

## ANNEX II

**to the Commission Implementing Decision on the financing  
of the annual action plan in favour of Montenegro for 2021**

**ACTION DOCUMENT “EU FOR ENVIRONMENTAL AND CLIMATE ACTION POLICIES IN  
MONTENEGRO”**

**1. SYNOPSIS**

1.1. Action Summary Table

<b>Title</b>	<b><i>EU acquis</i> related activities for Environment and Climate Action policies in Montenegro</b> Annual action plan in favour of Montenegro for 2021
<b>OPSYS number - CRIS</b>	IPA III/2021/ 043-663/2
<b>Basic Act</b>	Financed under the Instrument for Pre-accession Assistance (IPA III)
<b>Team Europe Initiative</b>	No
<b>Zone benefiting from the action</b>	The action shall be carried out in Montenegro
<b>Programming document</b>	IPA III Programming Framework
<b>PRIORITY AREAS AND SECTOR INFORMATION</b>	
<b>Window and thematic priority</b>	Window 3 - Sustainable connectivity and Green agenda Thematic Priority 1: Environment and climate change
<b>Sustainable Development Goals (SDGs)</b>	Main SDG (1 only): <ul style="list-style-type: none"> <li>• Goal 11. Make cities and human settlements inclusive, safe, resilient and sustainable</li> </ul> Other significant SDGs (up to 9) and where appropriate, targets: <ul style="list-style-type: none"> <li>• Goal 12. Ensure sustainable consumption and production patterns</li> <li>• Goal 14. Conserve and sustainably use the oceans, seas and marine resources for sustainable development</li> <li>• Goal 15. Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss</li> </ul>
<b>DAC code(s)</b>	Main DAC Code :

	<ul style="list-style-type: none"> <li>41010 Environmental policy and administrative management – 100%</li> </ul>			
<b>Main Delivery Channel @</b>	12000 – Recipient Government 12001 – Central Government			
<b>Markers (from DAC form)</b>	<b>General policy objective @</b>	<b>Not targeted</b>	<b>Significant objective</b>	<b>Principal objective</b>
	Participation development/good governance	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Aid to environment	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Gender equality and women's and girl's empowerment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Trade development	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Reproductive, maternal, new-born and child health	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Disaster Risk Reduction	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Inclusion of persons with Disabilities	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Nutrition	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<b>RIO Convention markers @</b>	<b>Not targeted</b>	<b>Significant objective</b>	<b>Principal objective</b>
	Biological diversity	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Combat desertification	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change mitigation	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Climate change adaptation	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>Internal markers</b>	<b>Policy objectives</b>	<b>Not targeted</b>	<b>Significant objective</b>	<b>Principal objective</b>
	Digitalisation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Migration	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	COVID-19	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>BUDGET INFORMATION</b>				
<b>Amounts concerned</b>	Budget line: 15.020201.02 Total estimated cost: EUR 7 382 352.94 Total amount of EU budget contribution EUR 6 275 000 of which EUR 6 275 000 for indirect management with IPA III beneficiary.  This action is co-financed in joint co-financing by: - Montenegro for an amount of 1,107,352.94.			
<b>MANAGEMENT AND IMPLEMENTATION</b>				
<b>Type of financing</b>	Project Modality			

<b>and method(s) of implementation</b>	Indirect management with Montenegro
<b>Relevant priorities and flagships from Economic and Investment Plan for the Western Balkans [only for the Western Balkans]</b>	Priorities: “Green Agenda” Flagships: “IV Renewable Energy
<b>Final Date for conclusion of Financing Agreement</b>	At the latest by 31 December 2022
<b>Final date for concluding contribution / delegation agreements, procurement and grant contracts</b>	3 years following the date of conclusion of the Financing Agreement, with the exception of cases listed under Article 114(2) of the Financial Regulation
<b>Indicative operational implementation period</b>	72 months following the conclusion of the Financing Agreement
<b>Final date for implementing the Financing Agreement</b>	12 years following the conclusion of the Financing Agreement

## 1.2. Summary of the Action

The purpose of this Action is to assist Montenegro by contributing to the development of technical capacities for the protection of the environment, improvement of its quality and contributing to the preparation and implementation of policies related to climate change, biodiversity protection and accelerating the shift towards a low-carbon economy.

This Action is aiming to support the implementation and enforcement of the EU Environmental *acquis*, according to the principles and benchmarks arising from the Negotiating Chapter 27.

## 2. RATIONALE

### 2.1. Context Analysis

By adopting the National Strategy with Action Plan for transposition, implementation and enforcement of the EU *acquis* on Environment and Climate Change 2016-2020 (NEAS or Strategy with the AP) at the Government session held on 28 July 2016, thus fulfilling the Opening Benchmark, Montenegro expressed its strategic approach in taking over and enforcing the European Union (EU) *acquis* in this field.

Economic and financial analysis of the Strategy with the AP revealed that total funds needed to comply with the EU standards by 2035 will amount to EUR 1,43 billion, at the same time defining financial sources and models. Following the adoption of the Strategy, the focus of the activities of the institutions responsible for Chapter 27 issues was on the transposition of the European *acquis* into national legislation in all 10 sub-areas, in order to create a legal basis for its quality implementation and application. The European Union has informed Montenegro about the Common Position for Chapter 27, including the benchmarks required for the closure of this Chapter. In February 2020 was adopted the Montenegro's Programme for Accession to the EU 2020-2022. This programme sets the priorities for alignment in the different negotiation chapters. Regarding Chapter 27 the programme identifies the key priorities for the Accession Process in terms of National Strategies, Legal Framework and administrative capacity.

The Government of Montenegro on 18<sup>th</sup> February 2021 adopted an Action Plan for closing the final benchmarks in Chapter 27 - Environment and Climate Change. The action plan defines a total of 251 obligations for the implementation of which 25 institutions are in charge. The implementation of the activities defined in this Action Plan will fulfil all the obligations defined by the EU in Chapter 27.

This Action document describes how IPA III will support Montenegro, by improving Administrative Capacity, to meet the closing benchmarks set in the EU Common Position for Chapter 27, focusing on the following Sub-sectors: 1. Horizontal legislation, 2. Air quality (AQ), 3. Nature protection, 4. Industrial pollution, 5. Chemicals, 6. Noise, 7. Civil protection, 8. Climate change, 9. Environmental strategic planning and implementation.

### 2.2. Problem analysis by areas of support

#### **AREA OF SUPPORT 1. HORIZONTAL LEGISLATION**

**Short problem analysis:** Transposition of horizontal EU environmental legislation into the legal system of Montenegro started in 2005. However, the lack of administrative capacity and financial resources at national and local level are delaying the EU *Acquis*' implementation. EU Common Position for this sector establishes the closing benchmark that Montenegro "*continues to align with the horizontal Directives and demonstrates that it will be fully prepared to ensure their effective implementation and enforcement at the date of accession*". Consequently, the main issues to address under this Section will be Legal alignment and Administrative Capacity.

**Complementarity with national strategies:** This Area of Support will be implemented according to Montenegro's Programme for Accession to the EU 2020-2022.

#### **AREA OF SUPPORT 2. AIR QUALITY**

**Short problem analysis:** Air quality has been recognised by the national institutions, and through the progress reports of the European Commission, as an area with a significant level of harmonisation of legislation and therefore shows a good level of readiness. The air quality monitoring system is operational in collecting and delivering proper data. Air Quality data are available on-line in real time (<http://www.epa.org.me/vazduh/>) and annually reported to EU through EIONET (European Environment Information and Observation Network).

Exceedances of the limit values of PM10 particles have been detected in several municipalities (Podgorica, Pljevlja, Nikšić and Bijelo Polje). Air quality Plans were drawn up for all the municipalities mentioned above (for Pljevlja in 2013, Niksic 2014 and Podgorica 2015), except for Bijelo Polje where exceedance was recorded only during the winter season 2019/2020. The new Air Quality Strategy is under the preparation and shall contain update of the existing plans and cover all relevant air quality zones. Adoption of the updated AQ Strategy is expected in 2021.

Building administrative capacities in the EPA for Data Validation and Emission Projections (for air and Climate Actions) is considered a particular challenge. The data from the network for monitoring the quality of air need to be completed with the data obtained by modelling.

Key challenges include the lack of reliable data from previous periods, projections of emissions, improvement of data on emissions/accuracy of data from inventories, assessment of critical loads (if needed), and the need to improve administrative capacities.

The existing system of monitoring and the structures responsible for collecting and processing of data, and for future reporting to the Commission, need to be strengthened as well.

Overall, the alignment costs in this area are estimated to be EUR 111.7 million. Investment costs, (Capex), are estimated at EUR 79.5 million to be incurred prior to 2025, mostly by Industry and primarily by the Energy Sector Opex (Operational expenditure), to 2035, is an ongoing cost amounting to that date to EUR 32.3 million in present day terms.

Recent assessments show that for reduction of emissions of air pollutants covered by the National Emissions Ceiling (NEC) Directive (EU) 2016/2284 require additional significant funds.

Closing Benchmark in this fields refers to legal alignment and furthermore, reinforcing the implementation of the EU *acquis* in this area, by regularly taking measures to reduce national air pollution, particularly in zones where EU limit values for air quality are exceeded, and by developing or updating air quality plans, as envisaged by the Directive on ambient air quality and cleaner air for Europe (Directive 2008/50/EC).

**Complementarity with national strategies:** The National Strategy for Management of Air Quality (AQ), shows that significant efforts are required in terms of strengthening the administrative and technical capacity for the implementation of the AQ *acquis*. Current practice has also shown that it is necessary to improve communication and coordination between institutions, to optimize the number of people involved in all activities related to the preparation and implementation of actions. Air quality policy needs to be aligned with the Climate and Energy Plan, which is under the preparation.

### **AREA OF SUPPORT 3. NATURE PROTECTION**

**Short problem analysis:** Natura 2000 is a prerequisite for Montenegro's accession to the European Union and one of the basic mechanisms of nature protection in the EU. Legal grounds of the protection system represent Habitats and the Birds Directive. Obligation of the Natura 2000 network is defined with the opening benchmark for Chapter 27. Montenegro has received a closing benchmark in this field, which refers to the submission of the list of proposed Natura 2000 sites to the European Commission, which sufficiently covers habitat types and species in accordance with the requirements of the Birds and the Habitats Directive. With closing benchmark Montenegro is expected to demonstrate the capacity to manage the Natura 2000 network, including the provision of adequate protection status of Ulcinj Saline and effective implementation of the necessary conservation measures that lead to improved conservation status.

It is necessary to establish and strengthen institutional capacities and coordination for efficient implementation of the European system in the field of nature protection, in order to achieve national goals harmonised with the EU policy. When it comes to institutional organisation, competence, and capacities available for efficient transposition of the EU legislation and the implementation of national legislation concerning nature protection, EU stresses the importance of further development of administrative capacity, especially on regional and local level, and the need for further development of coordination mechanisms and continuous improvement of cooperation among the various administrative bodies involved in the implementation and application of the EU *acquis* in this respective field. In this regard, the EU urges Montenegro to submit the Action plan addressing this issue.

A significant challenge is securing sufficient amount of financial resources that will follow up the implementation of activities according to the planned dynamics.

**Complementarity with national strategies:** The protection of environmental nature is governed in Montenegro by a significant number of regulations of which the Law on Nature Protection may be considered a primary legislation that governs most issues in the subsector of nature protection. A number of rulebooks have been adopted pursuant to this legislation. A number of specific issues in the subsector of nature protection are governed by the Law on National Parks, Law on Forest, Law on Hunting, Law on the Protection of the Marine Environment and Law on Alien and Invasive Alien Species, followed sub-laws adopted on their basis.

In the previous period Montenegro developed and adopted a number of national strategies and plans relevant to nature protection.

### **AREA OF SUPPORT 4. INDUSTRIAL POLLUTION**

**Short problem analysis:** The main needs to be addressed by this Action Document is to create an information system for the PRTR register, ensure capacity building activities for competent institutions as well as for operators of plants currently in the register. Pollution Cadastre/Register of Pollution Sources will register of all types of environmental pollutants containing data on their location, production processes, pollutants used as raw materials or as by-product/product, emission-modalities of discharges, places of discharge, method and procedure for their removal.

**Complementarity with national strategies:** In March 2019, the Parliament of Montenegro adopted the Law on Industrial Emissions (OG of MNE, No. 17/19), which partially transposed the Industrial Emissions Directive 2010/75 / EU, and full transposition achieved by implementing secondary legislation (adopted 9 rulebooks). Pursuant to the Law on Industrial Emissions the EPA initiated the procedure of revision of integrated permits, informing all operators of the reasons for initiating the same. The Agency was timely documentation for revision submitted by 4 operators, namely

"Možura" doo Bar; Landfill "Livade" doo Podgorica; Elektroprivreda CG for the plant "Termoelektrana Pljevlja" and "TOSCELIK Alloyed Engineering Steel d.o.o.", Nikšić. Procedures are underway

#### **AREA OF SUPPORT 5. CHEMICALS**

**Short problem analysis:** Chemical production is not considered a strategic sector in Montenegro given the absence of basic production and a small number of producers of chemicals. The production of chemicals and chemical products in the total structure of industry in Montenegro has a share of only 0.1-0.2%, and therefore the chemicals for the Montenegrin market are mostly imported. The management of chemicals and biocides products is governed in Montenegro by the Law on Chemicals, pursuant to which 20 implementing regulations have been adopted and Law on biocidal products pursuant to which 10 implementing regulations have been adopted. These regulations have enabled partial transposition of the EU *acquis* on the chemicals and biocidal products.

The EU further takes into account plans for strengthening administrative capacity, in line with the NEAS.

The closing benchmark in this field is: Montenegro continues to align with the EU *acquis* in the chemical sector and affirms that it will be fully prepared to ensure the implementation and application of EU requirements at the date of accession.

Meanwhile, within the Environmental Protection Agency (May 2018), the Helpdesk has been set up to provide support in terms for the understanding of the obligations under the Biocide Products Regulation (BPR) Regulation, the Registration, Evaluation, Authorisation and Restriction of chemicals (REACH) Regulation and the Classification, Labelling and Packaging (CLP) Regulation.

As for institutional organisation, responsibilities and the capacities available for efficient transposition of the EU legislation and the implementation of national regulations on chemicals, the following key gaps have been identified:

- Although the law lays down that a supplier who imports and produces chemicals in quantities above 1 tone must enter the chemicals into the chemicals register on the basis of the assessment of chemicals, the register of chemicals maintained by the EPA is not in the form required by EU regulations, as the data entered into the database are not supported by the IUCLID 6 software solution developed for the purpose of collecting and storing data on substances in the EU.); Also, education concerning the use of appropriate IT tools (IUCLID and R4BP) is needed;
- There is no National Poison Centre in Montenegro. Currently the Institute for Public Health keeps a record of diagnoses of poisoning. However, the entries do not distinguish between poisonings related to chemical agents or to other factors (narcotics, alcohol, pharmaceuticals and drugs or other biological substances);
- Furthermore, training concerning implementation of the REACH, BPR, CLP regulations for all relevant institution is needed;
- There is a lack of an asbestos management program in Montenegro;

**Complementarity with national strategies:** Montenegro adopted the National Chemicals Management Strategy 2019-2022, with Action plan for period 2019-2022 and National implementation plan for Stockholm convention with Action plan for 2019-2023. On the basis of analysis and assessment of the chemical security situation, key strategic directions have been identified together with the measures for the establishment of chemical security system that are in compliance with the EU *acquis* and practices.

#### **AREA OF SUPPORT 6. NOISE**

**Short problem analysis:** The common position of the European Union for Chapter 27 - Environment and climate change points out that the EU takes into account the full harmonisation of the Montenegrin legislation in the field of noise and planned activities for further implementation: developing noise maps, conducting public awareness campaigns and continuing the use of centralised information data system within the Agency for Nature Protection and the Environment.

The competent bodies have been identified as well as their obligations to undertake the following: prepare strategic noise maps and action plans, define the protection measures against environmental noise, as well as the obligations relating to reporting to the European Commission, monitoring, and sanctions.

As for the institutional organisation, competences and capacities available for efficient transposition of the EU *acquis* concerning noise, the following key gaps have been identified:

- A centralised information system to include noise data has not been established yet;
- The strategic noise maps and action plans for main roads are not adopted yet;
- The EPA and Administration for Inspection Affairs (AIA) administrative capacity for efficient implementation of Montenegro's legislation harmonised with the EU directives is not satisfactory, in term of training.

**Complementarity with national strategies:** At present, in Montenegro, there is one agglomeration and three main roads managed by the state, which are subject to the requirements to develop strategic noise maps and action plans. Capital

city Podgorica prepared strategic noise maps and adopted Action plan for protection of noise by the local government in June 2019.

#### **AREA OF SUPPORT 7. CIVIL PROTECTION**

**Short problem analysis:** The area of civil protection is governed in Montenegro by the Law on Protection and Rescue, adopted in 2007 and amended in 2011 and 2017. Strengthening of Ministry of Interior (MI) human capacities - at both Directorate for Emergency Situations and protection and rescue operational units is identified as the key need, particularly with regard to the following:

- Inadequate organisation of the protection and rescue system - civil protection;
- Harmonisation with systems, standards and good practices of the EU Member States;
- Development of technical and material resources;
- Further equipping and training of civil protection staff;
- Development of capacities for national, implementation of risk management plans, and assessment of own capacities for risk management;
- Development of capacities for reporting to the European Commission.

**Complementarity with national strategies:** Montenegro's strategic planning in this field includes Montenegro's Disaster Risk Reduction Strategy and related Action Plan for 2018-2023, which aligns with Commission Implementing Decision 2014/762/EU on implementing rules on the Union Civil Protection Mechanism, to which Montenegro is a participating state since 2015.

#### **AREA OF SUPPORT 8. CLIMATE CHANGE**

**Short problem analysis:** Transposition of the EU *acquis* in the field of climate change has begun and it is necessary to intensify efforts in the field of harmonisation of legislation and to strengthen implementation and enforcement in order to provide a framework that would address the issue of climate change, namely to protect climate in adequate and well-defined manner.

Through the Strategy with AP in the field of climate change, 51 obligations for transposing has been defined, namely drafting bylaws for the harmonisation of legislation. On 23rd of December 2019, the Parliament of Montenegro adopted the Law on Protection against the Negative Impacts of Climate Change. This Law represents the basis for the establishment of the National System for Monitoring, Reporting and Verification of Greenhouse Gases, the operation of the Emissions Trading System, and as well as a system that will ensure the sectoral distribution of efforts to reduce emissions outside the EU ETS System, Effort Sharing System. Moreover, with this Law it was enhanced the regulation of issues dealing with the use of ozone-depleting substances and fluorinated gases. The Government of Montenegro in February 2020 adopted the Decree on activities or operations that emit greenhouse gases for which a greenhouse gas emissions permit is issued. The Decree is in force and regulates free allocation and auctioning, and establishes national registry for Green House Gases (GHG) emission trading.

Closing benchmarks for climate change stipulate that Montenegro need to continue to align with the EU *acquis* in this field, with a special focus on the system of monitoring, reporting and verification of greenhouse gas emissions, to ensure the existence of an appropriate framework for the implementation of the EU Emissions Trading System. The EU also highlights the need for Montenegro to continue its work on strengthening administrative capacity and inter-institutional cooperation.

As for institutional set-up, competences and capacity available for transposition of the EU legislation and implementation of national climate change legislation, the following key gaps have been identified:

- Climate change policy has so far not been integrated into all the relevant policies and strategies;
- There is a lack of functional inter-sectoral cooperation for efficient implementation of climate change policy in Montenegro;
- The main competent institutions at the national level are faced with the lack of administrative capacity. The newly established Directorate for Climate Change at the MESPU still lacks human resource capacity;
- The present staff at the EPA is lacking technical capacity and knowledge to carry out tasks stemming out of the Montenegrin legislation and the relevant EU *acquis*;
- The existing administrative/technical capacity for reporting to the United Nations Framework Convention on Climate Change (UNFCCC) is insufficient;
- The public administration has not yet decided on the competence for preparing GHG emissions projections. In accordance with Article 8 of the Law on Protection against Negative Impacts of Climate Change, the preparation of projections of greenhouse gas emission levels may be prepared by a legal entity authorized by the Ministry. The authorisation referred to in paragraph 1 of this Article shall be issued to a legal entity that has experience in making projections of the level of greenhouse gas emissions on the basis of a public invitation issued in accordance with the law governing public procurement.
- The system for compiling GHG inventory still does not operate in a satisfactory manner.

- Elements of Institutional Adjustment Measures in Climate Change sector.
- In regards to ongoing National system for estimating GHG emissions by sources and sinks and inventory reporting and national inventory reports (NIR) it is necessary to work on establishing a sustainable system for submitting data for GHG emissions inventory, and to improve the annual data collection plan, Improving knowledge and capacity in the areas of climate change and better understanding of the adaptation process, as well as multi-sectoral approach to adaptation.

**Complementarity with national strategies:** In order to establish a comprehensive strategic framework for climate change, Montenegro has adopted the National Strategy for Climate Change by 2030 (NSCC) in 2015, which represents the horizontal policy document for climate change in the Country. The Strategy is closely linked to a number of other sectoral strategies, as well as other documents reoffering to climate change issues and has been developed taking into account the identified effects of climate change, current socio-economic development and future development scenarios based on existing information.

#### **AREA OF SUPPORT 9. ENVIRONMENTAL STRATEGIC PLANNING AND IMPLEMENTATION:**

**Short problem analysis:** In line with the EU Common Position in the sector, Directive Specific Implementation Plans (DSIPs) have been prepared for 11 EU Environmental Directives. However, during the negotiation process it may be required to adapt them for adhering to the agreed position. This represents an important challenge for Montenegro in terms of negotiation and planning capacities.

**Regarding Drinking Water,** in order to ensure timely and optimal implementation of the related EU Drinking Water Directive (98/83/EC concerning the quality of water intended for human consumption) and relevant national legislation on drinking water supply it is also recommended to arrange for preparation of a corresponding Directive-Specific Implementation Plan.

**In the field of Marine Strategy Framework Directive (MSFD),** under IPA2016 it was planned to supply a research and monitoring vessel that would allow Montenegro to carry out the Programme of Monitoring of marine environment and contribute to the implementation of the Programme of measures to achieve or maintain good environmental status. Technical specifications for the vessel and the on-board research and monitoring equipment has been prepared in the framework of the project “Support to Implementation and Monitoring of Water Management”, Ref. EuropeAid/139429/IH/SER/ME. Unfortunately, due to COVID-19 pandemic, IPA 2016 funding for the vessel had to be re-programmed, so this important equipment remains until now in stand-by, waiting for the sufficient finance.

**Regarding IPA Programming and Implementation,** full application Sector Approach for IPA Programming is an extremely demanding exercise, putting pressure on the capacities of Montenegrin Administration and especially on the MESPU. In addition, for mitigating staff turnover and ensuring adequate numbers of staff in IPA stakeholders (especially at MESPU Project Implementation Unit-PIU), there is a strong need to reinforce the capacities at managerial/coordination and technical levels in all phases, including IPA Programming and Implementation.

Furthermore, Action Documents for Environment and Climate Action normally incorporate EU *acquis* Related activities with complex infrastructure projects for which is necessary to combine engineering, legal and economics expertise.

Finally, IPA projects implementation requires strong capacities for preparing Tender Dossiers, according to PRAG rules and in case of infrastructure projects, FIDIC conditions for contracts.

**Complementarity with national strategies.** IPA Programming will be done according to Montenegro’s Programme for Accession to the EU and National Strategy with Action Plan for Transposition, Implementation and Enforcement of the EU *Acquis* on Environment and Climate Change 2016-2020 (NEAS).

#### **Description of main stakeholders for the 9 Areas of support:**

- MESPU is the institution holding primary responsibility for the transposition of the EU legislation and monitoring the implementation of national legislation.
- Environment Protection Agency of Montenegro (EPA) is responsible for monitoring and reporting on environmental issues.
- Institute of Hydrometeorology and Seismology of Montenegro (IHMS-Environmental Protection Division) participates in air quality monitoring.
- Institute of Public Health within the Centre for Health Ecology - Department of Nutrition and Human Ecology, participate in air quality monitoring.
- MAFWM (Ministry of Agriculture, Forestry and Water Management).
- Forest Administration.
- Ministry of Interior (MI)’s Directorate for Emergency Situations is responsible for risk management, disaster protection and rescue management, and management of recovery of disaster consequences.
- The Customs Administration controls the implementation of the PIC procedure.
- The Ministry of Health is responsible for establishing the Poison Control Centre.



- Municipalities.
- Administration for Inspection Affairs (AIA) exercise inspection control of implementation of the entire environmental legislation.

### 2.3. Relevance and complementarity with strategies supported by key national stakeholders

The Environment and Climate Action sector is on the way to adopt the Sector Approach as evidenced through a number of on-going activities e.g. development of strategies will contribute to strengthening the sector approach. Overall, the Environment and Climate Action sector has been improving in terms of sector approach but still requires some gaps to be covered. Current programming represents an opportunity to fill in those gaps in order to move towards a more consistent, coherent and coordinated Environment and Climate Action sector policy.

**National sector policy and strategy:** Overall, Montenegro's legislation is partially aligned with the EU *acquis* covered by chapter 27 (Environment), but implementation and enforcement are at an early stage. Upon Montenegro's accession to the EU, the application and enforcement of the *acquis* on Environment and Climate Action will need to be ensured. There is a substantial amount of work to be undertaken as regards the transposition of legislation and the establishment of the necessary administrative and control capacities required by the EU *acquis*.

National Strategy for Sustainable Development of Montenegro until 2030 represents a comprehensive strategy for the Environment and Climate Action Sector; furthermore, the National Strategy with Action Plan for Transposition, Implementation and Enforcement of the EU *Acquis* on Environment and Climate Change 2016-2020 (NEAS), plays an important role setting out a programme of action for fulfilling the obligations in the field of approximation of Montenegrin environmental legislation to the EU environmental *acquis*. It will provide a baseline for the Government to determine the order of actions to be taken each year and it will give indication of cost for full alignment with environmental *acquis* including costs for capacity building, investments and monitoring.

Sub-sector strategies are well developed or are being revised/drafted, and they include the estimations in terms of investments for their implementation. However, in the field of Waste Management, EU Common position urges Montenegro to “further clarify the structure of its waste management”. As the costs of alignment with the environmental and climate *acquis* will be high, Montenegro needs to ensure adequate financial resources and coherence between the availability of financial resources and the timetable for legislative alignment and implementation. Montenegro should be in a position to complete the legislative alignment by the date of accession. Attention needs to be paid to trends at EU and international level to take into account the gender dimensions of environment and climate change policy, and the diverse contribution of all women and men to national efforts to promote sustainable development.

**Institutional leadership:** In general, the institutions responsible for Environment and Climate Action Policy development, implementation and enforcement are in place, but need to be strengthened considerably. The administrative capacities and staffing levels for environmental issues are low, both at national and local level and across the entire environment and climate action sector. Reliance on temporary staff and trainees, high turnover of staff as well as limited financial resources in the relevant ministries, EPA and Administration Inspection Affairs remain issues of concern, especially in relation to the capacity of these institutions to ensure the effective implementation and enforcement of the EU *acquis*.

**Existence and quality of the sector monitoring and reporting systems:** Montenegro has made notable strides in the last few years on environmental monitoring. The EPA has taken control over most of the monitoring activities and made efforts to strengthen the various monitoring networks and to organise them in accordance with the latest international practice. At the same time, the legal framework requires amendments to improve the functioning of the networks.

Monitoring activities are carried out based on the annual monitoring programmes prepared, in the majority of cases, by the EPA for approval by the Government. The monitoring activities are affected by decreasing resources – the budget for monitoring decreased by nearly half between 2009 and 2012 with the greatest reductions in the programmes for monitoring soil, radioactivity and the marine ecosystem. Except for 2011, the budget for air quality monitoring remains at a stable level.

**Sector and donor coordination:** Sector and donor coordination mechanisms are in place but it is necessary to reinforce their capacities for an effective internal (within the institutions conforming the Environment and Climate Action Sector) and external (with other donors) coordination.

At the operational level, the main sectoral coordination mechanism is the EU accession negotiation group for chapter 27 which is established by the Government and consists of 61 members representing state authorities, universities, NGOs, Labour unions, Union of Employers. In parallel the sector working group for programming of IPA 2014-2020 perspective is established. In short/medium term, the internal capacities of the representatives of the Environment Sector Working Group should be consolidated in terms of guidance and preparation of the Programming and strategic planning.

At the national level, the overarching coordination body is the National Council for Sustainable Development (NCSD). The sector Donor coordination within the field of environment takes place a few times per year. Donor coordination is

managed at central level by General Directorate for Economic Diplomacy and Cultural Cooperation of the MFA. In addition, the database for infrastructure projects should be primarily built up upon the list of single project pipeline defined by the NIC through the Western Balkans Investment Framework (WBIF).

## 2.4. Relevance and complementarity with EU policy and EU and other donors' assistance

This Action Document is aligned with EU Green Deal<sup>1</sup>), contributing to some relevant transformative policies like:

- Increasing the EU's climate ambition for 2030 and 2050
- Supplying clean, affordable and secure energy
- Mobilising industry for a clean and circular economy
- Preserving and restoring ecosystems and biodiversity
- A zero pollution ambition for a toxic-free environment

Needs and priorities defined in this Action are in line with those outlined in IPA III Programming Framework under Window 3 (Green agenda and Sustainable connectivity). Window 3 outlines support to promote the green agenda by reinforcing environmental protection, contributing to mitigation, increasing resilience to climate change, accelerating the shift towards a low-carbon and circular economy. Under Thematic Priority 1: Environment and climate change, IPA III objective is to support the protection of the environment, improve its quality and contribute to actions and policies against climate change to accelerate the shift towards a low-carbon economy.

The proposed Action is aligned with the major Environment and Climate Change Policy developments in the EU and is relevant in the context of the EU accession and negotiating Chapter 27. The key document setting out the government policies related to EU accession is outlined under Montenegro's Programme of Accession to the European Union for the period 2020 – 2022. The Action is also consistent with the National Strategy with Action Plan for Transposition, Implementation and Enforcement of the EU *Acquis* on Environment and Climate Change 2016-2020.

The Action is relevant for implementation of 2021 EU enlargement policy, which outlines that important work on alignment and preparation for the implementation of the EU *acquis* has taken place in most areas and that looking ahead, Montenegro should focus on further strengthening the administrative capacity for ensuring the application of the EU Environmental *acquis*.

The EU-Western Balkans Strategy – a credible enlargement perspective for and enhanced EU engagement with the Western Balkans provides a perspective for 2025 for Montenegro setting out the key steps and conditions which are required in the accession negotiations. It highlights, among others, that structural reforms outlined in the Economic Reform Programmes must be pursued with more rigour; and also a need to focus on applying EU rules and standards while emphasizing that “much remains to be done across the board to align with the EU's *acquis*, to establish or build up the related institutions, and to ensure implementation capacity”.<sup>2</sup>

Regarding the “Guidelines for the Implementation of the Green Agenda for the Western Balkans”, Accompanying the Communication from the Commission “An Economic and Investment Plan for the Western Balkans,<sup>3</sup> this Action Document contributes to four of the five pillars of the Green Agenda:

- (1) climate action, including decarbonisation, energy and mobility,
- (2) circular economy, addressing in particular waste, recycling, sustainable production and efficient use of resources,
- (3) biodiversity, aiming to protect and restore the natural wealth of the region,
- (4) fighting pollution of air, water and soil and

Note: Pillar nr 5 “sustainable food systems and rural areas” is out of the scope of this Action Document.

As regards international donors other than the EU, KfW and the European Investment Bank (EIB) support Montenegro in wastewater management, solid waste disposal and Climate Action. The European Bank for Reconstruction and Development (EBRD) supports sustainable tourism and associated environmental and infrastructure needs. United Nations Development Programme (UNDP) has been active in the area of environmental remediation and the transition towards a low-emission and resource-efficient economy, and Organization for Security and Co-operation in Europe (OSCE) in environmental awareness raising and implementation of procedures related to environment impact assessment.

The experience to date suggests that it is needed to reinforce formal coordination structures by making the link between MESPU, local governments and international financial institutions, available EU funds, as well as the competent institutions of the countries with which bilateral cooperation has been established. An important tool for donor coordination will be the Western Balkans Investment Framework (WBIF) which is used by the environment sector to strengthen coherence and synergies in donors' support.

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<sup>1</sup> COM(2019) 640 final

<sup>2</sup> [Strategy for the Western Balkans: EU sets out new flagship initiatives and support for the reform-driven region \(europa.eu\)](#)

<sup>3</sup> COM (2020) 641 [An Economic and Investment Plan for the Western Balkans \(europa.eu\)](#)

## 2.5. Lessons learned and links with previous financial assistance

The present Action Document will complement the following on going interventions funded by IPA:

- The recently completed Technical Assistance (TA) project Strengthening the capacities of the Montenegrin authorities for the EU accession process and IPA II Instrument (Dec 2016 – Dec 2018), aimed at strengthening the capacity and accountability of the Office for European Integration (OEI) – formerly the Ministry of European Affairs (MEA) – and other stakeholders for overall coordination of the EU accession process, with the specific focus on accession negotiations and management of IPA II funds.
- Technical Assistance to the IPA III Operating Structure – the project was implemented from January 2015- July 2017. The assistance provided by this Contract has been targeted on the IPA III Operating Structure including the MTMA.
- Support for IPA programming and project preparation in environment and climate action, transport, competitiveness and innovation sectors” – project implemented from March 2018 and March 2019.
- Regarding OPRD 12-13, two important Framework Contracts have been implemented with an important impact on future Programming Activities:
  - Framework Contract under RDOP 2012-3: Updating National Strategies for Waste Water Management. This FWC provided an analysis on the infrastructure required for implementing Urban Waste Water Treatment (UWWT) Directive 91/271/EEC and a first draft of the Directive Specific Implementation Plan (DSIP) for UWWT.
  - Framework Contract under RDOP 2012-3: Environmental Infrastructure Audit & Affordability Study. This FWC created a baseline for identifying the gaps in complying with the EU environmental *acquis* from the infrastructure point of view, as well as affordability of end users for cost recovery of investment.
- IPA 2016 Support to Implementation and Monitoring of Water Management. The overall objective of the project is to strengthen the institutional, administrative and monitoring capacities of the Montenegrin water management sector institutions in order to improve environmental protection
- Support to NIPAC Office in Monitoring and Evaluating of Current IPA Programmes and Preparations for Future IPA Support”

Although IPA assistance was of substantial importance for the improvement in the overall state of environmental protection, the lessons learned that the Government of Montenegro during the 2007-2013 programming period show that:

- IPA programming must focus on the accession priorities. IPA III must focus on the accession priorities according to the EU negotiation position for Chapter 27. Experience shows that in some cases, project proposed for IPA support do not fit in the alignment process, but mainly responds to local priorities. Government strategic planning, project prioritisation and especially project implementation need to be improved in the future programming period.
- Lack of experience on the implementation of EU environmental *acquis*: Aligning with EU *Acquis* will demand efforts not only for legal harmonisation but as well administrative capacities for implementation and enforcement.
- Project approach vs Sector Approach: Sector approach concept has to be internalised for future IPA support, avoiding isolated projects, and focusing more on the accession process, building among others the required capacities for a successful implementation of EU *acquis*.
- Another outstanding issue is related to the sustainability of projects having in mind that high employee turnover, reliance on temporary staff and lack of expert skills in the administration hinder proper implementation of policies and projects.
- Competent authorities need to be very proactive in cooperation with relevant stakeholders at central and local level and to improve inter-sectoral cooperation with other ministries in the programming and implementation of projects financed with the support of IPA. Improved coordination among stakeholders will require comprehensive and clear information flows and focus on common understanding of responsibilities, obligations and deadlines.
- Consultation with relevant stakeholders (Civil Society Organisations (CSOs), economic operators, etc.) is crucial for the implementation of legislation;
- A clear link between reforms and capacity building initiative in the environment and climate change sectors and the horizontal public administration reforms (PAR Strategy 2016-20) is to be ensured.

### 3. DESCRIPTION OF THE ACTION

#### 3.1. Planned results and intervention logic

- **Impact: Montenegro's alignment with the EU *acquis* under Chapter 27 of the accession negotiations.**

This Action will contribute to the alignment process of Montenegro with EU *Acquis* for Environment and Climate Change Sector; however, it only indirectly influences its achievement. The latter will stem from the synergy of the interventions of all relevant stakeholders in the Environmental Sector. Furthermore, the following assumptions must hold true for achieving the desired impact:

- **Assumptions for achieving the expected Impact:**
  - The Government of Montenegro committed to the EU integration process;
  - Full commitment and support at decision-making level within the institutions involved in the management of IPA is ensured
  - Effective cooperation among the beneficiaries, line Ministries and other Public Bodies/Agencies;
  - The Ministry and EPA support the process, other institutions and targeted Municipalities will actively support the process;

In order to achieve the impact, 9 outcomes must be realised. Here applies the same vertical logic of the log-frame: IF outputs are produced AND assumptions hold true, THEN they will lead to outcomes. At the end of this section, we present the assumptions which apply horizontally to the different outputs as a pre-condition for them to lead to outcomes. Below are described the 9 outcomes, including the expected outputs for each of them.

- **Outcome 1 - HORIZONTAL LEGISLATION: Increased Institutional Administrative Capacity for Implementing and Enforcing the Environmental EU *Acquis* in the field of Horizontal Legislation.**
- **Outputs for Outcome 1:**

Output 1.1.: EIONET: Environmental Information and Reporting System fully operational, including provision of effective Geographic Information System (GIS) and Capacity Building Plan.

- Establishing of EIONET monitoring and reporting system, based and fully compatible with the platform that is provided as the outcome of the EU IPA Programme for Montenegro “Establishment and Development of the Environmental Information System”.
- Delivery of Training and Advisory Service (coaching) in order to meet the requirements of EIONET

Output 1.2. INSPIRE: Spatial Data Infrastructure (Geoportal) website fully operational, including Capacity Building

- Creating the Conditions for Establishing Spatial Data Infrastructure - Registry of Entities and Metadata Catalogue, according to INSPIRE Directive.
- Development of the Register of Subjects of the Law on Spatial Data Infrastructure (SDI)
- Creating a metadata catalogue
- Design of a web application dedicated to the spatial data infrastructure of Montenegro

- **Outcome 2 - AIR QUALITY: Increased Institutional Administrative Capacity for Implementing and Enforcing the Environmental EU *Acquis* in the field of Air Quality**
- **Outputs for Outcome 2:**

Output 2.1.: Modelling and Development of air emissions projections

- Developing projections of air pollutants emissions for the period 2020-2025-2030, with the recommendation of reducing emissions by 2030 for each pollutant;
- Strengthening of capacities for air quality management at local level

Output 2.2.: Strengthening the capacity of EPA in the area of air quality data management

- Strengthening the capacity of EPA to maintain a database from all measuring stations within the State Air Quality Network.
- Strengthening the capacity of EPA to manage the AQ real time reporting web portal, as well as improving the web presentation and view of air quality data with the use of accompanying software tools in accordance with EU AQ reporting standards and best practices in EU countries.

- Output 2.3.: Establishment of the system for prevention of burning of agricultural and other waste
- Nationwide awareness rising campaign on negative impacts of burning of agricultural waste;
  - Establishment of a special telephone-line for reporting of burning waste in open space;
  - Improvement of penalty policy and enforcement mechanisms;
- **Outcome 3 - NATURE PROTECTION: Increased Institutional Administrative Capacity for Implementing and Enforcing the Environmental EU *Acquis* in the field of Nature Protection**
  - **Outputs for Outcome 3:**
- Output 3.1.: Staff trained for mapping habitats and data gathering according to Birds and Habitats Directives.
- Mobilisation, and training of staff needed for the field work on mapping habitats and identification of species of EU significance for establishment of the Natura 2000 network. At least 15 staff will be trained for habitat mapping focusing on species and habitats of European importance as identified in the Birds and Habitats Directives.
- Output 3.2.: Data gathering for identification of Proposed Sites for Community Importance (pSCI) and the establishment of Special Protection Areas (SPA)
- Data gathering should be conducted following the improved methodology based on the successful model applied by the EU IPA project 'Establishment of Natura 2000 network in Montenegro
- Output 3.3.: Organisation of existing data base and training and coaching on data management delivered
- Staff will be trained for the organisation of data in the data base and inclusion of the data in the already established database by EPA that meets the principal requirements for Natura 2000 data storing and processing.
- Output 3.4.: Defining the initial long-term monitoring plan of habitats and species
- A long-term monitoring plan of habitats and species will allow to be prepared for the cycle of reporting on the status of habitats and species. This activity includes training of expert teams on adequate methodology for planning and conducting monitoring and reporting including data processing.
- Output 3.5.: Communication materials and public awareness for Natura 2000.
- Communication materials will be prepared and public awareness activities implemented with landowners, hunters and other users of natural resources for the purpose of understanding Natura 2000.
- **Outcome 4 - INDUSTRIAL POLLUTION: Increased Institutional Administrative Capacity for Implementing and Enforcing the Environmental EU *Acquis* in the field of Industrial Pollution**
  - **Outputs for Outcome 4:**
- Output 4.1.: European Pollutant Release and Transfer Register Established
- Support for establishing a Pollutant Cadastre (PRTR)/Register of Pollution Sources with the Pollutant Emissions Database in order to efficiently provide public access to environmental information, accompanied with the capacity building of representatives of relevant institutions and operators of industrial plants, according to Directive 2010/75/EU on Industrial Emissions (IED) and PRTR Protocol, ratified by Montenegro in July 2017.
  - Provision of training for operators of industrial plants;
  - Provision of capacity building for competent institutions (MESPU, EPA, Administration of Inspection Affairs).
- **Outcome 5- CHEMICALS: Increased Institutional Administrative Capacity for Implementing and Enforcing the Environmental EU *Acquis* in the field of Chemicals**
  - **Outputs for Outcome 5:**
- Output 5.1.: Registers of chemicals and biocidal products established
- Developing the Registers of chemicals and biocidal products - develop manual, adequate IT tools, software and hardware, which will allow adequate keeping and statistical processing of available data, on-line submission of applications for entry into the registry, support for establishing a safe link with the EU databases.)

- Capacity building (training and coaching) for the use of appropriate IT tools (IUCLID and R4BP).

Output 5.2.: Helpdesk for Chemicals fully operational

- This activity primarily relates to training of staff members both with respect to knowledge needed to interpret provisions of relevant regulations and communication skills, and exchange of experiences with colleagues from other similar services within meetings of the Help Net network in which Montenegro, as candidate country, obtained the observer's status in August 2018; Attendance of EPA representatives at HelpNet meetings.

Output 5.3: Training concerning implementation of the REACH, CLP, BPR Regulations:

- Developing and submission of dossiers on the identification of substances of high concern; evaluation of substances listed in the Community's Action Plan; assessment of isolated intermediates; education on the use of suitable IT tools (IUCLID); presence in the observer's capacity at CARACAL meetings, as well as at meetings of the Committee for Risk Assessment (RAC), Committee for Socio-economic Analysis (SEAC); training on risk assessment procedures with prescribed methods for testing hazardous properties of chemicals;
- Assessment of biocide products based on the technical dossier; assessment of active substances; risk assessment of biocide products based on: physical-chemical properties, properties affecting human health (toxicology), properties affecting the environment (ecotoxicology); efficiency assessment that requires specific knowledge in the field of biology of target organisms, phytomedicine and veterinary medicine; training concerning the use of suitable IT tools (R4BP); Presence in the observer's capacity at meetings of the Biocidal Products Committee (BPC).

Output 5.4 Development of an asbestos management program in Montenegro

- Development of a National Asbestos Profile, as part of the National Program for the Elimination of Asbestos-Related Diseases;
- Creating a Register of persons who have been exposed to asbestos;
- Development of protocols, training and examinations of employees exposed to asbestos.

- **Outcome 6 - NOISE: Increased Institutional Administrative Capacity for Implementing and Enforcing the Environmental EU *Acquis* in the field of Noise Prevention**

- **Outputs for Outcome 6:**

Output 6.1.: Strategic Noise Maps for main roads prepared

- Preparation of Strategic Noise Maps for different road sections, and for collection of all necessary data for the preparation of maps (terrain, buildings, number of vehicles...) in coordination with EPA and Ministry of Capital Investments. Through the preparation of Strategic Noise Maps, staff will be trained from the Ministry of Capital Investments and EPA on how to prepare and use maps, and point out most important issues related with the interpretation of those maps.

Output 6.2.: Action plans for the protection against environmental noise prepared

- On the basis of Strategic Noise Maps for main roads, the Action plan for chosen section of the road should be prepared in the participative approach of all stakeholders. Through preparation of action plan staff from the Ministry for Capital Investments and EPA will be trained on how to prepare Action plans for the protection against environmental noise and on reporting of the European Commission.

Output 6.3.: Ensuring adequate software solution and application for entering noise level measuring data, as well as their overview for the purpose of public information.

- Develop adequate IT tools (software and hardware) which would allow: adequate keeping and statistical processing of available data and support for establishing a safe link with EU databases.
- Implementation of training concerning the use of the created software, as well as for integration of noise data into the Information System
- Developing instructions for using the software tool
- A link created on the EPA website for public information purposes
- Training and coaching for MESPU, EPA, Administration Inspection Affairs and municipalities staff in the field of Noise Prevention.

- **Outcome 7 - CIVIL PROTECTION: Increased Institutional Administrative Capacity for Implementing and Enforcing the Environmental EU *Acquis* in the field of Civil Protection**
- **Outputs for Outcome 7:**

Output 7.1: Local Disaster Risk Assessments and Mapping for multi-hazard risks (fire, floods, extreme meteorological events, industrial disaster, earthquakes, etc.) developed.

- Following a multi-hazard approach and inclusive risk-informed decision-making (Sendai Framework), technical assistance will be provided for developing necessary capacities required for preparing Local Disaster Risk Assessments for multi-hazard risks: fire, floods, extreme meteorological events, industrial disaster, earthquakes....

Output 7.2: Risk Management Capacity Assessment at the national and local level and Disaster Risk Management Plan at the national and local level developed

- In order to continue building EU oriented national and local disaster management system, it will be developed: Risk Management Capacity Assessment at the national and local level and Disaster Risk Management Plan at national and local level.

- **Outcome 8 - CLIMATE CHANGE: Increased Institutional Administrative Capacity for Implementing, Transposing and Enforcing the Environmental EU *Acquis* in the field of Climate Change**
- **Outputs for Outcome 8:**

Output 8.1.: Finalisation and implementation Low Carbon Strategy

- Technical assistance for supporting the implementation of the future Low-Carbon Development Strategy, which is planned to be prepared by the Government of Montenegro.
- This activity will be implemented in accordance with Article 6 of the Law on Protection against Negative Impacts of Climate Change (Official Gazette of Montenegro, No 73/19).

Output 8.2.: EU Monitoring Mechanism regulation (MMR) implemented in Montenegro

- Supporting the establishment of the National Inventory System for greenhouse gas inventories in accordance of MMR Regulation; NB The MMR regulations has been replaced by the Governance regulation.
- Support the country to integrate issues related to climate change in national and sectoral development policies,
- Strengthening of institutional capacities that are responsible for the mitigation and adaptation policies and measures, as well as those that collect data for the GHG inventory.

Output 8.3.: EU Emissions Trading System (EU ETS) implemented in Montenegro

- Supporting the establishment of a system of trading emission allowances in Montenegro with all elements of the EU ETS Directive (including ETS in air traffic) and other implementing directives. Accreditation and verification, auction emissions trading registry, inspection, etc.
- Capacity Building Program and its implementation for all elements of the ETS and for all relevant institutions in the system of the ETS
- Supporting the establishment of a monitoring reporting and verification (MRV) system as a basis on which the EU ETS system which will enable plants in Montenegro to become aware of their GHG emissions, to plan their business sustainably, but also to facilitate their entry in the EU ETS system, once the conditions are met.

- **Outcome 9 - STRATEGIC PLANNING, MONITORING AND IMPLEMENTATION: Increased Institutional Administrative Capacity for Environmental Planning, IPA Programming and Implementation**
- **Outputs for Outcome 9:**

Output 9.1.: Preparing or revising Directive Specific Implementation Plans (DSIP) for Environment and Climate Change

- Preparation of Directive Specific Implementation Plan for Drinking Water Directive 98/83/EC concerning the quality of water intended for human consumption
- Support for revising updating other DSIPs for Environment and Climate Change according to chapter 27 negotiations.

Output 9.2.: Multi-purpose research vessel and basic on-board research and monitoring equipment for implementing Marine Framework Directive

- In order to implement MSFD in Montenegro a fully equipped scientific research vessel (multipurpose research vessel (MRV)) will be supplied. This will allow the implementation of the comprehensive monitoring programme of marine environment, including data collection on monitoring stations in the offshore waters. Where possible this will explore synergies with the data collection framework (DCF), where research vessels are used for data collection on fisheries.

Output 9.3.: Support for IPA III Programming and Implementation: remaining Action documents prepared and implemented for the period 2021-2027

- IPA III Programming: Preparation of the relevant programming documents for Environment and Climate Action Sector in line with the dynamic and the approach agreed with the EC.
- IPA III Implementation: Tender dossiers for IPA III projects will be prepared under this activity, depending on the availability and reliability of documentation and studies prepared by the Beneficiary.

### 3.2. Indicative type of activities

For the implementation of this Action, the following types of activities are planned:

1. Specific technical assistance for Capacity Building (training, coaching, study visits, Software and IT tools, guidelines and manuals), Legal Alignment (drafting /adapting primary and above all secondary legislation) and Strategic Planning (Studies, National Strategies, DSIPs, IPA Programming), etc.
2. Specific Technical assistance for Nature Protection (capacity building, data gathering, identification of pSCI and SPA, setting up Natura 2000 network in Montenegro, public awareness).
3. Supplies for MSFD (Multi-purpose research vessel and basic on-board research and monitoring equipment for implementing Marine Framework Directive).

### 3.3. Risks and assumptions

<b>Risks</b>	<b>Risk level (H/M/L)</b>	<b>Mitigating measures</b>
Risk 1: Differences between defining responsibilities and priority setting between Line Ministries and MESPU	<b>H</b>	Strong leadership from MESPU, supported by the Prime Minister authority and Chief Negotiator Office and legally based on the Action plan for the fulfilment of closing benchmarks in Chapter 27, will promote consensus among the different stakeholders
Risk 2: Lack of adequate number and quality staffing	<b>H</b>	IPA support will compensate the limitations of Human Resources affecting to the different stakeholders. However, they will be supported as well to develop a feasible Human Resources Development Strategy that will mitigate this problem in the near future, avoiding TA dependence.
Risk 3: The identified trainees do not participate or are often substituted by other staff members;	<b>M</b>	Senior Staff is expected to take the appropriate decisions in order to avoid this risk. The TAT will try to motivate key technical staff by proposing practical and personalised guidance.
Risk 4: Limited HR within institutions and heavy internal workload and, therefore, some institutions might be unwilling to release staff for the training sessions/workshops/seminars;	<b>H</b>	The institutions will be willing to release staff for the training sessions/workshops/seminars only if they obtain a clear benefit from them. The type of training proposed in this technical offer is very practical and adapted to the staff's needs assessment. The on the job training will also help facilitating their job.
Risk 5: The epidemiological situation in Montenegro and EU related to COVID-19 may postpone or extend the implementation of certain activities envisaged within this Action.	<b>L</b>	For the moment when this Action will be implemented (after public procurement), the pandemic is expected to ease. In any case, distance learning and videoconferences will be broadly used for guaranteeing social distance and efficient implementation
<b>Assumptions</b>		



**Assumptions at the level of outcomes:**

- The Government of Montenegro committed to the EU integration process;
- Full commitment and support at decision-making level within the institutions involved in the management of IPA is ensured
- Effective cooperation among the beneficiaries, line Ministries and other Public Bodies/Agencies;
- The Ministry and EPA support the process, other institutions and targeted Municipalities will actively support the process;

**Assumptions at the level of outputs:**

- Close inter-ministerial cooperation;
- Counterpart staff in beneficiary institutions are identified, are available and will co-operate in the implementation of the Project;
- Legal and institutional proposals and results of the other relevant projects are implemented in a consequent manner.
- Institutional adjustment measures included in the NEAS Action Plan are implemented and increased financial resources from the state budget are allocated to the Environment and Climate Action sector (for staffing, monitoring, inspections, etc.)
- MESPU and the rest of stakeholders ensure adequate staffing level;
- The present institutional structure/specific responsibilities are maintained to proper implementation of project's activities;
- Legal and institutional proposals and results of the projects are implemented in a consequent manner
- Beneficiaries deliver in time and in proper quality the necessary data, background information and related existing project documentation
- Different stakeholders, including civil society prove flexibility and agree on investment priorities
- Adequate human resources/staff in-place and available for receiving training sessions;
- Project's sustainability is ensured by trained staff that continue working within the national structures;
- The outputs delivered through past projects in this field are in place and utilised
- Costs of maintenance and operation for new institutions and equipment, as well as salaries of new staff are envisaged and budgeted
- Timely approval of the project outputs from the appropriate authorities.

### 3.4. Mainstreaming

This Action will contribute to the Objective No. 4 of the EU gender equality strategy 2020-2025: **Gender mainstreaming and an intersectional perspective in EU policies**, putting equal opportunities between men and women as an integral part of its design, implementation, monitoring and evaluation. Responsibility for implementing the mainstreaming strategy will be system-wide, and will rest at the highest levels within the different stakeholders involved in the implementation of this Action. Gender mainstreaming strategy will include:

-Adequate accountability mechanisms for monitoring.

-The initial identification of issues and problems across all areas of activity should be such that gender differences and disparities can be diagnosed.

-Gender analysis should always be carried out. Some environmental problems affect in different ways to Men and Women in Montenegro: i.e. access to tap water for daily activities, health risks associated to waste water or urban waste, different employment opportunities for Environmental management, etc.

-Clear political will and allocation of adequate resources for mainstreaming will allow translating the concept into practice.

-Broaden women's equitable participation at all levels of decision-making, especially during the consultation process.

This Action is fully devoted to Environment and Climate change. The Action directly relates to environment and climate issues at the national and local levels. It will improve the technical capacities and quality of information necessary for further progress in the implementation of EU legislation and thus directly contribute to improved environmental protection and climate action. All the activities foreseen under this Action Document are relevant for EU Environment Climate Action Policies.

By preserving the environment and reducing the impact of harmful substances on the population, this Action will contribute to reduce inequalities which lie at the heart of development problems and consequently adhere with Rights Based Approach.

The existing coordination mechanisms for external assistance, particularly sector-based coordination group, have allowed that different central-level stakeholders have been consulted for this Action.

In order to facilitate the dialogue and cooperation with Civil Society in Montenegro, representatives of non-governmental organisations and civil society will be consulted and involved in the future steps for the implementation processes: they will be consulted and invited to actively take part in the different consultation events foreseen during the implementation of the AD. Furthermore, representatives of the different key stakeholders, including CSO's may also be invited to attend Steering Committee meetings (see the Implementation Arrangements for the Action Document), and consequently will be involved in the monitoring, evaluation and decision-making process.

### 3.5. Conditions for implementation

This action is directly linked with the negotiation process for Chapter 27, and consequently requires a full commitment of the Government of Montenegro with the achievement of the closing benchmarks for Chapter 27. In this sense, Montenegro must continue to align with the horizontal Directives and demonstrate that it will be fully prepared to ensure their effective implementation and enforcement at the date of accession.

From the operational point of view, Montenegro must guarantee enough administrative capacity for the designated Operating Structure, above all for implementing Public Procurement under PRAG rules and for project implementation. Regarding timeframe, deadlines presented in the summary table at the first page of this Action Document must be respected. These deadlines apply mainly to the dates for concluding delegation agreements, the implementation period and deadline for Final date for implementing the Financing Agreement.

Failure to comply with the requirements set out above may lead to a recovery of funds under this programme and/or the re-allocation of future funding.

### 3.6. Logical Framework for PROJECT MODALITY

Results	Results chain: Main expected results (maximum 10)	Indicators (at least one indicator per expected result)	Baselines (2021)	Targets (2025)	Sources of data (1 per indicator)	Assumptions
<b>Impact</b>	To align Montenegro with the EU <i>acquis</i> under Chapter 27 of the accession negotiations.	All Negotiation benchmarks for chapter 27 achieved	Partial Alignment	Full Alignment	Montenegro Report	<i>Not applicable</i>
<b>Outcome 1</b>	HORIZONTAL LEGISLATION: Increased Institutional Administrative Capacity for Implementing and Enforcing the Environmental EU <i>Acquis</i> in the field of Horizontal Legislation.	Montenegro implementing and enforcing EU <i>Acquis</i> for EIONET and INSPIRE Directive: Closing benchmark for Horizontal legislation achieved.	Closing benchmark pending	Closing benchmark achieved	EEA's reporting obligations database	<ul style="list-style-type: none"> <li>- The Government of Montenegro committed to the EU integration process;</li> <li>- Full commitment and support at decision-making level within the institutions involved in the management of IPA is ensured</li> <li>- Effective cooperation among the beneficiaries, line Ministries and other Public Bodies/Agencies;</li> <li>- The Ministry and EPA support the process, other institutions and targeted Municipalities will actively support the process;</li> </ul>
<b>Outcome 2</b>	AIR QUALITY: Increased Institutional Administrative Capacity for Implementing and Enforcing the Environmental EU <i>Acquis</i> in the field of Air Quality	Montenegro implementing and enforcing EU <i>Acquis</i> for Air Quality: Closing benchmark for achieved.	Closing benchmark pending	Closing benchmark achieved	EEA's reporting obligations database	
<b>Outcome 3</b>	NATURE PROTECTION: Increased Institutional Administrative Capacity for Implementing and Enforcing the Environmental EU <i>Acquis</i> in the field of Nature Protection	Natura 2000 network in Montenegro: Regarding Habitats Directive: Additional percentage of the remaining terrestrial area and at least part of marine area, researched. -Regarding Birds Directive: Additional percentage of the remaining terrestrial area identified in the 'Roadmap', researched.	Until 2021 30% of terrestrial surface of Montenegro has been mapped for EU Habitats Directive and 40% of the relevant researches for bird's population of the relevant parts of the country have been mapped. Additional work will be conducted during 2021 supported by state budget and EUIF fund (estimation for EUIF fund is additional 7% for EU Habitat Directive and Mapping of bird distribution for at least 10% of the additional researches for the relevant parts of the country).	Regarding Habitats Directive: At least additional up to 55 %of terrestrial territory and part of marine territory researched Regarding Birds Directive: At least additional up to 60% researched	Montenegro Report	

<b>Outcome 4</b>	INDUSTRIAL POLLUTION: Increased Institutional Administrative Capacity for Implementing and Enforcing the Environmental EU <i>Acquis</i> in the field of Industrial Pollution	Montenegro implementing and enforcing EU <i>Acquis</i> for Directive 2010/75/EU on Industrial Emissions (IED) and Pollutant Release and Transfer Register (PRTR) Protocol: Closing benchmark for Industrial Pollution achieved.	Closing benchmark pending	Closing benchmark achieved	Montenegro Report	
<b>Outcome 5</b>	CHEMICALS: Increased Institutional Administrative Capacity for Implementing and Enforcing the Environmental EU <i>Acquis</i> in the field of Chemicals	Montenegro implementing and enforcing EU <i>Acquis</i> for Chemicals in the fields of REACH, CLP, BPR Regulations: Closing benchmark for Chemicals achieved.	Closing benchmark pending	Closing benchmark achieved	Montenegro Report	
<b>Outcome 6</b>	NOISE: Increased Institutional Administrative Capacity for Implementing and Enforcing the Environmental EU <i>Acquis</i> in the field of Noise Prevention	Montenegro implementing and enforcing EU <i>Acquis</i> for Noise Prevention: Closing benchmark for Noise achieved.	Closing benchmark pending	Closing benchmark achieved	Montenegro Report	
<b>Outcome 7</b>	CIVIL PROTECTION: Increased Institutional Administrative Capacity for Implementing and Enforcing the Environmental EU <i>Acquis</i> in the field of Civil Protection	Montenegro implementing and enforcing EU <i>Acquis</i> according to Union Civil Protection Mechanisms: Closing benchmark for Civil Protection achieved.	Closing benchmark pending	Closing benchmark achieved	Montenegro Report	
<b>Outcome 8</b>	CLIMATE CHANGE: Increased Institutional Administrative Capacity for Implementing and Enforcing the Environmental EU <i>Acquis</i> in the field of Climate Change	Montenegro implementing and enforcing EU <i>Acquis</i> for Climate Change: Closing benchmark for Climate Change achieved.	Closing benchmark pending	Closing benchmark achieved	Montenegro Report	

<b>Outcome 9</b>	STRATEGIC PLANNING, MONITORING AND IMPLEMENTATION: Increased Institutional Administrative Capacity for Environmental Planning, IPA Programming and Implementation	IPA Programming and Implementation for the period 2021-2027: % of IPA funds successfully implemented	0%	100%	IPA Monitoring Committee Reports.	
<b>Output 1.1.</b>	EIONET: Environmental Information and Reporting System fully operational, including provision of effective Geographic Information System (GIS) and Capacity Building Plan.	EIONET: Environmental Information and Reporting System fully operational	EIONET system in Montenegro non-compliant with EU <i>Acquis</i>	- EIONET system in Montenegro fully compliant with EU <i>Acquis</i>	-Action Document progress reports -Service Contract Interim and Final Reports	<ul style="list-style-type: none"> <li>• Close inter-ministerial cooperation;</li> <li>• Counterpart staff in beneficiary institutions are identified, are available and will co-operate in the implementation of the Project;</li> <li>• Legal and institutional proposals and results of the other relevant projects are implemented in a consequent manner.</li> <li>• Institutional adjustment measures included in the NEAS Action Plan are implemented and increased financial resources from the state budget are allocated to the Environment and Climate Action sector (for staffing, monitoring, inspections, etc.)</li> <li>• MESPU and the rest of stakeholders ensure adequate staffing level;</li> <li>• The present institutional structure/specific responsibilities are maintained to proper implementation of project's activities;</li> <li>• Legal and institutional proposals and results of the projects are implemented in a consequent manner</li> </ul>
<b>Output 1.2.</b>	INSPIRE: Spatial Data Infrastructure (Geoportal) website operational, including Capacity Building	INSPIRE geoportal fully operational	INSPIRE geoportal non available	- INSPIRE geoportal fully operational		
<b>Output 2.1.</b>	Modelling and Development of air emissions projections	Air emissions projections for 2030 prepared	0 %	100 %		
<b>Output 2.2.</b>	Strengthening the capacity of EPA in the area of air quality data management	Number of staff trained for air quality data management	0	At least 10		
<b>Output 2.3.</b>	Establishment of the system for prevention of burning of agricultural and other waste	Nationwide awareness rising campaign implemented	0	1		
<b>Output 3.1.</b>	Staff trained for mapping habitats and data gathering according to Birds and Habitats Directives.	Number of staff trained for mapping and data gathering according to Birds and Habitats Directives	0	At least 15		
<b>Output 3.2.</b>	Data gathering for identification of pSCI in pre-selected areas and the establishment of SPA	Data gathered for identification of Special Protection Areas (SPA) and Proposed Sites for Community Importance	Regarding Habitats Directive: 30 % of the territory has been mapped.	Regarding Habitats Directive: At least additional up to 55 % of terrestrial territory and part of marine territory researched		

		(pSCI): Additional percentage of the area	Regarding Birds Directive: 40% of the territory has been mapped. <sup>4</sup>	Regarding Birds Directive: At least additional up to 60% researched	<ul style="list-style-type: none"> <li>•Beneficiaries deliver in time and in proper quality the necessary data, background information and related existing project documentation</li> <li>•Different stakeholders, including civil society prove flexibility and agree on investment priorities</li> <li>•Adequate human resources/staff in-place and available for receiving training sessions;</li> <li>•Project's sustainability is ensured by trained staff that continue working within the national structures;</li> <li>• The outputs delivered through past projects in this field are in place and utilised</li> <li>• Costs of maintenance and operation for new institutions and equipment, as well as salaries of new staff are envisaged and budgeted</li> <li>• Timely approval of the project outputs from the appropriate authorities.</li> </ul>
<b>Output 3.3.</b>	Organised data base and coaching on data management delivered	No. of staff trained for Natura 2000 data storing and processing	0	At least 5 staff	
<b>Output 3.4.</b>	Defining the initial long-term monitoring plan of habitats and species.	No. of staff trained for Natura 2000 monitoring and reporting	0	At least 25 staff	
<b>Output 3.5.</b>	Communication materials and public awareness for Natura 2000	No. of Communication materials and events with landowners, hunters and other users of natural resources for the purpose of understanding Natura 2000 developed and implemented	0	At least 5 communication materials developed and disseminated	
<b>Output 4.1.</b>	European Pollutant Release and Transfer Register Established	Database for Pollutant Cadastre (PRTR)/Register of Pollution Sources No. of Staff trained from MESPU, EPA and Administration Inspection Affairs for implementing EU <i>Acquis</i> in the field of Industrial Pollution	No Database for Pollutant Cadastre 0	1 data base At least 15 staff	
<b>Output 5.1.</b>	Registers of chemicals and biocidal products established	No. of IT tools procured and installed for chemicals and biocidal products	- The registry is kept in MS Excel, which is not connected to other information systems	1 IT tool fully operational	
<b>Output 5.2.</b>	Helpdesk for Chemicals fully operational	No. of Staff trained for Chemicals Helpdesk	0	At least 10 staff	

<sup>4</sup> During IPA Project "Establishment of Natura 2000 in Montenegro" about 20 species from reference lists were subject of research is about of 160 and together with EPA activities on Natura 2000 last 2 years around 4% of territory of Montenegro is mapped by direct field survey. For bird population it is estimated that 10 or more % of territory should be covered by direct field researchers to have relevant and reliable samples of bird population to be used in extrapolation or modelling and determination and confirmation of SAC.

<b>Output 5.3.</b>	Training concerning implementation of the REACH, CLP, BPR Regulations	No. of Staff trained for REACH, CLP, BPR Regulations	0	At least 25 staff		
<b>Output 5.4.</b>	Asbestos management program in Montenegro developed	Asbestos management program in Montenegro developed	No Asbestos management program	1		
<b>Output 6.1.</b>	Strategic Noise Maps prepared	No. of noise maps prepared for main roads	No strategic noise maps for main roads	3		
<b>Output 6.2.</b>	Action plans for the protection against environmental noise prepared	No. of noise Action plans prepared for main roads	No action plans for main roads	3		
<b>Output 6.3.</b>	Provided software solution and application for noise level data measuring and information	No. of Staff trained for software solution and application for noise level data measuring and information	0	At least 25		
<b>Output 7.1.</b>	Local Disaster Risk Assessments and Mapping for multi-hazard risks	Local Disaster Risk Assessments and Mapping for multi-hazard risks developed	No Local Disaster Risk Assessments and Mapping for multi-hazard risks available	100%		
<b>Output 7.2.</b>	-Risk Management Capacity Assessment and Disaster Risk Management Plan at national and local level.	Risk Management Capacity Assessment and Disaster Risk Management Plan at national and local level prepared	0%	100%		
<b>Output 8.1.</b>	Low Carbon Strategy implemented	No. of Low Carbon Strategy implemented	0	1		
<b>Output 8.2.</b>	EU Monitoring Mechanism regulation (MMR) implemented in Montenegro	-Tools for integral monitoring and reporting of greenhouse of greenhouse gasses in accordance to MMR fully operational. -No. of staff trained on how to use monitoring tools.	0%	100%		
<b>Output 8.3.</b>	EU Emissions Trading System (EU ETS) implemented in Montenegro	-Tools for implementing EU Emissions Trading System (EU ETS) in Montenegro fully operational	0 0	1 At least 15		

		-No. of staff trained on ETS management				
<b>Output 9.1.</b>	Preparing or revising Directive Specific Implementation Plans (DSIP) for Environment and Climate Change	No. of Directive Specific Implementation Plans (DSIP) for Environment and Climate Change prepared	0	1		
<b>Output 9.2.</b>	Multi-purpose research vessel and on-board basic research and monitoring equipment for implementing Marine Strategy Framework Directive	No. of Multi-purpose research vessel and on-board research and monitoring equipment for implementing Marine Strategy Framework Directive	0	1		
<b>Output 9.3.</b>	Support for IPA III Programming and Implementation: remaining Action documents prepared and implemented for the period 2021-2027	No. of Action documents prepared and implemented for the period 2021-2027	0	At least 4		



## 4. IMPLEMENTATION ARRANGEMENTS

### 4.1. Financing agreement

In order to implement this action, it is foreseen to conclude a financing agreement with Montenegro.

### 4.2. Implementation modalities

The Commission will ensure that the EU appropriate rules and procedures for providing financing to third parties are respected, including review procedures, where appropriate, and compliance of the action with EU restrictive measures<sup>5</sup>.

#### 4.2.1 Indirect management with an IPA III beneficiary

This action will be implemented under indirect management by Montenegro.

The managing authority responsible for the execution of the action is the Office for European Integration. The managing authority shall be responsible for legality and regularity of expenditure, sound financial management, programming, implementation, monitoring, evaluation, information, visibility and reporting of IPA III activities.

The managing authority shall rely on sectoral expertise and technical competence of the following intermediate body for policy management: Ministry of Ecology, Spatial Planning and Urbanism. It shall ensure sound financial management of the action.

Budget implementation tasks such as calls for tenders, calls for proposals, contracting, contract management, payments and revenue operations, shall be entrusted to the following intermediate body for financial management: Public Works Administration. It shall ensure legality and regularity of expenditure. It is noted that where possible fall back practices should be defined so there is room for alternative implementation solutions.

### 4.3. Scope of geographical eligibility for procurement and grants

The geographical eligibility in terms of place of establishment for participating in procurement and grant award procedures and in terms of origin of supplies purchased as established in the basic act and set out in the relevant contractual documents shall apply.

### 4.5. Indicative budget

	<b>EU contribution (amount in EUR)</b>	<b>Indicative third party contribution, in currency identified (amount in EUR)</b>	<b>Total (amount in EUR)</b>
Outputs under Outcome 3: 3.1, 3.2, 3.3, 3.4 and 3.5: Technical assistance for Nature Protection (capacity building, data gathering, identification of pSCI and SPA, setting up Natura 2000 network in Montenegro, public awareness); <i>composed of</i>	1 275 000	225 000	1 500 000

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<sup>5</sup> [www.sanctionsmap.eu](http://www.sanctionsmap.eu) Please note that the sanctions map is an IT tool for identifying the sanctions regimes. The source of the sanctions stems from legal acts published in the Official Journal (OJ). In case of discrepancy between the published legal acts and the updates on the website it is the OJ version that prevails.

Indirect management with beneficiary country	N.A.		
Output 9.2. Multi-purpose research vessel and on-board basic research and monitoring equipment for implementing Marine Strategy Framework Directive; <i>composed of</i>	2 975 000	525 000	3 500 000
Indirect management with beneficiary country	N.A.		
Remaining Outputs: Technical assistance for Capacity Building (training, coaching, study visits, Software and IT tools, guidelines and manuals), Legal Alignment (drafting /adapting primary and above all secondary legislation) and Strategic Planning (Studies, National Strategies, DSIPs, IPA Programming), etc (covering all outputs beside those under Outcome 3 and Output 9.2); <i>composed of</i>	2 025 000	357 352.94	2 382 352.94
Indirect management with beneficiary country	N.A.		
Evaluation	will be covered by another decision	N.A.	N.A.
Audit/Expenditure verification	will be covered by another decision	N.A.	N.A.
Communication and visibility	N.A.	N.A.	N.A.
Contingencies	0	N.A.	N.A.
<b>Total Indirect management with beneficiary country</b>	<b>6 275 000</b>	<b>1 107 352.94</b>	<b>7 382 352.94</b>

#### 4.6. Organisational set-up and responsibilities

The PIU, Project implementation unit will be settled in the Ministry of Ecology, Spatial Planning and Urbanism (MESPU).

The main beneficiary of proposed activities is MESPU, as the main institution in charge for Chapter 27.

Besides MESPU (all Directorates which cover Environment and Climate Action), the beneficiaries will be other institutions like Ministry of Interior, EPA, IHMS, Institute for Marine Biology etc.

## 5. PERFORMANCE/RESULTS MONITORING AND REPORTING

### 5.1. Internal monitoring

A Monitoring Committee for this specific Thematic Priority shall be established after the entry into force of the Financing agreement related to the AD. The Monitoring Committee will be co-chaired by NIPAC or high ranking official representative of the Government, and a representative of the EUD.

A Steering Committee (SC) shall be established to review the progress at the contract level, comprising of representatives of this specific Thematic Working Group (TWG), beneficiary institutions, relevant implementing body, NIPAC Office and the EUD. It shall review the effectiveness, efficiency, quality, coherence, coordination and compliance of the implementation of the activities of the AD and their consistency with the relevant national and, whenever relevant, regional sector strategies. It shall measure progress in relation to achieving the objectives of the actions and their expected outputs, results and impact by means of indicators related to a baseline situation, as well as progress with regard to financial execution. The SC may invite other organisations to attend meetings in cases where this will bring added value to discussion, direction and outcomes of the AD, e.g. a representative from the national gender equality machinery, to help bring a gender perspective to this specific sector.

Implementation of this AD will be subject of special attention of IPA Monitoring Committee, which shall measure progress in relation to achieving the objectives of the actions and their expected outputs, results and impact by means of indicators related to a baseline situation, as well as progress with regard to financial execution. Operational conclusions, including any recommendations, will be drawn at the end of the SC meetings. These conclusions, including proposals and/or corrective actions, shall be subject to adequate follow-up and a review in the following committee meetings and shall be the basis for reporting to the IPA monitoring committee on progress made.

### 5.2. Roles & responsibilities for data collection, analysis & reporting

The performance and result monitoring arrangements are to be conducted by the SC lead by the beneficiary as main relevant Institution for reporting and data follow up. Strict collection of data should be done at intermediary points in order to compare initial target indicators with achieved ones. Performance assessment framework to be defined by the new MCI with the support of the TA for CB are to be followed up in line with the mechanisms for monitoring, reviewing and evaluating progress on indicators in accordance with the Log frame matrix (as listed within this document).

### 5.3. Evaluation

The European Commission may carry out a mid-term, a final or an ex-post evaluation for this Action or its components via independent consultants, through a joint mission or via an implementing partner. In case a mid-term or final evaluation is not foreseen, the European Commission may, during implementation, decide to undertake such an evaluation for duly justified reasons either on its own decision or on the initiative of the partner. The evaluations will be carried out as prescribed by the DG NEAR guidelines for evaluations.

The evaluation reports shall be shared with the partner country and other key stakeholders. The implementing partner and the Commission shall analyse the conclusions and recommendations of the evaluations and, where appropriate, in agreement with the partner country, jointly decide on the follow-up actions to be taken and any adjustments necessary, including, if indicated, the reorientation of the project.

In addition, the Action might be subject to external monitoring in line with the European Commission rules and procedures set in the Financing Agreement.

## 6. AUDIT

Without prejudice to the obligations applicable to contracts concluded for the implementation of this action, the Commission may, on the basis of a risk assessment, contract independent audits or expenditure verification assignments for one or several contracts or agreements.

All Financing Agreements as well as all resulting programmes, actions and subsequent contracts shall be subject to supervision, control and audit by the Commission, including the European Anti-Fraud Office (OLAF), and audits by the European Court of Auditors. As stated in the IPA III Programming, financing will also be provided for support measures for the implementation, monitoring, audit and evaluation of IPA III programmes. The IPA III beneficiary shall also ensure that the agents or representatives of the Commission, including OLAF, have the right to inspect all relevant documentation and accounts pertaining to items financed under the related Financing Agreement and assist the European Court of Auditors to carry out audits relating to the use of IPA III assistance.

In case budget is required for contracting Audit services, this will be covered by another measure constituting a financing Decision.

For the part of the action incorporating a form of financing not linked to costs but on the achievement of results, the verification mechanisms will focus on the results and performance indicators previously agreed.

## 7. COMMUNICATION AND VISIBILITY

Visibility of EU funding and communication about objectives and impact of Actions are a legal obligation for all Actions funded by the EU, as set out in the EU communication and visibility requirements in force.

In particular, the recipients of EU funding shall acknowledge the origin of the EU funding and ensure its proper visibility by:

- Providing a statement highlighting the support received from the EU in a visible manner on all documents and communication material relating to the implementation of the funds, including on an official website and social media accounts, where these exist; and
- Promoting the actions and their results by providing coherent, effective and proportionate targeted information to multiple audiences, including the media.

Visibility and communication measures shall be implemented, as relevant, by the national administrations (for instance, concerning the reforms linked to EU budget support), entrusted entities, contractors and grant beneficiaries. Appropriate contractual obligations shall be included, respectively, in financing agreements, delegation agreements, and procurement and grant contracts.

The measures shall be based on a specific Communication and Visibility Plan, established and implemented in line with the EU communication and visibility requirements in force. The plan shall include, inter alia, a communication narrative and master messages for the Action, customised for the various target audiences (stakeholders, civil society, general public, etc.)

Visibility and communication measures specific to this Action shall be complementary to the broader communication activities implemented directly by the European Commission services and/or the EU Delegation. The European Commission and the EU Delegation should be fully informed of the planning and implementation of the specific visibility and communication activities, notably with respect to the communication narrative and master messages.

If the Action includes Union programmes, visibility and communication measures shall be implemented in accordance with the EU communication and visibility requirements in force and the specific rules of each Union programme. The relevant programme managing entity shall be responsible for monitoring the visibility and communication activities. The European Commission and the EU Delegation should be fully informed of the planning and implementation of the specific visibility and communication activities.

In case budget is required for contracting Communication and Visibility services, this will be covered by another measure constituting a financing Decision.

## 8. SUSTAINABILITY

Alignment with EU *acquis* will require not only harmonisation of the legal framework for Environment and Climate Change but as well creating enough administrative capacities for its implementation and enforcement. Investment in IT and monitoring equipment will strengthen and modernise monitoring systems having impact on the quality of the monitoring results and improving capacity to implement policy and enforce regulations in a more uniform manner across the country. Montenegro will allocate the necessary resources for the implementation of the *acquis*, as well as the maintenance and operation of the equipment purchased.

Most of the tools delivered by this Action, (i.e. GIS for EIONET, geoportal for ISPIRE, modelling tools for Air quality, software for the register of chemicals, etc) will need to be maintained in the medium/long term by National Budget, beyond IPA support. Montenegro will ensure that the outputs of this action are fully used, allocating the necessary resources to ensure the sustainability of the action. This is guaranteed by technical and financial capacity of the beneficiary responsible for its operation and maintenance.

For each of the results foreseen in this Action, capacity building activities are foreseen, like coaching, training or elaboration of guidelines. This way is expected to increase the ownership of the beneficiaries regarding the different tools and planning documents that will be delivered under each Outcome. For example, in the field of Natura 2000, not only data gathering is planned (output 3.2.) but as well training local experts that will continue carrying out this task beyond IPA support. Each tool like for example, the European Pollutant Release and Transfer Register (Output 4.1.) is accompanied with a Capacity building activity (training and /or coaching).