local levels and improve coordination between administrative bodies in charge of environment-related issues.

The **National Programme for Adoption of the Acquis - 2009**, in its Part 3 Ability to Assume the Obligations for Membership, Chapter 27 Environment (3.27), sets as one of the short-term priorities the strengthening of the capacities of the State Environmental Inspectorate, through new employments, supply of equipment as well as continuous training of the current and new staff for carrying out the envisaged activities in NPAA and particularly will focus on the requirements of the Directive on liability for environmental damage and

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<sup>1</sup> The total cost of the project should be net of VAT and/or other taxes. Should this not be the case, the amount of VAT and the reasons why it should be considered eligible should be clearly indicated.

enforcement from the relevant regulations on liability for damage intended for environmental inspectors.

The project will contribute towards the implementation of the **Stabilisation and Association Agreement**, Article 80 on economic and social policies ensuring that environmental considerations are also fully incorporated from the outset, Article 68 on legal approximation, Articles 85 and 98 on ensuring environmental protection, and Article 103 (Environment and nuclear safety, point 2, line 1, and line 10) on combating environmental degradation, with the view to supporting environmental sustainability.

#### **2.4 Link with MIPD**

The objective for the environment sector in the MIPD (2009-2011) is to “Facilitate the strengthening of public administration capacities to implement EU legislation and related strategies, including climate change; Facilitate networking, the sharing of best practices and lessons learned between the Beneficiaries and with EU Member States.” The aim of the proposed project is to acquire the lessons learned from an EU Member State through a twinning mechanism.

One of the Strategic assertion in the MIPD is that the “compliance with the acquis needs further enforcement, monitoring and investment”. This project focuses on the strengthening of the capacities for enforcement and monitoring, on both local and central level.

The expected results in the MIPD include “Improved abilities of civil servants and other relevant actors to transpose and implement the environmental acquis; Increased awareness of environmental issues, including the exchange of best practices; Alignment and enforcement of legislation and practices in the environmental sector with the EU acquis;”. Hence, the proposed project focuses on the strengthening of the capacities for implementation, enforcement and monitoring, on both local and central level, and will be performed through exchange of best practices, through a twinning project with an EU Member State (the enforcement component).

#### **2.5 Link with National Development Plan**

N/A

#### **2.6 Link with national/ sectorial investment plans**

The project contributes to the realisation of the following key strategies and action plans in the sector:

- National Environmental Action Plan (NEAP) 2006;
- National Environmental Investment Strategy (NEIS);
- Operational Programme for Regional Development 2007-2009 (OPRD part environment) IPA Component 3, 2007;
- Draft Strategic Coherence Framework of the former Yugoslav Republic of Macedonia, 2007 – 2013, from July 2007;
- National Strategy for Environmental Approximation (NSEA), 2008;
- Plan for Institutional Development of Environmental Management Capacity on National and Local Levels 2009-2014, 2009.

**Pre-accession Economic Programme (PEP)** - The strengthening of the administrative capacities, with a clear focus on the Administration for Environment and the State Environmental Inspectorate is emphasised as one of the key environmental priorities in the following sections of the Pre-accession Economic Programme (PEP) for 2008-2010:

- Integrated Prevention and Pollution Control;
- Integrated Ecological Permits;
- Strategic Environmental Assessment.

Furthermore, as part of the Horizontal Legislation Part, the key priorities in the upcoming period include:

- Enforcement of law and bylaws, with an emphasis on the procedures for Environmental Impact Assessment, Integrated Pollution and Prevention Control and Strategic Environmental Assessment;
- Strengthening the administrative capacities for implementation and enforcement of the environmental legislation;
- Preparation and adoption of strategic documents in the area of environment.

### **3. Description of project**

#### **3.1 Background and justification:**

##### **Implementation of environmental legislation on municipal level**

The process of adoption of framework environmental laws aligned with the acquis is considered completed, since the following laws, besides the framework Law on Environment, were adopted: Law on Ambient Air Quality, Law on Waste Management, Law on Waters, Law on Nature Protection, Law on Chemicals, Law on Genetically Modified Organisms, Law on Environmental Noise Protection, Law on Forestry and Law on Hunting). The process of adoption of the relevant and necessary secondary legislation is a continuous process that will go on in future.

The Law on Local Self-Governments of 2002 delegated a variety of tasks to the municipal level, including competence to perform urban and rural planning; protection of environment; nature and spatial regulation; and municipal services such as water supply; waste water treatment; collection, transport and disposal of municipal waste; and the supervision of the performance of activities carried out under municipal competency. Thus, implementation and inspection responsibilities of municipal importance have been delegated to the LSGU's. The law also introduces the possibility of Inter-Municipal Cooperation in performance of the municipal competences. This requires a mutual agreement between the municipalities involved.

Currently at municipal level, with regards to implementation and enforcement of environmental legislation, there is an insufficient administrative capacity to implement environmental legislation. Although some trainings have been provided, the administrative capacity to deal with environmental law at municipal level for implementation and enforcement of environmental legislation are not sufficiently build. Moreover, there is a lack of know-how among the municipal environmental staff due to swiftly changing environmental legislation and the consequently, delegated competences to municipalities with regards to implementation.

Now that the basic legislation is in place and an enormous number of competences are being transferred onto municipal level, the main issue that needs to be in the focus now is the process of implementation on municipal level. The insufficient administrative capacity for implementation at municipal level are considered to be a serious challenge, which is why this Project aims to provide assistance in the process of strengthening the administrative capacities

for implementation of environmental legislation. The Project will develop and propose a Programme for reforms in the administrative organisation, including regional approach, for implementation of environmental law at local level.

With regards to implementation, the municipalities particularly need strengthening of the capacities for implementation in the air quality and water management sector, as well as issuing B-licenses for new installations. This Project aims at providing strengthening of the administrative capacities of the municipalities in these sectors as a priority.

Furthermore, there is a clear need for analysing the different possibilities for implementation of environmental legislation at municipal level, with regards to small, middle and big municipalities. Different scenarios for environmental implementation modalities will be proposed.

The Law on Inter-municipal Cooperation was adopted in June 2009, and this is regarded as an opportunity to increase the capacities of the municipalities by using the inter-municipal cooperation mechanisms.

Due to the fact that this project will directly involve Local Self Government Units namely their environmental officials/inspectors, the implementing arrangements with municipalities as well as with other governmental institutions will be agreed upon before the commencement of the project.

### **Enforcement of environmental law**

The State Environmental Inspectorate (SEI) under the MEPP is the competent authority for inspection and supervision over the enforcement of laws and regulations in the area of environment on national level. The role of the SEI is to control compliance with environmental standards and to prescribe measures against pollution in accordance with the Law on Environment and other environmental laws. Currently SEI is consisted of a Director and 18 state environmental inspectors, one technical secretary and one junior collaborator.

The Law on Environment introduces for the first time authorised local inspector for environment and provides basic provisions for their work. The Law on Environment provides the local inspectors with many competencies and obligations in regard to inspection and enforcement of the obligations stipulated in the Laws.

According to the Key Findings and Recommendations of the Peer Review prepared by REC, ECENA Secretariat from 2006 of the IPPC System and the Minimum Criteria for Environmental Inspection, within the Enforcement and Compliance Environmental Network for Accession (ECENA), the following findings were established:

Capacities of the MEPP are limited. Responses to demands for information from outside clients are often put together at the last minute, causing considerable strain for already busy EU Integration Units. However, when resources are limited, the progress monitoring becomes essential. A system for periodically reviewing progress in approximation can help the MEPP to:

- Use resources more efficiently. Regular review of programmes for transposing and implementation will facilitate early identification of potential problems and help the MEPP to allocate limited human and financial resources to priority issues;
- Increase the level co-operation within the Ministry;
- Build more stakeholder support;
- Prepare for responsibilities for membership.

The project primarily aims to strengthen the administrative capacities for implementation of the environmental legislation on municipal level and enforcement (inspection) of the environmental acquis.

The strengthening of capacities of the central level and local level inspectorates will be performed in three sectors: Water Quality, Air Quality and IPPC (inspections on A and B installations).

The National Programme for the Adoption of the Acquis – 2009 envisages that the secondary legislation in the area of ambient air quality will be in place by 2012, which is the foreseen year for commencement of this project (early 2012).

Furthermore, NPAA foresees that by the project inception, most of the missing secondary legislation in the field of Water Management is due to be adopted by the beginning of 2012.

At the moment, we have developed 8 Sectoral Guidelines (BREFs) with regards to IPPC. The new, as well as the old staff from the SEI, needs training in how to implement new directive such as IPPC and in using BREFs, better enforcement in practice, and how to improve the cooperation with inspection bodies in EU member countries and neighbouring countries.

Generally, the qualifications for inspectors do not include prior environmental inspection experience, therefore continuous training and education of environmental inspectors is necessary.

The Law on Waters stipulates that from January 1<sup>st</sup> 2010, a large portion of the competences in the field of Water Management will be transferred onto the municipal level. Furthermore, as of January 1<sup>st</sup> 2010, the Law stipulates transfer of competences onto the Ministry of Environment and Physical Planning in the field of Water Management.

The same goes for the Law on Air Quality by which it is the municipalities which are responsible for issuing B licenses and drafting Elaborates, while the central level inspectors are still competent in this sector through the IPPC permits (A) and the process of monitoring emissions.

This necessitates the capacities strengthening for enforcement in these two areas at both central and local level.

Furthermore, although acknowledging the adoption of the 2009-2014 National Plan for strengthening the environmental management capacities at both central and local level, the 2009 Progress Report by the European Commission stresses that: “the lack of financial assessment and a mechanism for monitoring and evaluating the plan could hamper its implementation and sustainability”. Within the Project, a Programme for reform of the administrative capacities for enforcement will be developed, with regards to the inspectorates and this Programme will provide sound basis for strengthening of the capacities for environmental enforcement.

This Project will accomplish the following results, described as weaknesses in the Accession Partnership: Improved system of fines and other sanctions and established credible record of inspections.

The SEI today keeps a database on installations that receive inspections. With the enforcement of the IPPC, Seveso II and other EU directives the need to install a capable IT system exceeding current administration standard arose. Information system for environmental inspection should meet requirements of inspectors field work at industrial and other sites (presentation of permit conditions and video documentation of important details like emissions etc). This is why this Project will include the provision of a Management Information and Reporting System (E-inspectorate). This will also enable the inspectors to have access to database during field inspections thereby performing better and more efficient control.

The proposed project is completely in line with the prerequisites of the Specific Environmental Directives, which are transposed in the national legislation: IPPC, Waste incineration and waste landfill, VOC, Water, and all related directives:

- Air quality (Council Directive 96/62/EC of 27 September 1996 on ambient air quality assessment and management and Directive 2008/50/EC of the European Parliament and of the Council of 21 May 2008 on ambient air quality and cleaner air for Europe);
- IPPC sector- issuing B licenses for new installations (Directive 2008/1/EC of the European Parliament and of the Council of 15 January 2008 concerning integrated pollution prevention and control);
- Water management sector (Directive 2000/60/EC of the European Parliament and of the Council of 23 October 2000 establishing a framework for Community action in the field of water policy).

In the 2009 Progress Report - Chapter 27 - Environment by the European Commission the following was stated: *“The administrative capacity for implementing and enforcing environmental legislation is still far from sufficient at both central and local levels. This is particularly true of the inspectorates. The coordination between administrative bodies responsible for environment-related issues is not yet effective. Enforcement of legislation has improved in terms of fines and sanctions, but the system is not yet efficient and no credible record has been established.”*

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

The Ministry is closely cooperating with all relevant ministries, mainly through the inter-ministerial working group under the NPAA Chapter 27 Environment, covering the horizontal issues, horizontal legislation, air, waste, waters, nature, industrial pollution, genetically modified organisms, chemicals, noise, and forestry. The Working Group Chapter 27 is headed by the MEPP while all other relevant institutions are represented.

The main contribution of this project will be the strengthening of the administrative capacities in the prioritised sectors on central and local level, thereby contributing to the improvement of environmental management and implementation of legislation. The capacities of the State Environmental Inspectorate, Local inspectors and the Environmental Administration within the municipalities will be significantly boosted by this project, which will enable further independent operation thereof.

Improved capacities for enforcement of environmental legislation and introduction of environmental standards will positively impact the overall sustainability of development in the country, while the improved capacities to develop EU compliant legislation and regulations will have a positive impact on the EU accession process.

It is expected that strengthening the public administration on local level will improve the capacity to solve local problems and disputes on local level instead of approaching central administration.

Improved capacities to draft and implement environmental legislation and introduce environmental standards will increase transparency and reduce discretionary decision-making, which will on other hand enhance the confidence and interest of the business community to invest in environmental measures.

The cross border impact of this project is reflected through the improved capacities for implementation and enforcement of the environmental legislation, improved environmental protection, increased public awareness and enhanced cooperation between the regulatory bodies of the neighbouring countries. The former Yugoslav Republic of Macedonia is

bordering two EU countries and two countries-signatories of the Stabilisation and Association Agreement. The capacities of the central and local level inspectorates for performing inspection on air quality, cross-border water bodies and another sector will be strengthened with this project, thus having direct effect on decreasing cross border pollution.

This project will obtain participation of all stakeholders that are involved in environmental management, primarily the employees in the Environmental Units in the municipalities, the State Environmental Inspectors, employees in the Ministry of Local Self Government and others.

This project will provide good basis for further analyses with regards to planning inspection, meeting the ecological standards, and provide sustainable environmental protection.

### **3.3 Results and measurable indicators<sup>2</sup>:**

#### **Results and measurable indicators for Component 1: Strengthening capacities for implementation of environmental legislation at local level**

- Approved Assessment of the administrative capacities for environmental implementation at municipal level;;
- Approved Programme for reform and strengthening the administrative capacities for implementation of the environmental acquis, at municipal level;
- Most priority measures of the Programme for reform and strengthening the administrative capacities for implementation of the environmental acquis at municipal level implemented;
- Approved Long-term and short-term training plans;
- Approved Action Plan with Measures for environmental legislation implementation;
- Establishment of data collection, reporting and information system for the selected pilot municipalities (to be linked with the central info system and managed by MoEPP);
- Improved implementation of environmental legislation at local level mainly related to air quality (Council Directive 96/62/EC of 27 September 1996 on ambient air quality assessment and management and Directive 2008/50/EC of the European Parliament and of the Council of 21 May 2008 on ambient air quality and cleaner air for Europe), IPPC sector- issuing B licenses for new installations (Directive 2008/1/EC of the European Parliament and of the Council of 15 January 2008 concerning integrated pollution prevention and control) and water management sector (Directive 2000/60/EC of the European Parliament and of the Council of 23 October 2000 establishing a framework for Community action in the field of water 30 municipal representatives trained in the above mentioned areas policy);
- Improved coordination between central and local bodies in charge of environmental established info/IT system/conference links/ of communication between central and local environment bodies issues.

#### **Measurable indicators**

- Number of staff in municipalities trained on environmental issues under their competence - approx 30 employees in the 9 pilot municipalities (2nd half of 2013).
- 30 municipal level employees trained on the requirements of the EU environmental *acquis* with emphasis on the following sectors: air quality, IPPC for new installations and water management sector;

The outputs of this component shall be approved by both the Ministry of Environment and

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<sup>2</sup> Please note that some of the indicators have not yet been quantified or been given a benchmark. This will be done during the development of the detailed Terms of Reference.



Physical Planning and the Ministry of Local Self-Governance.

**Results and measurable indicators for Component 2: Strengthening the administrative capacities for environmental inspections on central and local level**

- Approved analysis and proposed reforms for strengthening the administrative capacities for enforcement of environmental legislation;
- Approved Programme for reform and strengthening the administrative capacities for environmental enforcement, with regards to the inspectorates;
- Approved Long-term and short-term training plans;
- Improved system of fines and other sanctions; prepared templates, notes, checklists etc.
- Established effective environmental enforcement system, with particular focus on Air Quality Framework Directive: Council Directive 96/62/EC of 27 September 1996 on ambient air quality assessment and management and Directive 2008/50/EC of the European Parliament and of the Council of 21 May 2008 on ambient air quality and cleaner air for Europe; IPPC Directive: Directive 2008/1/EC of the European Parliament and of the Council of 15 January 2008 concerning integrated pollution prevention and control; Water Framework Directive: Directive 2000/60/EC of the European Parliament and of the Council of 23 October 2000 establishing a framework for Community action in the field of water policy;
- Established management information and reporting system for inspections;
- Minimum criteria for environmental inspections are implemented, in accordance with European Recommendation for Minimum Criteria for Environmental Inspection (RMCEI Recommendation of the European Parliament and of the Council on 4 April 2001 providing for minimum criteria for environmental inspections in the Member States (2001/331/EC).

The outputs of this component shall be approved by the Ministry of Environment and Physical Planning.

**Measurable indicators**

- 18 central and 30 local level inspectors trained in three sectors: Water Quality, Air Quality and IPPC (inspections on A and B installations);
- Number of inspectors trained on inspections for specific sub-sectors (17 central-level and 30 local-level inspectors) (1<sup>st</sup> half of 2013);
- Increased number of inspections (2<sup>nd</sup> half of 2013).

**3.4 Activities:**

**Activities for Component 1: Strengthening capacities for implementation of environmental legislation at local level:**

- Perform Assessment of the administrative capacities for environmental implementation at municipal level (staff, structure, equipment and competences, documentation, coordination with central level etc.) including exploration of regional approach;
- Development and approval of the Programme for reform and strengthening the administrative capacities for implementation of the environmental acquis at municipal level;
- Assistance in implementation of most priority measures of the Programme for reform;
- Prepare manuals or guidelines for implementation of legislation at local level;

- Develop a mechanism for improved coordination between central and local level;
- Analysis of LEAPs implementation problems and recommendations for improvement;
- Analysis of LEAPs for completeness, effectiveness, feasibility and compliance with the acquis and the national environmental legislation and recommendations for improvement;
- Assistance in implementation of LEAPs, through training of municipal staff;
- Development and approval of tailor-made short-term and long-term training plans;
- Deliver trainings on the implementation of environmental acquis with particular focus on Air Quality, IPPC sector- issuing B licenses for new installations and Water Management sector<sup>3</sup>;
- Develop a training module on training and re-training on environmental experts at local level;
- Develop and implementation of a programme for raising public awareness, dissemination of results and stakeholders involvement;
- Development of data collection, reporting and information system;
- Drafting of Technical Specifications for the supply of equipment for data collection, reporting and information system;
- Delivery of supply for the data collection and reporting and information system for the selected pilot municipalities (The Information system will be part of the national Environmental Information System).

The strengthening of the capacities for environmental management at local level will be performed in pilot municipalities. Nine pilot municipalities from three planning regions will be chosen in the following way - three municipalities per region and they must represent one small, middle-size and large municipality in the chosen planning region. The selection of the municipalities and the allocation of sufficient staff is one of the prerequisites described below in conditionality.

### **Activities for Component 2: Strengthening the administrative capacities for environmental inspections on central and local level:**

The strengthening of capacities of the central level and local level inspectorates will be performed in three sectors: Water Quality, Air Quality and IPPC (inspections on A and B installations):

- Perform analysis of the administrative capacities for enforcement of environmental law\* (staff, structure, trained experts in specific areas, equipment, documentation, coordination and competences) including exploration of regional approach;
- Develop a Programme for reform and strengthening the administrative capacities for enforcement, with regards to the inspectorates;
- Perform a minimum of 3 pilot/joint inspections with MSs experts applying the new systematic approach (the MEPP selects the pilot area and installation);
- Draft guidelines for performing inspections and sampling per environmental sector;
- Develop a programme for dissemination of results;
- Development and approval of tailor-made short-term and long-term training plans;
- Deliver trainings on the enforcement of environmental acquis in three sectors: Water

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<sup>3</sup> Air quality (Council Directive 96/62/EC of 27 September 1996 on ambient air quality assessment and management and Directive 2008/50/EC of the European Parliament and of the Council of 21 May 2008 on ambient air quality and cleaner air for Europe), IPPC sector- issuing B licenses for new installations (Directive 2008/1/EC of the European Parliament and of the Council of 15 January 2008 concerning integrated pollution prevention and control) and water management sector (Directive 2000/60/EC of the European Parliament and of the Council of 23 October 2000 establishing a framework for Community action in the field of water policy)

- Quality, Air Quality and IPPC (inspections on A and B installations)<sup>4</sup>;
- Develop a training module on training and re-training on environmental inspections;
  - Develop a Manual for implementation of European Recommendation for Minimum Criteria for Environmental Inspection (RMCEI)<sup>5</sup> and training of staff;
  - Develop a mechanism for improved coordination between central and local level inspectorates;
  - Develop proposal and measures for further strengthening of enforcement of environmental legislation, with regards to the judiciary system;
  - Development of a management information and reporting system for inspections;
  - Delivery of supply for the management information and reporting system for inspections (hardware and software).

## **Management and contracting arrangement**

The overall coordination of the activities of the project will be carried out by the Ministry of Environment, the State Environmental Inspectorate and the Ministry of Local Self Government. The respective SPOs will have the responsibility for project execution and overall monitoring during its implementation.

The project activities would be implemented with several different contracts, including a one Twinning arrangement. For this particular contract, a steering committee will be established to oversee the implementation process of the project activities, while it is expected that the MS twinning partner will bring in expertise from the required area. The twinning arrangement will also allow for administrative capacity building, training, integrity, legal development and addressing the cross-cutting issues. The project leaders will be responsible for the overall management, representation (co-ordination with the EU and other international bodies) as well as reporting to the Contracting Authority. The contact persons and details for this contract would be developed in the process of preparation of the actual Twinning Fiche, prior to the submission to the MSs.

A project steering committee will be established for the coordination of the Service Contract. The detailed project management and implementation structure, with full descriptions of roles and responsibilities will be specified during the preparation of ToRs. The Team leader for the service contract will be responsible for the overall management, representation (co-ordination with the other international bodies), and reporting. The co-ordination of activity development in the different components of the activity is significantly important. The team leader shall be responsible for the appropriate management of resources. During the inception phase of the project, a detailed deployment plan will be developed under the coordination of a Steering Committee in which each co-operating national institution will be represented to ensure appropriate inclusion. Short and long term expertise will be engaged in the areas of capacity development, trainings, preparation of programs, and implementation of programs - etc. A pool

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<sup>4</sup> Air Quality Framework Directive: Council Directive 96/62/EC of 27 September 1996 on ambient air quality assessment and management and Directive 2008/50/EC of the European Parliament and of the Council of 21 May 2008 on ambient air quality and cleaner air for Europe; IPPC Directive: Directive 2008/1/EC of the European Parliament of 15 January 2008 concerning integrated pollution prevention and control; Water Framework Directive: Directive 2000/60/EC of the European Parliament and of the Council of 23 October 2000 establishing a framework for Community action in the field of water policy.

<sup>5</sup> **RMCEI**: Recommendation of the European Parliament and of the Council on 4 April 2001 providing for minimum criteria for environmental inspections in the Member States (2001/331/EC).

of short-term expertise will be made available to assist the key experts and to carry out activities in the specialised areas.

**The expected contracting arrangements through IPA are:**

- **One Twinning contract** to be concluded through the necessary procedures, for all activities foreseen under component 2 of the project. The contract will be with duration of around 12 months. The amount for this contract is total EUR 1 000 000, the financing from IPA EUR 950 000 and the national co-financing is EUR 50 000;
- **One Service contract** to be concluded, to cover Component 1. The contract will be with duration of around 18 months. Implementation of the Technical Assistance project is to start one month after the contract is signed. The amount of EU funding for this contract is total EUR 1 250 000, the financing from IPA is EUR 1 125 000, and the national co-financing is EUR 125 000;
- **One or more Supply contracts** to be concluded for the supply of prioritised equipment identified under component 1 and 2 of the project. The contracts are expected to have implementation duration of 4 to 8 months supplemented by a warranty period of 12 months, bringing the total duration to 16 to 20 months. The total contract value will be total 750 000, from IPA EUR 550 000 and EUR 200 000 is the national co-financing.

**3.5 Conditionality and sequencing:**

The following conditionality predetermines the project:

- Endorsement by relevant key stakeholders of the Terms of Reference, specifications for the individual contracts to be engaged;
- Selection of the pilot municipalities and the allocation of sufficient staff, for Component 1;
- Appointment of appropriate number of counterpart personnel by the beneficiary (central and local level) before the projects start;
- Organisation, selection and appointment of members of working groups, steering and coordination committees, seminars by the beneficiary as per work plan of the project.
- Proposed scenarios discussed and a selection done for reforms with the aim of strengthening the capacities for environmental implementation at local level, approved by both the Ministry of Environment and Physical Planning and the Ministry of Local Self-Governance;
- Commitment for approval of the proposed reforms and work according to the agreed structure by the Ministry of Environment and Physical Planning and the Ministry of Local Self-Governance;
- Programmes for reforms necessary approved within a short time-frame by the Ministry of Environment and Physical Planning and the Ministry of Local Self-Governance, so as to enable implementation of foreseen activities.

If the conditions are not met, suspension or cancellation of the project will be considered.

**3.6 Linked activities**

This project is connected with the following on-going projects and activities and will present their upgrading. There are no overlaps with the linked activities (projects).

**ECENA:** The State Environmental Inspectorate for a number of years has been closely involved in the realisation of a project for ECENA (Environmental Compliance Enforcement Network for Accession), Regional project financed by the European Commission. Furthermore, the State Environmental Inspectorate is member of IMPEL.

**IMPEL:** In the framework of IMPEL, guidance for training of inspectors, performing reviews of inspectorates and inspection practices and by projects on good practice in carrying out inspections is being carried out. The country environmental inspectors take part in more IMPEL activities, first one is participation in TFS Cluster (Transfrontier shipment), inspectors enforcement day, TFS conference, TFS actions day, after that we contribute in other clusters for waste landfills, preparing on guide for environmental inspectors for on-site inspection on cement clinker industry, preparing on public reporting for environmental inspections activities, participation in Cluster for Better Regulation-Doing the right things for planning of environmental inspection. etc.

**ECENA** facilitates, assists and promotes the enforcement of regulations throughout SEE by disseminating information, finding common denominators for cooperation and developing projects of common interest with the countries participating in the network. Within the framework of ECENA we have Plenary meetings, Exchange Programmes, Study Tours, Train the Trainers programmes (Different clusters: EPER/E-PRTR, EU Industrial Directives as IPPC, SEVESO II, LCP, VOC, Waste Landfill and Waste Incineration, Environmental crime), Peer reviews on every country (the former Yugoslav Republic of Macedonia, February, 2006).

Activities proposed with this project will not overlap with activities under these international networking, because only 3 state environmental inspectors were trained due to the limitation on number of participants and language barriers, and the proposed project will give more opportunity all environmental inspectors on the state level to be trained in line with EU Environmental Directives requirements and to receive knowledge's for better implementation and effective enforcement in practice during their work. Furthermore, the proposed project concerns an in-depth reform of the enforcement system. Moreover, this project will include a greater number of environmental inspectors, namely 18 central-level inspectors and about 30 local-level inspectors.

**RENA:** From March 2010, Continuation of the ECENA network will be new network named as RENA-Regional Environmental Network for Accession organised in 4 thematic working groups for the first 2 years: WG 1 "Strategic Planning & Investments" , WG 2 "Climate Change", WG 3 "Cross-Border Cooperation on water, nature, EIA & SEA" and WG 4 "Implementation and Enforcement".

**1. Project "Strengthening of the Capacities of the Local Self Government Units (LSGU)**  
- trainings on the implementation of the commitments pursuant to the environmental legislation. Duration: June 14- December 31 2007. Financially supported by the Programme for Environmental Investments of the Ministry of Environment and Physical Planning of the former Yugoslav Republic of Macedonia. In the frameworks of the project, four two-day regional trainings were held, in Krusevo, Stip, Tetovo and Skopje, in which representatives from 70 LSGU took part.

The goal of the trainings was to strengthen the capacities of the municipal administration in the implementation of the environmental legislation:

- Law on Environment, as a framework legislation in the field of environmental protection;

- The Law on Waste Management;
- The Law on Ambient Air Quality;
- The Law on Waters;
- The Law on Nature Protection.

For the purposes of the municipal administration, ZELS issued a brochure- Guide of the Competences and Procedures in the process of implementation of the environmental legislation, on the level of LSGU.

## **2. Programme “Trainings on the procedure for issuance and drafting of B licences”.**

Duration: 2008-2010. The Programme had the aim of “on-the-job-training” for the staff of the Local Self Government Units (LSGU), for the issuance of B integrated ecological permits and permits for harmonisation with operational plans, and facilitate the work through issuing a Guideline for the procedure and preparation of 8 pilot permits from different areas.

The first part of the three-year long programme was concluded with the issuing of a Practical Guide for the procedure of issuing a B-integrated ecological permit.

Software will be developed as a kind of Cadastre for integrated ecological permits and monitoring of the implementation of the programmes for improvement/operational plans.

One of the tasks of the Consultant will be to assess, upgrade and accommodate this software according to the needs.

## **3. IPA 2007 Project “Local infrastructure for Social and Economic Cohesion”**

The IPA 2007 project purpose is to improve the infrastructure in municipalities through successful completion of selected small-scale projects and to improve the capacity of the identified counterpart staff in the Ministry of Local Self-Government and municipalities through on-the job and other training and day-to-day management of infrastructure programmes, in particular in those sectors where responsibilities have recently been devolved to the municipalities and in areas targeting the most economically vulnerable,, while this project aims at creating a proper structure of environmental management at local level, capacity building for the specific environmental fields for which the municipalities have competences and improving public participation.

## **4. REC Project “Database on the state of environment in municipalities”**

Database included several sectors like water, air, waste, nature, soil and land use and the parameters are established by law and selected through analytical methods in order to assess various environmental impacts and their effects based on readily available data. DPSIR methodology was used in construction of database. Users module (municipalities) will be able to fill in the pre-defined data in an easy, systematic and transparent way.

### **3.7 Lessons learned**

The lessons learned from the CARDS Programmes are taken into account during the development of this project. Furthermore, arising from the experiences from past projects, the following lessons have been learned:

- The past Twinning project on Air Quality between the Finnish and the national environmental administration has pointed the need of having bigger involvement of local experts. 2-3 local experts are not enough, so there should be sufficient staff available.
- Project objectives should be achievable and realistic.

### **Lessons learned from ECENA and IMPEL:**

This project will be based on the experience and activities of ECENA network (Environmental Compliance and Enforcement Network for Accession).

ECENA, using experience of sister network IMPEL and AC IMPEL network, helps train environmental inspectors, organises exchange programmes and study tours, and supports the participation of ECENA-trained inspectors in international events and projects organised by other networks. ECENA's activities target the fields of site inspection, management of inspection, human resources in inspectorates, the Integrated Pollution Prevention and Control (IPPC) directive, the European Parliament's recommendation on minimum criteria for environmental inspections, risk assessment and the Seveso II directive.

Through participation in various activities of these networks (e.g. train the trainers programme, international exchange programme, preparation of training manual for environmental inspectors etc.), modules for education and training can be used and developed in this project.

### **Lessons learned from CARDS Programmes:**

#### **Good governance, strengthening the political environment**

A key lesson from the CARDS projects during the past years has been that the sustainability of assistance is stronger when projects are placed in an overall policy perspective with government leading the reform process. Capacity building needs tailor made approaches, based upon the real needs as identified by the country itself. In order to support good governance, it is recommended to focus capacity building initiatives on further organising and facilitating the policy learning process, strategy formulation and policy action in the country. Projects implemented with a solid basis firmly rooted in a governmental strategic document will be more sustainable and complement the reform process.

#### **Strengthening the commitment of the governments**

Projects have been most effective in cases where stakeholders were involved in the design, conceptualisation and implementation of the activities. This resulted in commitment, better results and acceptance of recommendations at the policy level. Local ownership of the reform process is of paramount importance and underlines that capacity development is a process that should be led by the government. When designing future interventions, it is therefore recommended to involve the main stakeholders and beneficiaries fully in the design and implementation of project activities. This will contribute to sustainable institutional capacity which enhances ownership and commitment, leads to improved results and facilitates acceptance of recommendations at the policy level.

Main beneficiaries and stakeholders (Ministry of Environment and Physical Planning and other stakeholders were included in the design of this project's activities).

#### **Improving the programme design and development**

Project objectives should be achievable - not over ambitious – and take into account the complexity of the change process and absorption capacity of the partner country.

A focused project cycle thinking based upon the logical framework as a primary set of project design and management tools ensures a more systematic and standardised approach.

#### **Institution Capacity building**

One of the main lessons learned from the projects is the centrality of providing training opportunities to beneficiaries and stakeholders.

Training is an important tool to build local capacity and should be considered as an integral part of any future support programme.

Training is an integral part of this project's activities.

**The following are the key recommendations from the CARDS experience:**

- Continuing and longer-term assistance with realistic project time-frames;
- Realistic objectives and expected results;
- Focus on outcomes rather than inputs and outputs;
- Longer-term investment / Support;
- Capacity building;
- Activities based on specific needs.

This project incorporates realistic project time-frames, with realistic objectives and expected results. It focuses on outcomes rather than inputs and outputs, and it focuses on actual needs for capacity building of the concerned stakeholders.

The Ministry of Environment and Physical Planning is committed to put into practice the lessons learned from the CARDS projects.



#### 4. Indicative Budget (amounts in €)

			SOURCES OF FUNDING										
			TOTAL EXP.RE	TOTAL PUBLIC EXP.RE	IPA CONTRIBUTION	COMMUNITY CONTRIBUTION	NATIONAL PUBLIC CONTRIBUTION					PRIVATE CONTRIBUTION	
ACTIVITIES	IB (1)	INV (1)	EUR (a)=(b)+(e)	EUR (b)=(c)+(d)	EUR (c)	% (2)	Total EUR (d)=(x)+(y)+(z)	% (2)	Central EUR (x)	Regional/ Local EUR (y)	IFIs EUR (z)	EUR (e)	% (3)
Twining Contract 1.1 for component 2	X		1 000 000	1 000 000	950 000	95	50 000	5					
Service Contract 1.2 for component 1	X		1 250 000	1 250 000	1 125 000	90	125 000	10					
Supply Contract		X	750 000	750 000	550 000	73	200 000	27					
TOTAL IB			2 250 000	2 250 000	2 075 000	92	175 000	8					
TOTAL INV			750 000	750 000	550 000	73	200 000	27					
<b>TOTAL PROJECT</b>			<b>3 000 000</b>	<b>3 000 000</b>	<b>2 625 000</b>	<b>87</b>	<b>375 000</b>	<b>13</b>					

NOTE: DO NOT MIX IB AND INV IN THE SAME ACTIVITY ROW. USE SEPARATE ROW

Amounts net of VAT

(1) In the Activity row use "X" to identify whether IB or INV

(2) Expressed in % of the **Public Expenditure** (column (b))

(3) Expressed in % of the **Total Expenditure** (column (a))

## 5. Indicative Implementation Schedule (periods broken down per quarter)

Contracts	Start of Tendering	Signature of contract	Project Completion
Twinning Contract 1	Q4 2011	Q4 2012	Q4 2013
Service Contract 1	Q4 2011	Q4 2012	Q2 2014
Supply Contract 1	Q1 2013	Q3 2013	Q1 2015

All projects should in principle be ready for tendering in the 1<sup>st</sup> Quarter following the signature of the FA.

## 6. Cross cutting issues

The cross-cutting issues will be addressed throughout the project. Up to 10% of the budget of the service contract for tender support supervision and training may be allocated to assist the different beneficiaries to comply with European standards and best practices, implement relevant existing Government strategies and develop internal measures to ensure each cross-cutting issue is appropriately mainstreamed.

Throughout the project cycle, in particular when developing project ToR, state actors specifically addressing (one of) the cross cutting issues shall be consulted.

The mainstreaming of the cross cutting issues is regarded on two different levels: (a) Ensuring that the internal policies, structure or operating procedures of the beneficiary agency will conform to and promote the relevant principles outlined per section below and (b) ensuring that the products, outputs produced by the beneficiaries (e.g. laws, regulations, policies, and strategies) will conform to and promote the relevant principles outlined per section below

### 6.1 Equal Opportunities and non-discrimination

The training activities may include a specific component to train municipal and ministerial staff in the implementation of the Government Gender Strategy, while reference will be made to the EC Programme of Action for the mainstreaming of gender equality in community development cooperation (2001-06). An output of this training component will be to assist the beneficiary to implement an ‘internal gender assessment’ to identify areas where it could improve its internal performance vis-à-vis gender.

### 6.2 Environmental considerations

The project is directly related and contributes to environmental improvement. It affects the environment positively, since it refers to strengthening of environmental management on central and local level.

### 6.3 Support to minorities and vulnerable groups

Where the main reference in the country in relation to minority groups is the Ohrid Framework Agreement, in an EU context, reference is made to the “Race directive” of 2000 (2000/43/EC of 29 June), which has an important impact on employment (incl. vocational training, working conditions, social protection etc.) and is also a crucial aspect of the acquis.

The training activities will include a specific component to address equal opportunities of minorities and vulnerable groups through a) training in the implementation of the Equitable Representation Strategy, following up on the Ohrid Framework Agreement, b) assessment of the particular requirements of dealing with minority and vulnerable group issues within the subject matter the beneficiary’s mandate – mainstreaming minority and vulnerable group issues throughout the policy and implementation sequence. (specific reference here is made to construction standards vis-à-vis handicapped persons), and c) assist the beneficiary to

implement an 'internal minority and vulnerable group assessment' to identify areas where it could improve its internal performance vis-à-vis minorities or other vulnerable groups.

#### **6.4 Civil Society development and dialogue**

Since this project will aim to assist the municipalities in preparing for the implementation of the environmental legislation, there will be a process of raising public awareness, increasing transparency and a comprehensive dissemination of results

#### **6.5 Good governance, with particular attention to fight against corruption**

N/A

## ANNEX I - Log frame in standard format

LOGFRAME PLANNING MATRIX FOR: Strengthening the administrative capacities at central and local level for implementation and enforcement of the environmental acquis		Programme name and number: National Programme for the former Yugoslav Republic of Macedonia under the IPA Transition Assistance and Institution Building Component for 2010 CRIS number :	
		Contracting period expires two years from the date of the conclusion of the Financing Agreement	Execution period expires two years from the final date for contracting
		Disbursement period expires one year from the final date for execution of contracts.	
		<b>Total budget: EUR 3 000 000</b>	
		<b>IPA budget: EUR 2 625 000</b>	
<b>Overall objective</b>	<b>Objectively verifiable indicators</b>	<b>Sources of Verification</b>	
Contribute to improved environmental protection in the former Yugoslav Republic of Macedonia, at both central and local level	Full compliance with the acquis in terms of environmental monitoring and enforcement	EC Progress Report	
<b>Project purpose</b>	<b>Objectively verifiable indicators</b>	<b>Sources of Verification</b>	<b>Assumptions</b>
Enhanced capacities of the municipalities for implementation of environmental legislation and of the environmental inspection bodies for enforcement	<ul style="list-style-type: none"> <li>- Number of fines issued;</li> <li>- Implementation of annual plans;</li> <li>- Level of compliance increased.</li> </ul>	<ul style="list-style-type: none"> <li>- Annual performance reports;</li> <li>- Annual plans;</li> <li>- Monthly monitoring progress report from SPO to CFCD.</li> </ul>	Lack of subsequent donor assistance in field of environmental monitoring/enforcement
<b>Results</b>	<b>Objectively verifiable indicators</b>	<b>Sources of Verification</b>	<b>Assumptions</b>
<b>Component 1:</b> Strengthening capacities for implementation of environmental legislation at local level: <ul style="list-style-type: none"> <li>- Approved Assessment of the administrative capacities for environmental implementation at municipal level;</li> <li>- Approved Programme for reform;</li> <li>- Most priority measures of the Programme for Reforms implemented;</li> <li>- 30 municipal level employees trained;</li> <li>- Approved Long-term and short-term training plans;</li> </ul>	<b>Component 1:</b> <ul style="list-style-type: none"> <li>- Number of staff in municipalities trained on environmental issues under their competence - approx 30 employees in the 9 pilot municipalities (2nd half 2013).</li> </ul> <b>Component 2:</b>	<ul style="list-style-type: none"> <li>- Annual performance reports;</li> <li>- Annual plans;</li> <li>- Inspection and monitoring records part of the developed inspection software.</li> </ul>	<ul style="list-style-type: none"> <li>- Commitment of institutions involved;</li> <li>- Provision of dedicated staff in beneficiary institutions.</li> </ul>

<ul style="list-style-type: none"> <li>- Approved Action Plan with Measures for environmental legislation implementation;</li> <li>- Establishment of data collection and reporting and information system for the selected pilot municipalities (to be owned by MoEPP);</li> <li>- Improved implementation of environmental;</li> <li>- legislation at local level.</li> </ul> <p><b>Component 2:</b> Strengthening the administrative capacities for environmental inspections on central and local level:</p> <ul style="list-style-type: none"> <li>- Approved analysis and proposed reforms of the administrative capacities for environmental enforcement;</li> <li>- Approved Programme for reform;</li> <li>- Improved system of fines and other sanctions;</li> <li>- Established credible record of inspections;</li> <li>- 18 central and 30 local level inspectors trained;</li> <li>- Established effective environmental enforcement system;</li> <li>- Established management information and reporting system for enforcement/inspections;</li> <li>- Minimum criteria for environmental inspections are in place and implemented, in accordance with European Recommendation for Minimum Criteria for Environmental Inspection (RMCEI);</li> <li>- Approved Long-term and short-term training plans.</li> </ul>	<ul style="list-style-type: none"> <li>- Number of inspectors trained on inspections for specific sub-sectors (17 central-level and 30 local-level inspectors) (1<sup>st</sup> half 2013);</li> <li>- Increased number of inspections (2<sup>nd</sup> half 2013).</li> </ul>		
<b>Activities</b>	<b>Means</b>	<b>Costs</b>	<b>Assumptions</b>
<p><b>Component 1:</b> Strengthening capacities for implementation of environmental legislation at local level:</p> <ul style="list-style-type: none"> <li>- Perform Assessment of the administrative capacities for environmental implementation at</li> </ul>	<ul style="list-style-type: none"> <li>- Service contract</li> <li>- Twinning contract</li> </ul>	<p>Total EUR 1 250 000 (EUR 1 125 000 IPA and EUR 125.000 national contribution) Total EUR 1 100 000 (EUR 950 000)</p>	<ul style="list-style-type: none"> <li>- Support and commitment from involved stakeholders;</li> <li>- Sufficient administrative capacity of the municipalities involved;</li> </ul>

<sup>6</sup> **RMCEI:** RECOMMENDATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 4 April 2001 providing for minimum criteria for environmental inspections in the Member States (2001/331/EC)

<p>municipal level;</p> <ul style="list-style-type: none"> <li>- Development and approval of the Programme for reform;</li> <li>- Prepare manuals or guidelines for implementation of legislation at local level;</li> <li>- Assistance in implementation of most priority measures of the Programme for reform;</li> <li>- Analysis of LEAPs implementation problems;</li> <li>- Analysis of LEAPs for completeness, effectiveness, feasibility and compliance with the acquis and the national environmental legislation;</li> <li>- Assistance in implementation of LEAPs, through training of municipal staff;</li> <li>- Development and approval of tailor-made short-term and long-term training plans;</li> <li>- Deliver trainings;</li> <li>- Develop a mechanism for improved coordination between central and local level environmental management;</li> <li>- Develop a programme for raising Public awareness, dissemination of results and Stakeholders involvement;</li> <li>- Draft Technical Specifications.</li> </ul> <p><b>Component 2:</b> Strengthening the administrative capacities for environmental inspections on central and local level</p> <ul style="list-style-type: none"> <li>- Perform analysis of the administrative capacities for enforcement;</li> <li>- Develop a Programme for reform;</li> <li>- Perform a minimum of 3 pilot inspections;</li> <li>- Draft guidelines for performing inspections and sampling per environmental sector;</li> <li>- Develop a programme for dissemination of results;</li> <li>- Development and approval of tailor-made short-term and long-term training plans;</li> <li>- Deliver trainings;</li> <li>- Develop a training module on training and re-</li> </ul>	<ul style="list-style-type: none"> <li>- Supply contract</li> </ul>	<p>IPA and 50 000 national contribution)</p> <p>Total EUR 750 000 (EUR 550 000 IPA and 200 000 national contribution)</p>	<ul style="list-style-type: none"> <li>- Sufficient administrative capacity on central and local level for issuing of permits;</li> <li>- Problems with implementation of secondary legislation;</li> <li>- Interest by public;</li> <li>- Providing relevant data/information.</li> </ul>
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<p>training on environmental inspections;</p> <ul style="list-style-type: none"> <li>- Develop a Manual for implementation of European Recommendation for Minimum Criteria for Environmental Inspection (RMCEI)6;</li> <li>- Develop a mechanism for improved coordination between central and local level inspectorates;</li> <li>- Develop proposal and measures for further strengthening of enforcement of environmental legislation, with regards to the judiciary system;</li> <li>- Make suggestions for a regional inspection approach;</li> <li>- Put into operation a management information system for inspections;</li> <li>- Draft the Technical Specifications for the supply necessary for this Component.</li> </ul>			
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**Pre-conditions:**

The following conditionality predetermines the project:

- Endorsement by relevant key stakeholders of the Terms of Reference, specifications for the individual contracts to be engaged;
- Selection of the pilot municipalities and the allocation of sufficient staff, for Component 1;
- Appointment of appropriate number of counterpart personnel by the beneficiary (central and local level) before the projects start;
- Organisation, selection and appointment of members of working groups, steering and coordination committees, seminars by the beneficiary as per work plan of the project.
- Proposed scenarios discussed and a selection done for reforms with the aim of strengthening the capacities for environmental implementation at local level, approved by both the Ministry of Environment and Physical Planning and the Ministry of Local Self-Governance;
- Commitment for approval of the proposed reforms and work according to the agreed structure by the Ministry of Environment and Physical Planning and the Ministry of Local Self-Governance;
- Programmes for reforms necessary approved within a short time-frame by the Ministry of Environment and Physical Planning and the Ministry of Local Self-Governance, so as to enable implementation of foreseen activities.

If the conditions are not met, suspension or cancellation of the project will be considered.

**ANNEX II -Amounts (in EUR) contracted and disbursed per Quarter over the full duration of Programme**

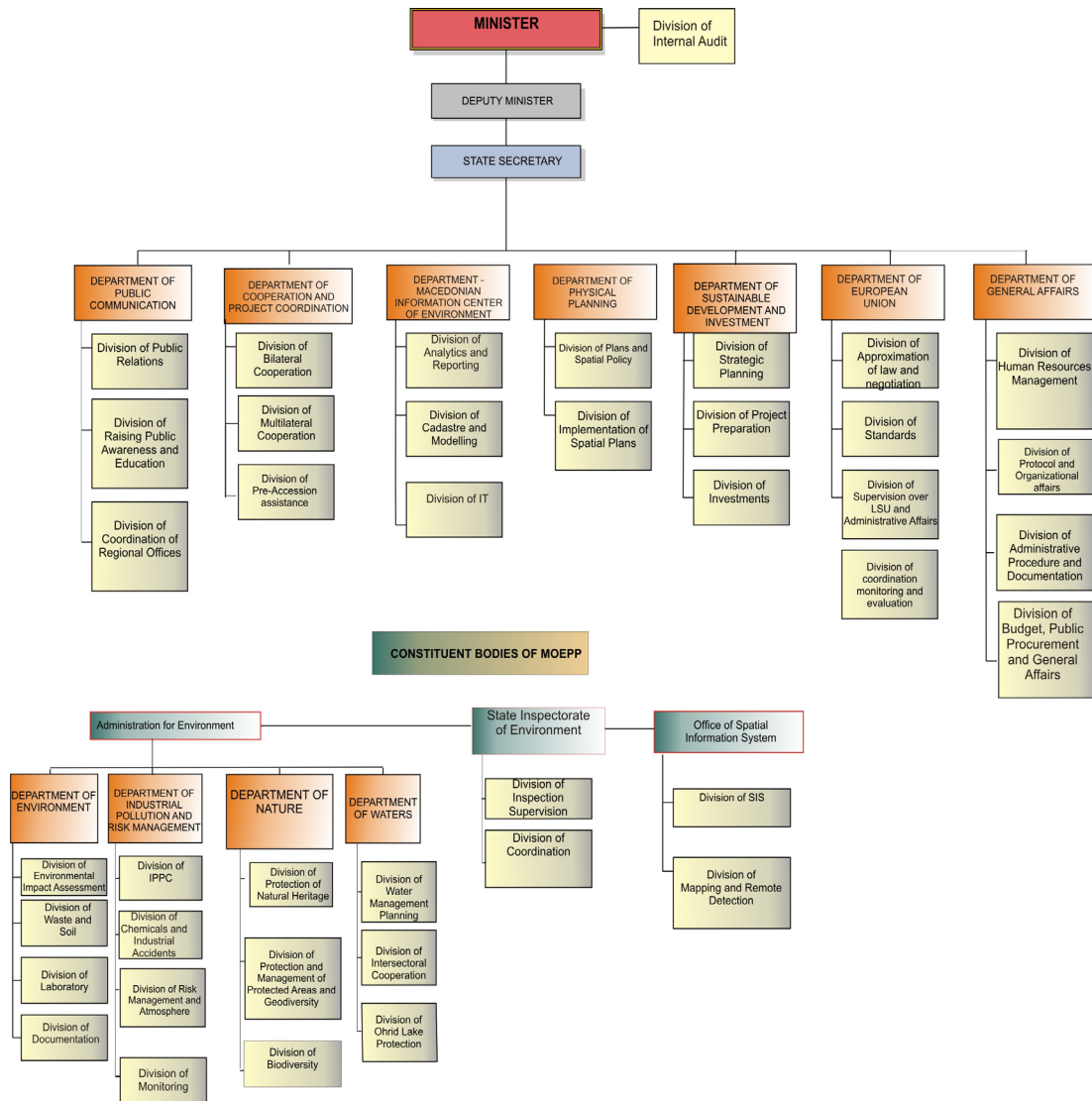
Contracted	2012				2013				2014				2015			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Contract 1.1 Twinning				1 000 000												
Contract 1.2 Service				1 250 000												
Contract 1.3 Supply							750 000									
<b>Cumulated</b>				<b>2 250 000</b>			<b>3 000 000</b>									
<b>Disbursed</b>																
Contract 1.1 Twinning				400 000		500 000		100 000								
Contract 1.2 Service				375 000		375 000		375 000		125 000						
Contract 1.3 Supply							450 000		300 000							
<b>Cumulated</b>				<b>775 000</b>		<b>1 650 000</b>	<b>2 100 000</b>	<b>2 575 000</b>	<b>2 875 000</b>	<b>3 000 000</b>						



# ANNEX III - Description of Institutional Framework

## 1. Ministry of Environment and Physical Planning

This is the organisation chart of the Ministry of Environment and Physical Planning:



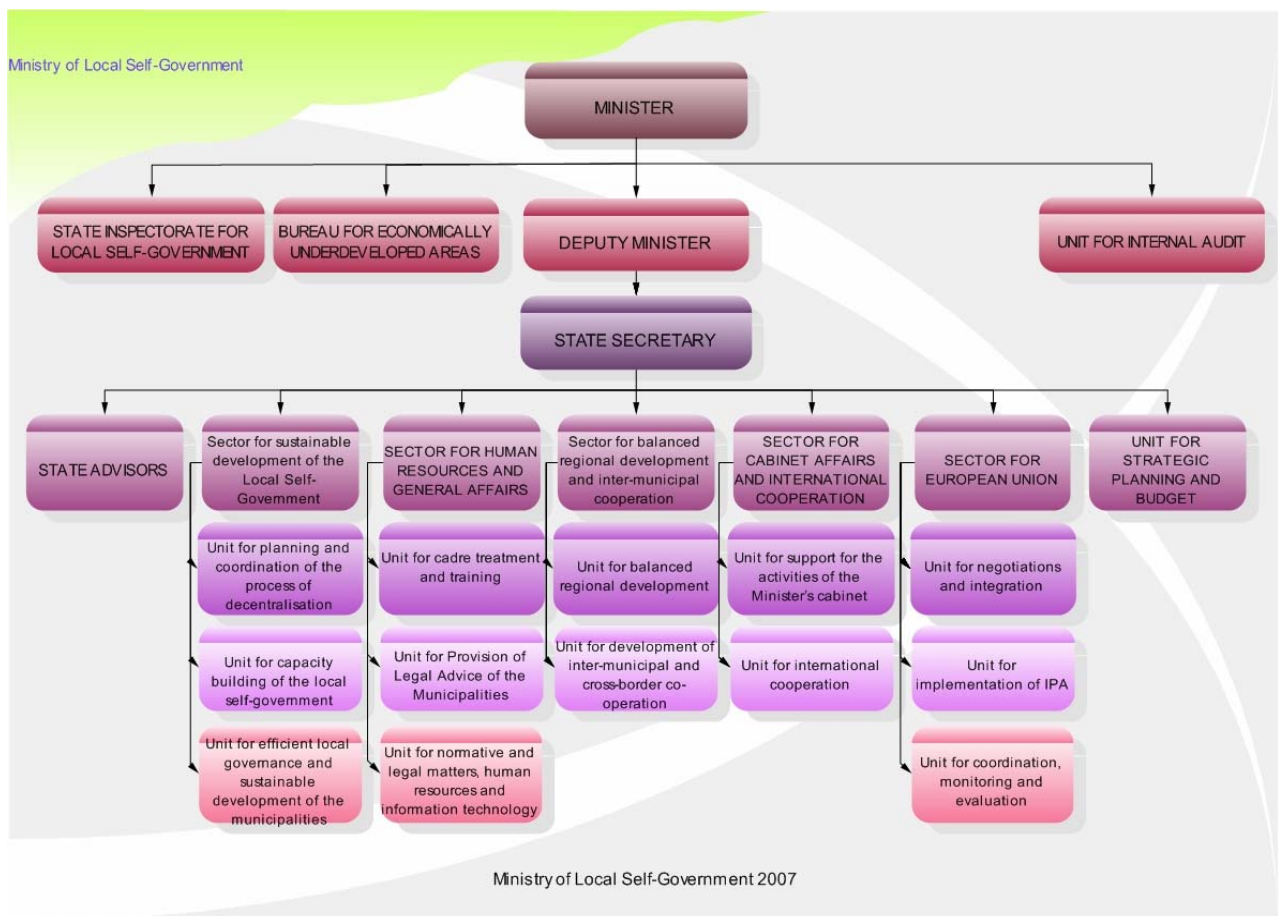
The environmental inspection is divided on two levels:

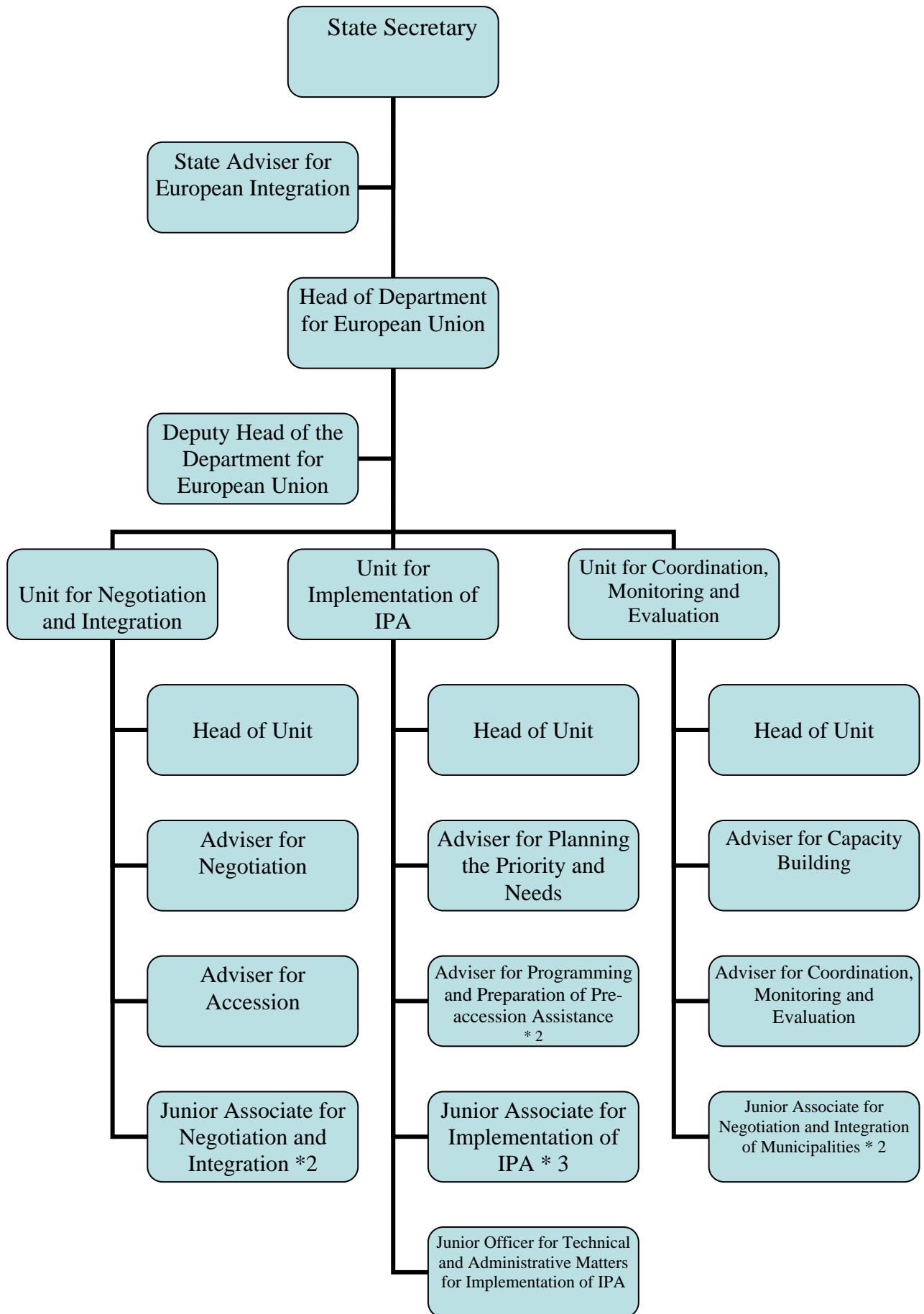
- I. Central level body under the MEPP (State Environment Inspectorate (SEI));
- II. Local level (Authorised Environmental inspectors - local inspectors, nominated by the Mayor of the Municipality).

The SEI consists of a Director of the State Environmental Inspectorate with State environmental inspectors: 18 state environmental inspectors and one technical secretary and junior collaborator.

According to the NPAA 2009, for the year 2010 there are 10 new employments foreseen in the State Environmental Inspectorate, while for the year 2011, there are 16 new employments foreseen.

## 2. Ministry of Local Self-Governance





## **ANNEX IV - Reference to laws, regulations and strategic documents:**

### **Reference list of relevant laws and regulations**

- Law on Environment (“Official Gazette No. 53/05, 81/05, 24/07, 159/08 and 83/09);
- Law on Nature Protection (“Official Gazette No. 67/04, 14/06 and 84/2007);
- Law on Protection from Environmental Noise (“Official Gazette No. 79/07);
- Law on Waste Management (“Official Gazette No. 68/04, 71/04, 107/07, 102/08 and 134/08);
- Law on Ambient Air Quality (“Official Gazette No. 67/04 and 92/07);
- Law on Waters (“Official Gazette No. 87/08 and 6/09);
- Law on Local Self-Governance (“Official Gazette No. 05/02);

The following subsidiary ordinances are currently in force:

- Rulebook on the template, form and content, as well as the procedure for the issuing and rescinding the Identification Document of the State Environmental Inspector, the Nature Protection Inspector and the local level environmental inspectors (Official Gazette No. 80/05, from 23.09.2005);
- Rulebook on the costs incurred during the administrative procedure, upon the request of the party (Official Gazette No. 100/05, from 21.11.2005);
- Rulebook on the content of the annual report for the performed inspection, as well as the manner and deadline of its submission (Official Gazette No. 71/06, from 08.06.2006);
- Rulebook on the template, form and the manner of adoption of the Inspection Plan (Official Gazette No. 128/07, from 19.10.2007);
- Rulebook on the manner of maintaining a Register of the misdemeanours, the sanctions and the decisions reached in the misdemeanour procedure, as well as the manner of access to information, contained in the Register (Official Gazette No. 144/08, from 18.11.2008);
- Rulebook on the form and content of the Notice for the Fine in the penal procedure (Official Gazette No. 16/09, from 04.02.2009);
- Rulebook on the form and content of the stamp of the State Environmental Inspectorate, the local level inspectors and the inspectors in the City of Skopje (Official Gazette No. 112/07 from 19.09.2007);
- Decision establishing the circumstances in which noise detrimental to the peace and quiet of the citizens is established (Official Gazette No. 1/09, from 01.01.2009);
- Rulebook on the procedure for obtaining a B-integrated ecological permit (Official Gazette No. 04/06, from 13.01.2006).

In addition to these, there are number of Laws and secondary legislation which are in a way related to the project, since the enforcement and the environmental management at local level are cross-cutting environmental issues, and they pertain to every single environmental issue.

### **Reference to AP/ NPAA / EP/ SAA**

The **Accession Partnership**, in its Chapter 27 stipulates its short-term goals:

- Continue legislative alignment with the *acquis*, in particular in the fields of air quality, waste management and water quality and improve significantly implementation of legislation and environmental monitoring;
- Strengthen the Environmental Inspectorate and other enforcement bodies, establish a credible enforcement record and ensure that fines and other sanctions are effectively

- applied and have a dissuasive effect;
- Strengthen administrative capacity at national and local levels and improve coordination between administrative bodies in charge of environment-related issues.

The **National Programme for Adoption of Acquis 2009**, in its Part 3 Ability to Assume the Obligations for Membership, Chapter 27 Environment (3.27), sets as one of the short-term priorities the strengthening of the capacities of the State Environmental Inspectorate, through new employments, supply of equipment as well as continuous upgrading of the current and new staff for carrying out everyday activities.

The NPAA revision 2009 stipulates that training is necessary on:

- The requirements of the Environmental Liability Directive;
- Training on the implementation of the regulations for damages liability, meant for the environmental inspectors.

Apart from the strengthening of the central level capacities, the NPAA revision 2009 also foresees as a priority the strengthening of the local level capacities for the implementation of the obligations which fall under the competences of the local self-government units, pursuant to the environmental regulations. This shall be done through:

- New employments;
- Delivering trainings on the implementation of the environmental obligations, including the local-level environmental inspectors. The trainings will address:
  1. Implementation of Strategic Environmental Assessment;
  2. The requirements of the Environmental Liability Directive;
  3. Training on the implementation of the regulations for damages liability, meant for the environmental inspectors;
  4. Continuing the trainings of the environmental inspectors for implementation of the environmental regulations.

The mid-term priorities set in the NPAA revision 2009, also foresee the strengthening of the capacities of the MEPP, through new employments, supply of equipment, training on keeping the national cadastre of polluters, training on information technology and supply of equipment for monitoring, modelling and for the national information system.

Furthermore, a mid-term priority is the strengthening of the capacities of the Local Self-Government Units for local level environmental management, through:

- New employments;
- Supply of technical equipment;
- Provision of trainings for the employees of the competent institutions at local level, for the implementation of the legal obligations in the field of environment.

The project will contribute towards the implementation of the **Stabilisation and Association Agreement**, Article 80 on economic and social policies ensuring that environmental considerations are also fully incorporated from the outset, Article 68 on legal approximation, Articles 85 and 98 on ensuring environmental protection, and Article 103 (Environment and nuclear safety, point 2, line 1, and line 10) on combating environmental degradation, with the view to supporting environmental sustainability.

### **Reference to MIPD**

The *objective* for the environment sector in the MIPD (2009-2011) is to “facilitate the strengthening of public administration capacities to implement EU legislation and related

strategies, including climate change; Facilitate networking, the sharing of best practices and lessons learned between the Beneficiaries and with EU Member States.” The aim of the proposed project is to acquire the lessons learned from an EU Member State through a twinning mechanism.

One of the Strategic choices in the MIPD is that the “compliance with the *acquis* needs further enforcement, monitoring and investment”. This project focuses on the strengthening of the capacities for enforcement and monitoring, on both local and central level.

The Expected results in the MIPD include “improved abilities of civil servants and other relevant actors to transpose and implement the environmental *acquis*; Increased awareness of environmental issues, including the exchange of best practices; Alignment and enforcement of legislation and practices in the environmental sector with the EU *acquis*;”. The proposed project focuses on the strengthening of the capacities for implementation, enforcement and monitoring, on both local and central level, and will be performed through exchange of best practices, through a twinning project with an EU Member State (the enforcement component).

### **Reference to national/ sectoral investment plans**

The project contributes to the realisation of the following key strategies and action plans in the sector:

- National Environmental Action Plan (NEAP) 2006;
- Pre-accession Economic Programme (PEP) 2008-2010;
- National Environmental Investment Strategy (NEIS);
- Operational Programme for Regional Development 2007-2009 (OPRD part environment) IPA Component 3, 2007;
- Strategic Coherence Framework IPA Component III and IV, 2007 – 2012, 2007;
- National Strategy for Environmental Approximation (NSEA), 2008;
- Plan for Institutional Development of Environmental Management Capacity on National and Local Levels 2009-2014, 2009.

### **Reference to Pre-accession Economic Programme (PEP)**

The strengthening of the administrative capacities, with a clear focus on the Administration for Environment and the Environmental Inspectorate is emphasised as one of the key environmental priorities in the following sections of the Pre-accession Economic Programme (PEP) for 2008-2010:

- Integrated Prevention and Pollution Control;
- Integrated Ecological Permits;
- Strategic Environmental Assessment.

Furthermore, as part of the horizontal Legislation Part, the key priorities in the coming period in this area include:

- Enforcement of the law and bylaws, with an accent on Environmental Impact Assessments and Integrated Pollution and Prevention Control, and Strategic Environmental Assessment;
- Strengthening of administrative capacity in the new legislation enforcement;
- Preparation and adoption of strategic documents in the area of environment.

## **ANNEX V - Details per EU funded contract**

### **Management and contracting arrangement**

The overall coordination of the activities of the project will be carried out by the Ministry of Environment, the State Environmental Inspectorate and the Ministry of Local Self Government. The respective SPOs will have the responsibility for project execution and overall monitoring during its implementation.

The project activities would be implemented with several different contracts, including a one Twinning arrangement. For this particular contract, a steering committee will be established to oversee the implementation process of the project activities, while it is expected that the MS twinning partner will bring in expertise from the required area. The twinning arrangement will also allow for administrative capacity building, training, integrity, legal development and addressing the cross-cutting issues. The project leaders will be responsible for the overall management, representation (co-ordination with the EU and other international bodies) as well as reporting to the Contracting Authority. The contact persons and details for this contract would be developed in the process of preparation of the actual Twinning Fiche, prior to the submission to the MSs.

A project steering committee will be established for the coordination of the Service Contract. The detailed project management and implementation structure, with full descriptions of roles and responsibilities will be specified during the preparation of ToRs. The Team leader for the service contract will be responsible for the overall management, representation (co-ordination with the other international bodies), and reporting. The co-ordination of activity development in the different components of the activity is significantly important. The team leader shall be responsible for the appropriate management of resources. During the inception phase of the project, a detailed deployment plan will be developed under the coordination of a Steering Committee in which each co-operating national institution will be represented to ensure appropriate inclusion. Short and long term expertise will be engaged in the areas of capacity development, trainings, preparation of programs, and implementation of programs - etc. A pool of short-term expertise will be made available to assist the key experts and to carry out activities in the specialised areas.

### **The expected contracting arrangements through IPA are:**

**One Twinning contract** to be concluded through the necessary procedures, for all activities foreseen under component 2 of the project. The contract will be with duration of around 12 months. The amount for this contract is total EUR 1 000 000, the financing from IPA EUR 950 000 and the national co-financing is EUR 50 000;

**One Service contract** to be concluded, to cover Component 1. The contract will be with duration of around 18 months. Implementation of the Technical Assistance project is to start one month after the contract is signed. The amount of EU funding for this contract is total EUR 1 250 000, the financing from IPA is EUR 1 125 000, and the national co-financing is EUR 125 000;

**One or more Supply contracts** to be concluded for the supply of prioritised equipment identified under component 1 and 2 of the project. The contracts are expected to have implementation duration of 4 to 8 months supplemented by a warranty period of 12 months, bringing the total duration to 16 to 20 months. The total contract value will be total 750 000, from IPA EUR 550 000 and EUR 200 000 is the national co-financing.