Ljubljana, January 2016

Long-Term Strategic Vision for Graduating Civil Society from CEPF Support in the Balkans, Mediterranean Basin Biodiversity Hotspot

Project Team[1]:

Mojmir Mrak (lead expert)
Milan Ružić (expert)

[1] The Project Team has benefited from the strategic guidance provided by the Project's Chairperson Mr. Janez Potočnik, former EC Commissionaire.

Table of contents

Executive summary

Introduction (Chapter I)

1. Overall objective of the Document; The overall objective of the Document is to articulate a long-term strategic vision for CEPF investment in the Balkans. The Document is aimed at establishing criteria for determining when the conditions for local civil society to graduate from CEPF support are met and set targets that consecutive CEPF investment phases can work toward.

2. Concept of »graduation« developed by CEPF; CEPF is not intended to have a permanent presence in each of the global biodiversity hotspots. It rather works strategically towards an end point at which local civil society may "graduate" from CEPF support with sufficient capacity, access to resources, and credibility to respond to future conservation challenges. CEPF concept of "graduation" is a long-term process aimed towards reaching the point when civil society will be mature enough for its assistance to be phased off. Concept of "graduation" is therefore not simply an exit strategy but rather a concept that is broader and is aimed at getting a sense what is needed, and at what pace. The concept implies a possibility that CEPF activity within a particular region is designed through several phases.

3. Methodological tools applied in the preparation of the Document and its limitations; Preparation of the Document has been carried through a combination of methodological tools. Desk research was used for extensive review of the literature on economic, social and political context of the region as well as on its biodiversity conservation characteristics and challenges. Another key feature of the methodology was country visits in October and early November 2015. The preparation of the Document was associated with two limitations, one was very limited time available for the assignment, and another one was rather limited budget for the assignment which allowed only short visits in each of the four countries of the region.

Socio-economic context and the status of the civil society: past development and current trends (chapters II – IV)

4. Socio-economic and political context far from stable; If compared with other developing country regions, Balkan is relatively well developed in economic terms expressed in per capita GDP. Nevertheless, the region faces significant economic weaknesses, such as strong deindustrialisation, high level of unemployment, and large external imbalances. Balkan countries perform rather well also with respect to social development indicators. On the other hand, the countries are faced with the problems of unfinished transition, especially with weak institutions and not efficient judiciary, and also with the corruption problems.

5. EU accession delayed and with unclear future; EU accession framework is, no doubt, a specific feature of this region at the global level. This framework should, in principle, be a guarantor that biodiversity conservation objectives will be high on the policy agenda of these countries both through transposition of the environmental acquis into the national legislation and through the pre-accession financial assistance provided for this area. Unfortunately, the

EU accession process for the region has been delayed and the EU membership has been postponed far in the future. The strategic vision is based on the assumption that the region will not join the EU before 2025, with a possible exception of Montenegro for which EU membership is still possible in early 2020s. Under these circumstances, it is not surprising that the appetite of the candidate countries from the region for the *acquis* related reforms is rather limited and is on a downward trend.

6. Being considered as "EU courtyard", many bilateral donors left the region; As the region is relatively well developed in terms of per capita GDP (if compared with other developing country regions in the world) and taking into account that the region is on an EU accession part, many of the bilateral donors have completely ceased their programmes in the region or drastically reduced their volumes. As this has not been compensated fully with larger inflows from EU pre-accession funds, the total volume of aid inflows was reduced and within its overall structure EU funds participate with a very high share.

7. Transitional environment does not bode well in prioritization of nature conservation objectives vis-à-vis economic development objectives; Transition, very often associated with sub-optimal or even poor governance and corruption, has *de-facto* put environmental objectives as being treated junior or subordinated to the objectives in those economic sectors that are the main economic development drivers and have very often strong negative impacts on the environment, and especially on biodiversity. Some of these sectors include energy in all countries of the region, agriculture in B&H and Albania, or tourism in Montenegro and Albania. Though all the countries of the region are parties of the most important global biodiversity conversation conventions, their implementation has been rather weak due several factors, including insufficient political commitment, inadequate administrative and professional capacities of the institutions, and the lack of financial resources.

8. Countries of the region are extremely rich in biodiversity terms due partly to the weak economic development in the past; All the countries of the region are at much lower level of economic development than majority of EU member states. Rather weak economic development in the past decades in as important explanation why the region is still very rich in biodiversity terms both in absolute terms and *vis-a-vis* the majority of developed EU member states. Protecting biodiversity in the region, thus, makes even more sense. At the same time, growing biodiversity risks associated with fast development accompanied with large infrastructure (often co-financed by EU) are also a reality. An appropriate balance between biodiversity protection and economic development objectives is of crucial importance for a long-term, sustainable development of these countries and mature civil society has an important role in searching for this balance.

9. Legacies from the past have shaped the structure civil society in a way to be focused strongly on political issues, and much less on environmental issues; The region has an unfavorable legacy of the pre-transition socialist system and of the hostilities of 1990s. Both have influenced negatively the development of the civil society in the region. Within the civil society as a whole, there has been a strong ponder of the organizations addressing political

issues, such as civil rights and democracy, while environment and more focused for biodiversity conservation has attracted less interest of the civil society groups.

10. Biodiversity conservation focused civil society still far away from being mature; Biodiversity conservation civil society in the region is by and large weak with very limited influence on policy making. The society typically consists of one or two relatively strong organization on the one hand, and a big number of small ones on the other. With some notable exceptions of larger civil society organizations, civil society in this area is typically week in professionally terms and financially highly dependent of foreign donors. Domestic funding, both public and private is almost non-existent. There is typically a deep lack of confidence between the official institutions and the civil society organizations.

Graduation vision for the region (Chapters V and VI)

11. Initiation of the phasing out of CEPF assistance to the region would be premature at this point; As biodiversity conservation civil society in the Balkan countries is in still rather early stages of its institutional and profession development, the conclusion of the Project Team is that it would be premature for CEPF to start phasing out of its support to civil society organizations in the region. The Team is of the opinion that it would not be appropriate to start the phasing out process for CEPF assistance before its clients in the region – biodiversity conservation civil society organizations – are sufficiently phased-in or mature for their tasks in professional, institutional and financial aspects of their activities. In order to avoid the repetition of the same conclusion in a couple of years, let say in 2020, there is a need for a strengthening process which would be more than in the past focused on capacity building program and on monitoring and reporting of the progress achieved.

12. Two-phase approach for CEPF graduation vision in the region over the next decade is being proposed; The Project team is proposes a two-phase graduation approach for the strategic vision of CEFP activities in the region. In the first phase, called *strengthening phase* **–** covering the medium-term period between 2016 and 2020, CEPF should continue with an active program aimed at strengthening biodiversity conservation civil society in the region. In the second phase – called *towards the phasing out phase* – CEPF should continue with its active program in the region with the phasing out process to be initiated once the civil society reached a sufficient level of maturity. Actual results to be achieved in the two phases will me measured by benchmarking against the methodological framework developed by CEPF which consists of five *graduation conditions*, i.e., (i) conservation priorities and best practices, (ii) civil society capacity, (iii) sustainable financing, (iv) enabling policy and institutional environment, and (v) responsiveness to emerging issues.

Phase 1: The *strengthening phase* (2016-2020)

13. Sixteen graduation criteria and targets selected for measuring improvement of the civil society; Based on extensive consultation with civil society organizations in the region – this was done at the workshops in each of the four countries – altogether 16 *graduation criteria* were selected as a tool for monitoring the progress towards the point where civil society organizations in the region will be able to run effectively conservation programs on a self-

sustaining basis, and to respond effectively to the present as well as future biodiversity threats. Of these 16 *graduation criteria*, at least 3 were under each of the 5 CEPF *graduation conditions*. For each of the selected *graduation criteria* one specific, measurable, achievable, relevant and time-bound target – *2020 target* – has been set. The *2020 targets* have been set in way that all are achievable by 2020, if key assumptions under which the strategy has been drafted will hold. .

14. Indicative funding needs calculated for activities need to reach an individual 2020 target; For activities needed to meet each individual *2020 target*, indicative *funding needs* were calculated at the workshops with civil society organizations. Two general and closely interlinked qualifications should be made with respect to these calculations. *First*, the data have been gathered under high time pressure and based on limited funds available for the missions, and *second*, data are based on inputs provided by civil society organizations without thorough consultations made in this respect with other stakeholders, primarily with government institutions and donors.

15. Strong concentration of funding needs as well as of prospective funding sources; Almost 2/3 of total *funding needs* for the biodiversity conservation civil society in the region over the next medium-term period is aimed at reaching the *2020 targets* in the following three areas: (i) identification of key biodiversity areas, (ii) comprehensive global threat assessment, and (iii) articulation and introduction of conservation plans. With respect to prospective funding sources, by far the largest proportion of all *funding needs*, around 60 per cent, is expected to come from two main sources only – CEPF and EU, mainly through IPA.

16. With 40 per cent share, CEPF is expected to maintain its key position in financing biodiversity conservation civil society organizations in the region; CEPF is expected to participate with as much as 40 per cent in the total funding of the activities planned for four Balkan countries in the 2016-2020 period. With the total nominal amount of donations equivalent to 4.0 million EUR, the institution would be by far the single most important foreign donor of biodiversity conservation civil society organizations in the region. Even though this amount may be assessed to be biased upward – the amount was generated by civil society organizations as main recipients of CEPF funding – it nevertheless points to the lack of other funding sources. In case that CEPF donations to the region would in the forthcoming period actually be at an average annual level of around 1 million EUR this would mean that the institution's aid intensity would remain at a level similar to the one in the previous medium-term period.

17. With 20 per cent share EU is expected to be the second most important donor to biodiversity conservation civil society in the period 2016-2020; As EU candidate countries, all the four countries of the region are eligible for IPA-II under the 2014-2020 medium-term financial perspective of the EU. Taking into account that environmental *acquis* in the area of biodiversity conservation, including introduction of the Natura 2000, is very demanding both in operational and financial terms, it is realistic to expect that EU funds will remain by far the most important source of grant funds that will be channeled into environment (the same apply for grant assistance in general). Though only a part of these funds will be for

biodiversity purposes (how big this part will be depends on the level of priority, governments will assign to this segment of the environment), and only a fraction of this part will go for civil society within this area, EU is still expected to be an important funding source for them both through environmental projects having special civil society component and through general grant schemes aimed specifically at supporting civil society organizations. EU is expected to participate with around 20 per cent in the total funding of the activities planned for the four Balkan countries in the 2016-2020 period.

Phase 2: The *towards the phasing out phase* (2021-2025)

18. Determination of conditions when phasing out of biodiversity civil society from CEPF assistance may be initiate; By meeting the *2020 targets* articulated for the 2016-2020 period, the biodiversity conservation civil society in each of the countries of the region will be strengthened and therefore closer to the point when its phasing out from the CEPF financing may be initiated. Nevertheless, even in case that all the *2020 targets* would actually be met by that year by each of the four countries, civil society in the region would in general terms still not meet the conditions under which CEPF can start withdrawing for the region with the confidence that effective biodiversity conservation programs will continue on a self-sustaining manner. For determining when phasing out process in an individual country may be initiated, two pragmatic criteria have been articulated. The first one was formulation of *graduation targets*. Once an individual graduation target is achieved, this would at the same time be considered as a trigger for starting the phasing out process with respect to that very target. The second criteria one was setting a threshold of *graduation targets* that need to be met in order that the phasing out process is initiated. Out of the 16 *graduation targets* set in each of the four Balkan countries, 12 targets (or 75 per cent), of them at least one from each of the five CEPF *graduation conditions*, should be met before the phasing out process may be initiated.

19. Phasing out process from CEPF assistance may be expected to start by 2025 for all the Balkan countries with exception of Bosnia and Herzegovina; None of the 4 Balkan countries is expected to meet the threshold for initiating the phasing out process in 2020 even under the circumstance that strengthening of the civil society is planned for the 2016-2020. However, based on criteria set above, biodiversity conservation civil society in 3 out of 4 Balkan countries – Albania, Macedonia and Montenegro – is expected to become sufficiently mature to start its phasing out from CEPF assistance by the year 2025. By that year, 12 or 13 *graduation targets* (with at least 1 under each CEPF *graduation condition*) are expected to be met in these countries. With 11 out of 16 *graduation targets* reached by 2025, Bosnia and Hercegovina is the only of the 4 countries that is today expected to remain just below the phasing out trigger by that time.

20. Beginning of the region's phasing out from CEPF assistance will be strongly influenced by the dynamics of the EU accession process; An important element which will strongly influence actual timing for the beginning of the region's phasing out from CEPF financial assistance is the dynamics of the EU accession process for the countries. Intensification of this process associated with faster harmonization of the environmental

acquis and it implementation as well as with the perspective to replace limited IPA funds with much larger volumes of cohesion funds would be a strong argument in favor of CEPF decision to start the phasing out its assistance to the region. And *vice versa*, in case that EU accession process continues to be very slow or is even discontinued for whatever reason, much longer presence of CEPF in the region would remain necessary.

Chapter I: Introduction

1.1. Context of the Project

CEPF mandate; The Critical Ecosystem Partnership Fund (CEPF) is a joint initiative of 7 international and national donors which provides grants to nongovernmental organizations and other private sector partners to protect critical ecosystems. A fundamental goal of CEPF is to engage civil society in efforts to conserve biodiversity. The institution has an active grants portfolio in the Mediterranean Basin Biodiversity Hotspot, which comprises three sub-regions for investment: Middle East (Jordan and Lebanon), North Africa (Cape Verde, Morocco, Algeria, Tunisia and Libya) and the Balkans (Albania, Bosnia and Herzegovina, Macedonia[2] and Montenegro)[3].

Concept of »graduation« developed by CEPF; CEPF is not intended to have a permanent presence in each of the global biodiversity hotspots. It rather works strategically towards an end point at which local civil society may "graduate" from CEPF support with sufficient capacity, access to resources, and credibility to respond to future conservation challenges. CEPF concept of "graduation" is a long-term process aimed towards reaching the point when civil society will be mature enough for its assistance to be phased off. Concept of "graduation" is therefore not simply an exit strategy but rather a concept that is broader and is aimed at getting a sense what is needed, and at what pace. The concept implies a possibility that CEPF activity within a particular region is designed through several phases.

CEPF articulated conditions for »graduation« from its financial support; Over the recent past, CEPF has embarked on preparation of long-term strategic visions for several regions in the world. A methodological backbone for drafting these visions is CEPF internal document outlining the idea that "graduation" can be determined when five conditions are met. They relate to (i) conservation priorities and best practices, (ii) local civil society capacity, (iii) adequacy and continuity of financial resources, (iv) enabling policy and institutional environment, and (v) ability to respond to new issues.

Institutional framework for preparation of a long-term vision for CEPF »graduation« from the Balkan sub-region; One of the hotspots for which CEPF decided to prepare a long-term strategic vision on a priority basis is the Balkan sub-region of the Mediterranean Biodiversity hotspot. To implement this task, CEPF has engaged two consultants. One, the lead consultant with solid experience in economy, strategic planning and civil society in the region, was responsible to lead and facilitate the development of a long-term vision. Another one, fully briefed on the work of CEPF was instrumental for providing expertize for all matters related to biodiversity conservation and ecology in the region. At the beginning of the process when the Project was conceptualized as well as in all crucial phases of its implementation, the consultants benefited from the strategic guidance of the Chairperson for the Long-Term Vision Process in the Balkans.

[2] In many international fora FYROM is being used as the official name of the country.
[3] Before Croatia joined EU, it was eligible for CEPF financing as well.

1.2. Objectives of the Project

Overall objective of the Project; As specified in the ToR for the assignment, the overall objective of the Project is to articulate a long-term strategic vision for CEPF investment in the Balkans. The vision is supposed to be presented in a concise document and should be prepared through targeted stakeholder consultations and literature review. The document should establish criteria for determining when the conditions for local civil society to graduate from CEPF support are met and set targets that consecutive CEPF investment phases can work toward. It should also include a timeline of actions required by CEPF and other funders to meet the graduation targets, and a financing plan that provides a best estimate of the funding required. Due to variations in conditions and operating environment for civil society in the region, the Project should apply tailored national approaches within an over-arching hotspot-wide vision.

Specific objectives of the Project; In more operational terms, the Project has a number of specific objectives that were articulated on the basis of the original ToR for the Project and that took into account deliberations from the Project kick-off meeting in Ljubljana, Slovenia on 3rd and 4th September 2015 (see, details in *sub-chapter 1.3*.). These specific objectives are:

- to analyze international context for the region's long-term development (unfinished transition, consequence of the crisis and new growth model, unclear EU accession path, generally weak institutional features),
- to assess conditions of and operating environment for civil society in the region,
- to identify needs for strengthening civil society development as well as key dilemmas / risks associated with this process, and
- to articulate strategic vision to support civil society development including the process of its "graduation" from CEPF support

1.3. Methodology applied and the Project's limitations

Kick-off meeting in Ljubljana; The Project implementation started with the kick-off meeting in Ljubljana, on 3rd and 4th September. At that occasion, Project Team, the Chairperson, and CEPF Grant Director and staff members from the Regional Implementation Team and the region discussed in details the substance of the Project as well as challenges associated with its implementation. The final outcome of this meeting was a document (see ***Annex 1***) that provided a rather detailed annotated table of contents for the final Report to be produced as well as the schedule of activities.

Combination of methodological tools applied; Project implementation has been carried through a combination of methodological tools. Desk research was used for extensive review of literature and documents on two large segments. On one hand, economic, social and political context of the region was reviewed. On the other hand, the desk research was focused on biodiversity conservation characteristics and challenges of the Balkan region. Another key feature of the Project's methodology consisted of country visits in October and early November. Key features of these visits are presented as ***Annexes 2*** and ***3***.

Limitations of the Project; The Project implementation was associated with certain limitations with two of them to be mentioned specifically. *First*, very limited time was available – from beginning of September to mid-November – for the assignment. The complexity of the task would has confirmed that a bit more time would be useful for comprehensiveness of the Report. *Second*, limited budget of the Project allowed only short visits in each of the four countries of the region. The visits have proved to be very useful for meeting major stakeholder and for getting a general overview. However, they were too short to allow us to make detailed country surveys.

1.4. Structure of the Report

In addition to this ***Introduction***, the Report consists of six main chapters plus a number of *Annexes*.

Chapter II presents economic, social and political context for development of the region as a whole and of its individual countries. Special attention is given to those aspects of the development that are of particular importance for biodiversity conservation.

Chapter III is aimed at providing an overview of key features of the biodiversity in the Balkans. The text focusses on specifics of the region from the global perspective and on main threats to the biodiversity in the region. The chapter also provides an overview of the literature addressing biodiversity characteristics of the Balkan.

In the ***Chapter IV,*** the focus of the analysis turns on conditions and operating environment in which biodiversity conservation civil society operate in the region.

In contrast to the previous three chapters that provide a broader framework for development of biodiversity civil society in the region, the following two chapters are focused on the vision of the CEPF funding activity in the region over the next medium- and long-term period.

The first of the two chapters – ***Chapter V*** – presents the overall philosophy of the strategic vision for graduation of CEPF support to biodiversity civil society in the Balkan region in the medium- and long-run. This graduation vision is based on a two-phase approach. In the first phase, called *strengthening phase*, covering the rather arbitrarily set 5-year period (until 2020) CEPF will continue with an active program aimed at strengthening biodiversity conservation civil society in the region. In the second phase, called *towards the phasing out phase*, CEPF assistance will continue towards the point when civil society reaches a sufficient level of maturity that phasing out of the assistance may be initiated.

And finally ***Chapter VI*** which articulates in more details medium-term strategy for strengthening biodiversity conservation civil society in the region and presents initial conditions that have to be met in order that phasing out process of the civil society from CEPF support may be initiated. The implementation, both in *strengthening phase* as well as in the *towards the phasing out phase*, is measured by benchmarking against the five "graduation" *conditions* set by CEPF, i.e., (i) conservation priorities and best practices, (ii) civil society

capacity, (iii) sustainable financing, (iv) enabling policy and institutional environment, and (v) responsiveness to emerging issues.

Chapter II: Social, political and economic context for the region's development in the area of biodiversity conservation

Objective of the chapter; The main objective of this chapter is to present historical, social and economic context for the development of the region, and to introduce global, EU and national development context of particular importance for biodiversity conservation.

2.1. Introduction and historical context

Balkan is one of three sub-regions of the Mediterranean basin biodiversity hotspot; It covers four Balkan states eligible for CEPF investments – Albania, Bosnia and Herzegovina, Macedonia and Montenegro[4] – covering the karstic lakes and rivers extending from the Eastern shore of the Adriatic sea up to over 2,500 meter high peaks of Dinarides and Albanian Alps. While large proportion of national territories of Albania and Montenegro are part of the Mediterranean basin biodiversity hotspot, this is not the case with the other two countries. In the case of Bosnia and Herzegovina, the hotspot covers to a large extent only the territory of the Federation of Bosnia and Herzegovina (while Republic of Srpska only present small land-pockets within the Mediterranean biogeographical zone), covering the central and southern part of the country while in the case of Macedonia it covers primarily southern areas on the border with Albania and Greece around the Ohrid, Prespa and Dojran lakes.

After World War II socialist period; After the World War II, all the countries with exception of Albania became part of the socialist Yugoslavia. During the 1960s and 1970s, the country enjoyed a period of relative stability and prosperity, albeit based on an economy with serious structural problems supported by unsustainable foreign borrowing, and on one party political system through which underlying ethnic rivalries were kept under control. After the Marshal Tito's death in 1980 and eruption of the debt crisis in 1982, Yugoslavia was forced to undergo drastic economic adjustment and this was associated with a resurgence of ethnic nationalism across the Yugoslav republics. Similar as Yugoslavia, also Albania under its party Enver Hoxha embarked on a socialist path after the World War II. This was a period of widespread social and political transformation of the country and also a period of its de-facto isolation from the international community. At that time, Albania was the poorest country in Europe.

Early transition period and conflicts of the 1990s; With the fall of the Berlin wall in 1990, the processes of transformation from central planning economic system into a market economy and from a one party system to a democracy started throughout the Central and Eastern Europe. In the case of former Yugoslav republic, these processes were accompanied with slow and traumatic break up of the country. Throughout the 1990s, the new sovereign states on this territory had undergone a painful mix of independence, state building and transition as well as regional conflicts and sanctions. As a consequence, economies of virtually all countries declined compared to the period of the former Yugoslavia. On the other hand, wars and internal conflicts had weakened political and justice sector institutions, with public trust in the rule of law depleted. Albania, which to a larger extent avoided the conflicts

[4]Though Croatia is geographically part of Balkan, with the membership in the EU in 2013, it ceased to be eligible for CEPF funding and is not covered in this Project.

that affected the former Yugoslavia's states, faced a difficult socio-economic transition as it emerged from a highly isolationist socialist rule and faced a deep pyramid investment in 1997.

More optimistic developments after the turn of the century; At the turn of the century, the period of this broad decline was halted and was replaced with more optimistic developments. The end of hostilities achieved under strong sponsorship of foreign powers was accompanied, on one hand, with gradual opening up to the EU, and on the other hand, with a significant financial support aimed at helping to sustain new sovereign states, such as Bosnia and Herzegovina[5] and Kosovo[6].

2.2. Key demographic and social trends

Geographically small countries with the density of population exceeding the world average; The total population of the four countries is less than 10 million with the largest one, Bosnia and Herzegovina reaching 3.8 million and the smallest one Montenegro having 0.6 million. The region is therefore composed of four rather small states not only in terms of the population but also in terms of their territory size. The density of population, with exception of Montenegro, exceeds the world average of close to 50 people per km^2. Nevertheless, there are significant differences among individual countries in this respect, as population density in Albania is more than double of the one in Montenegro.

Table 1: Selected demographic indicators (for 2014)

Country	Population (in million)	Area (in km2)	Density (people / km2)	Population growth (annual %)*	Urbanization (% of people in urban areas)
Albania	2.9	28.750	106	-0.1	56
BiH	3.8	51.210	75	-0.2	40
Macedonia	2.1	25.710	82	0.1	57
Montenegro	0.6	13.810	46	0.1	64

* Average for 2011-2015

Source: World Bank Indicators

Stagnant and therefore ageing population; Other important demographic features of the region refer to the population growth and urbanization of the population. As shown in *Table 1*, the region as a whole and all its individual countries are characterised with either stagnation or even with the decrease of its population. This implies that the region is facing the ageing of its population with all the implications this process has on the social and economic fabrics of the societies.

Concentration of the population in urban areas; With exception of Bosnia and Herzegovina, all the countries of the region are highly urbanized with more than half of their population

[5]BiH is a complex arrangement of two entities – the Republika Srpska (an ethnically mainly Serb partly self-governing sub-state) and the Federation of Bosnia and Herzegovina (mainly constituting Croat and Bosnian ethnic groups) – plus District Brčko as mandated under the Dayton Peace Settlement in 1995

[6]Kosovo was under United Nations (UN) control for most of the evaluation period based on the 1999 Security Council Resolution 1244, and achieved statehood in February 2008

living in urban areas. Growing urbanization pose a significant risk to biodiversity, especially in the coastal areas of Albania and Montenegro.

Net migration outflow continues in some of the countries; As far as migration flows are concerned, all the four countries faced by net emigration from their territories in the period 2011-2015. By far the highest figure was recorded in Albania where average annual net migration outflow was equivalent to 50,000 people. In the remaining three countries, the corresponding figures were lower; 2,500 for Montenegro and 5,000 for Bosnia and Herzegovina and Macedonia (World Bank Indicators).

Though absolute poverty not a significant problem, high poverty risk of specific groups are not uncommon; Countries of the Balkan are middle income countries with per capita GNI around $5,000 and with the exception of Montenegro where the income is higher and reaches over $7,000 (see *Table 2*). The proportion of population under the poverty line has been on a downward trend in the recent period and is now in all the countries of the region with exception of Macedonia below the 20 per cent mark (see *Table 2*). Even though absolute poverty is not very significant in the region, the population of the Balkan states faces specific poverty related conditions, such as minority ethnic groups, unemployed, and low income families with no benefits following industrial restructuring. Poverty is divided along ethnic, gender and geographical lines.

Relatively good social scene in terms of literacy, basic education and income distribution; The region has better performed than most other developing countries with respect to other social indicators. Literacy and elementary school enrolment rates are almost universal while disease and mortality rates are lower. The region is characterised also with relatively high equality in the distribution of income measured through the Gini coefficient. All these relatively favorable social and economic indicators are reflected in the high ranks the countries of the region have on the Human Development Index scale. In 2014, all of them were ranked in the first half of all the 187 ranked countries with Montenegro being even within the first third.

Table 2: Selected social indicators

Country	GNI per capita* (current $)	Below poverty line (% of population)	Life expectancy at birth (in years)	Scholl enrolment, primary (% of cohort)	Gini coefficient	HDI (rank)
	2	3	4	5	6	7
Albania	4,440 (2014)	14.3 (2012)	78 (2013)	100 (2003)	26.9 (2013)	95 (2014)
BiH	4,780 (2014)	17.9 (2011)	76 (2013)	…..	36.2 (2007)	86 (2014)
Macedonia	5,150 (2014)	27.1 (2010)	75 (2013)	89 (2012)	43.6 (2013)	84 (2014)
Montenegro	7.240 (2014)	11.3 (2012)	75 (2013)	101 (2012)	26.2 (2013)	51 (2014)

* in Atlas terms

Source: For 2, 3, 4 and 5 World Bank Indicators, for 7 Human Development Index 2014

2.3. Economic context – delayed transition and slow EU accession

Two specific features of economic development over the last 25 years; After spending much of the 1990s in conflict and with poor or no development, in early 2000s the Western Balkan countries embarked on two highly interconnected processes. One could be summarised as a process of delayed transition, and the other one as a process of slow EU integration.

2.3.1. Delayed transition

Political and economic problems, including hostilities, delayed transition for a decade; The conflicts in the region caused not only widespread devastation and but also put on hold economic transformation processes that were initiated in early 1990s. Since these conflicts ended, countries in the region made significant advancement in terms of rebuilding their economies and towards full-fledged market economies. As they have transitioned to market economies, the region's economies opened to the world and a significant proportion of previously state- or socially-owned companies was privatized. Countries have changed their legislation so as to be more attractive to foreign investors and have intensified their investment in physical and human infrastructure.

Significantly improved growth performance in 2000 – 2008 period, but based on unsustainable growth model; Altogether, the region experienced significant economic growth amounting to an average of 5 per cent in the period 2000 – 2008. As a consequence, per capita income of the Balkan region increased by more than 40 per cent on average and reduced at least partially the development gap *vis-à-vis* the EU average[7]. The main reason behind this rapid economic growth was quickly growing domestic demand fueled primarily by consumption and inward-oriented investment and financed to a large extent with capital inflows mainly in the form of bank financing. While rapid growth brought along many positive development dividends including fell of poverty both in absolute numbers and severity, it was also associated with growing imbalances and risks reflected in the rapid credit expansion, increased balance of payment deficits and rising public debt.

Pre-crisis growth associated with many weaknesses and risks; Clear evidence of the weaknesses in the region's growth model can be found in extremely high unemployment rates, especially of women and young and rapid deindustrialisation trend in the peak of the boom period. In the mid-2000s, the region actually faced with the sudden stop in the progress of more "difficult" structural reforms that are aimed at improving institutions, such as public administration and judiciary, and at strengthening various forms of governance. These reforms stalled or were left incomplete due to a combination of factors, such as reform fatigue, vested interests that had become more clearly articulated and also a sense that certain reforms were inadequately designed and implemented. The pre-crisis growth model of the region driven primarily by ample global liquidity and net capital inflows was associated with a kind of an illusion that high growth can be achieved without the real progress on the reform side.

[7]This positive convergence trend was nevertheless less intensive than in the case of CEE and Baltic countries.

Uneven, but generally weak recovery of the region after the 2008 crisis; High macroeconomic imbalances, weak external environment, low export potential associated with limited space in terms of monetary and fiscal policies (strong "euroisation"), and uncompleted structural reforms are the key explanations for weak and fragile economic recovery of the region after the 2008 break-up of the crisis. *Table 3* presents the main macroeconomic features for the countries in the region.

Table 3: Macroeconomic environment and status of structural reforms (2014)

Country	GDP growth (%)	Unemployment (%)	Budget balance (% of GDP)	Public debt (% of GDP)	Current account (% of GDP)
Albania	2.1	17.3	5.1	71.8	-12.0
BiH	1.1	27.5	1.8	36.9	-6.8
Macedonia	3.7	28.0	-3.8	37.7	-2.7
Montenegro	3.3	19.4	-1.5	59.6	-14.2

Source: Economic Reform Programs

The region continues to be characterised by very high level of unemployment; Relatively poor and fragile growth which does not contribute to higher employment is a combination of several factors. On one hand, drastic fiscal consolidation has taken a high price on investment while domestic consumption is coming back rather slowly. Credit growth is still depressed due to high proportion of non-performing loans in some of the countries of the region. Though clearing of banks progresses well, it represents a strong pressure on profitability.

The crisis reduced the potential growth of the region; Looking on the region's long-term growth perspectives, one has to observe that the crisis has brought down its potential growth as all of its components were dented. Investment opportunities were reduced as demand for products decrease, availability of capital declined and its costs increased. Structural unemployment, especially of women and young, continues to be a major concern. If associated with new wave of emigration, ageing of the population will get even more worrying dimension.

2.3.2. Slow EU accession

The 2003 Thessaloniki European Council made a political commitment to the Balkan countries about their membership perspectives; Balkan countries lag behind their CEE and Baltic peers not only with respect to the transition process that is still largely incomplete in the region but also with respect to their integration into the EU. Soon after the conflicts in the region ended, the 1993 Thessaloniki European Council gave a clear political commitment to the region that they would become full members when each of them meets the so-called Copenhagen criteria. They basically consist of political and economic criteria as well as criteria determining the ability of the candidate country to assume obligations under the EU legal order. In the case of the countries of the Balkan countries additional conditions for membership were set out in the so-called "Stabilisation and Association Process", mostly relating to regional cooperation and good neighborly relations

Current status of EU accession process; The EU's relations with the Western Balkan countries take place within this special framework of the "Stabilisation and Association Process". It has three aims: (i) stabilising the countries politically and encouraging their swift transition to a market economy, (ii) promoting regional cooperation, and (iii) eventual membership of the EU. The process helps the countries concerned build their capacity to adopt and implement EU law, as well as European and international standards. It is based on an ever-closer partnership, with the EU offering a mixture of: (i) trade concessions, (ii) economic and financial assistance, (iii) assistance for reconstruction, development and stabilization, and (iv) stabilisation and association agreements – a far-reaching contractual relationship with the EU, entailing mutual rights and obligations. Each country moves step by step towards EU membership as it fulfils its commitments in the stabilisation and association process. All the four Balkan countries covered in this report signed their respective SAAs in the period between 2001 and 2008. They are today either candidates or potential candidates for EU membership (EU decides when a country graduates from a potential candidate to a candidate for membership). One of them – Montenegro – is already in the process of EU accession negotiations, Albania and Macedonia are both candidate countries, but are yet to start negotiations, while Bosnia and Herzegovina is still in the potential candidacy status. *Table 4* provides details on the current EU accession status of each of the four countries.

Table 4: EU accession status in 2015

Country	SAA signed	Candidate	Negotiations	Membership
Albania	Yes (2006)	Yes (2014)	No	No
B&H	Yes (2008)	No	No	No
Macedonia	Yes (2001)	Yes (2005)	No	No
Montenegro	Yes (2007)	Yes (2010)	Yes (2012)	No

Source: European Commission

EU accession process for the Balkan countries is being much longer than for CEE and Baltic countries; If data from this table are compared with similar data for new member states that joined in 2004, it could be easily concluded that countries of the latter group needed on average about 10 years from the moment of signing the Europe Agreement till the moment of becoming an EU member states. This dynamics was still followed in the case of Croatia, but not for all the other Balkan countries. All these countries will need substantially longer period to complete this process even though the Balkan enlargement is in formal terms no different from the previous enlargement and consists of the same formal steps as the previous one. As adjustment to the EU environmental standards is an important, costly and highly demanding segment of the overall EU accession process, it is reasonable to expect that delays in this process have and will continue to have negative implications on the status of the environment, including its biodiversity segment, in the forthcoming years.

Explanations for the delayed EU accession of Balkan countries; There are several sets of explanations why the process of EU accession for the Balkan countries is slower. *First*, in the case of Balkan countries, regional cooperation is an important additional condition that needs to be satisfied. This addition, or rather enhanced emphasis is due to the prominence of the

regional security considerations in the case of the Balkan countries. *Second*, substantial progress in SAA implementation and meeting the political Copenhagen criteria has *de-facto* become a precondition for opening the negotiations. As a rule, for Balkan countries, the period before the start of the negotiations is more protracted and is subject to interruptions. *Third*, once EU accession negotiations start, both sides increasingly have more and more interest getting to the end of the process. Nevertheless, EU accession negotiations of the Balkan states are in several aspects more structured and complicated than before. Now, for example, the negotiations start with the most demanding chapters being opened first and they are expected to be closed last, negotiations on individual chapters are conditioned not only by closing but also by opening benchmarks, and finally, legal harmonization is not any more sufficient, but has to be accompanied by verified capacity for full implementation of the acquis.

Reasons for the EU accession delays – on the side of EU member states; All these adjustments which make the EU accession process slower reflect the fact that strategy of EU member states toward the Balkan enlargement has become much more risk averse than was in case the large Eastern enlargement. On one hand, this has been caused partly by the so-called »enlargement fatigue« in several old member states and partly by significant internal problems experienced by the EU itself. Enlargement as a political priority is on a declining path also within the European Commission as can be confirmed by the fact that DG enlargement was abolished and the enlargement topic has become one of the portfolios of the DG that deals with all EU neighboring countries.

Reasons for the EU accession delays – on the side of candidate countries from the region; Changed strategy of EU member states towards the enlargement on the Balkan resulted in candidate countries spending much more time before they even start to negotiate. This is closely associated with an incentive problem because it is really only during the negotiations that it becomes easier to commit credibly to the conditions of the EU membership. If the target of the EU membership is too far, then is simply not realistic to expect that policy makers and elites in general will embark on those reforms that may on the long run reduce or even eliminate their privileges.

EU accession prospects for the region; Based on above presented facts and assessment, the Project team is of opinion that countries of the region will not join the EU before 2025, with the only possible exception of Montenegro for which EU membership is still possible in early 2020s. This conclusion is based on an assumption that enlargement fatigue that is very much present in a number of member states will not become a predominant view in EU and will not be accompanied with something that may be called a membership fatigue among the member states themselves. If actually happened, this might have direct and significant negative implications on biodiversity funding in the region (taking very important EU has in this respect) including the funding to civil society organizations.

2.4. Global and EU framework for biodiversity conservation relevant for the Balkans

Global level; The institutional backbone of implementing biodiversity at the global level is the 1992 Convention on Biological Diversity (CBD) which seeks to ensure the conservation and sustainable use of the diversity of species, habitats and ecosystems on the planet, as well as the fair and equitable sharing of the benefits arising from the use of genetic resources. Close to 200 sovereign states, including all the four mentioned countries of the Balkans, and the European Union are parties to the convention. In 2000, parties of the CDB adopted the Cartagena Protocol on Biodiversity which seeks to protect biological diversity from the potential risks posed by living modified organisms, taking into account human health while in 2010, CBD parties also adopted the Nagoya Protocol on Access to Genetic Resources and the Fair and Equitable Sharing of Benefits Arising from Their Utilization. The document provides a transparent legal framework for the implementation of CBD objectives, thereby contributing to the conservation and sustainable use of biodiversity.

At the October 2010 gathering in Nagoya (Aichi Province), CBD parties also decided to adopt a revised and updated Strategic Plan for Biodiversity 2011-2020. The Strategic Plan includes 20 headine targets – the so-called "Aichi Targets" – organized under five strategic goals that are meant to (i) address the underlying causes of biodiversity loss, (ii) reduce the pressures on biodiversity, (iii) safeguard biodiversity at all levels, (iv) enhance the benefits provided by biodiversity, and (v) provide for capacity-building.

EU level; Based on the above presented global arrangements, biodiversity institutional and legal framework at the EU level consists of the following three pillars:

- *international agreements;* EU has signed a wide range of biodiversity international agreements, such as the Convention on International Trade in Endangered Species (CITES); the Bonn Convention on Migratory Species (CMS), the Convention on the Conservation of European Wildlife and Natural Habitats (Bern Convention) and the Agreement on international humane trapping standard.
- *strategic policy documents;* With the objective to implement biodiversity commitments taken at the global level, EU articulates and implements various strategic policy documents. Currently, the key document of this kind is the EU Biodiversity Strategy 2020 which outlines how CBD's strategic plan on biodiversity is to be implemented by the EU. The Strategy is built around six mutually supportive targets which address the main drivers of biodiversity loss and aim to reduce the key pressures on nature and ecosystem services in the EU.
- *EU legislation – biodiversity acquis;* The backbone of the EU nature protection legislation consists of two directives. The first one is the 1979 Bird Directive that ensures far-reaching protection for all of Europe's wild bird, identifying 194 species and sub-species among them as particularly threatened and in need of special conservation measures. The second directive is the 1992 Habitats Directive. It is aimed at prompting the maintenance of biodiversity, taking account of economic, social, cultural and regional requirements. The Directive provides for a ban on the downgrading of breeding and resting places for certain strictly protected animal

species. The Directive also establishes the EU wide Natura 2000 network of protected areas.

For all the four countries, transposition and full implementation of the environmental acquis – of which biodiversity acquis is an integral part – represents or will represent one of the most demanding tasks within the EU accession negotiations. The area is extremely complex in terms of the harmonization of the legislation and also very demanding in terms of professional capacities required for its full implementation. Last but not least, full implementation of the nature protection legislation and strengthening of its governance, especially introduction of the Natura 2000, also requires major financial inputs.

2.5. Integration of biodiversity objectives into strategic national development documents and into their implementation

General patterns of national strategic planning; Countries of the region very often do not have a comprehensive national development strategy that will incorporate a consistent view on the development of individual sectors as well as on key thematic issues of strategic importance for the country. On the other hand, countries typically have a large number of sectoral and thematic strategies. In many cases, they are not even internally consistent not to mention their cross-sector and / cross issues consistency. Furthermore, they typically do not specify financial resources required for the implementation. So, very often strategies are rather formalistic without having a real impact on the country's development. EU accession process stimulates the candidate countries in the region to look more strategically on their development. There are two types of strategic planning documents that need to be mentioned within this context. One is Economic Report Program where a candidate country is asked, among others, to articulate its structural reform priorities, including those ones in the environmental sector. The other document is indicative programming document for IPA II where sectoral priorities for IPA funding in the 2014-2020 period are set. In all the four Balkan countries, environment is one of the priorities.

National strategic planning and biodiversity conservation; Thematic national development strategies on biodiversity conservation are by and large in place, though they have different forms and different legal status. However, these strategies or more precisely their objectives are typically not adequately incorporated or represented in broader, national wide development documents. This reflects the outcome of the interest power struggle between nature protection on the one hand, and economic development objectives in sectors, such as tourism, energy, agriculture, on the other. Nature protection is in these discussions often considered as an obstacle to economic growth and to the development in general or even as a luxury that cannot be afforded at this level of development. Civil society has a rather limited role in articulation of national strategic documents in the area of environment, including nature protection (see more in *Chapter IV*).

Economic development priorities and their ecological footprint; Economic development strategies of the countries are strongly focused on sectors that have significant ecological footprint and may represent, if not addressed appropriately and on time, significant threats to biodiversity. For example, energy sector development with its focus on hydropower – it is a

key economic development priority in all countries of the region – has major implications on "wild rivers", especially in the mountain areas. Another sector with potentially damaging effects on biodiversity is tourism associated with growing urbanisation, especially in coastal areas of Albania and Montenegro. Agriculture is typically not an economic development priority of the countries in the region, but its intensification in cultivated regions does pose an additional pressure on biodiversity. Further on, many parts of the region are being faced with land abandonment and with a reduction of extensive livestock production, again with implications on biodiversity.

Implementation of biodiversity objectives; Budget expenditures for environment are typically rather low in the region and during the recent crisis they were further reduced in some of the countries – Montenegro, for example – often more than proportionally. This at least indirectly indicates the priority policy makers actually assign to this area. While policy makers in the region are typically ready to borrow for investments in sectors such as energy, transportation and agriculture, all of them with significant environment foot print, they are much less willing to finance environmental projects from this funding source.

Crucial importance of the EU accession process for nature conservation in the region; EU accession is crucial for designing biodiversity policy agenda of governments in the region as well as for implementation of this agenda. On the programming side, EU accession is instrumental for the credibility of biodiversity objectives set by the government. They are typically prepared in close cooperation with the EU. A majority of countries has environment as an important priority under the IPA-II covering the 2014-2020 period. EU accession is instrumental also for implementation of strategic documents in the environmental area as this is typically closely linked with harmonization with the acquis as well as its implementation. Closer the country is to accession to the EU stronger the importance of the EU pressure. Montenegro is a clear example where EU accession drives legislative changes and implementation of the biodiversity *acquis*, including introduction of the Natura 2000. In other countries, where EU accession is more distant, also the EU pressure is less effective.

Chapter III: Biodiversity strengths and weaknesses / risks of the region

Objective of the chapter; The main objective of this chapter is to present key features of the biodiversity in the Balkan. The text focuses on biodiversity specifics of the region from global perspective and on main biodiversity threats to which the Balkan region is exposed. Country-by country presentations are provided as

3.1. Richness and importance of biodiversity in the region

Outstanding level of endemism; Balkan biodiversity is still poorly understood, in a region with complex physical geography and a long history of political conflict. Balkan exhibits outstanding levels of endemism, particularly in caves and ancient lakes, such as Ohrid Lake shared between Macedonia and Albania. Lying at the crossroads of Europe and Asia, the region is also renowned as a focus of Pleistocene glacial refugia.

Extreme biodiversity richness of the region; The Western Balkans has a wealth of animal and plant diversity, including many endemic species and habitats. The region encompasses a great variety of natural habitats, ranging from coastal lagoons and wetlands to Mediterranean forests, mountain meadows and pastures, freshwater wetlands, and karstic terrain. The density of animal, bird and fish species listed in the Red List of Threatened Species (by area) is two to four times higher than in EU Member States.

Transboundary species; Within the region there are many important species which are greatly dependent on transboundary conservation approach. Large carnivores, birds of prey or wetland birds are highly mobile and they utilise vast areas for breeding and foraging, knowing no political borders. The good examples are Dalmatian Pelican, Eurasian Lynx, Brown Bear and Grey Wolf. For all of them there are current projects and initiatives run by conservation community. Perhaps the most visible one is the project for conservation of Balkan Lynx run by Macedonian and Albanian NGOs.

Migrating species; Wetlands on the Balkan Adriatic coast are of the great importance for tens of millions of migrating birds. Several large conservation projects and initiatives are developed in the recent past in order to set a network of safe migrating and breeding sites along the so-called Adriatic Flyway. All important sites in this network are also recognised as Key Biodiversity Areas by CEPF.

River basin and transboundary lakes; One of the main features of the region is a vast wealth of freshwater wetlands, rivers and streams. Several large lakes have international importance for biodiversity conservation: Skadar/Shkodra, Ohrid, Prespa and Dojran. Nevertheless, some rivers also have significant conservation importance, and in the same time urgent need for protection as they are under high development pressure.

Poor economic development in the past decades explains partly the biodiversity richness of the region; All the countries of the region are at much lower level of economic development than majority of EU member states. Rather weak economic development in the past decades

in as important explanation why the region is still very rich in biodiversity terms both in absolute terms and *vis-a-vis* the majority of developed EU member states.

3.2. Main threats to biodiversity

3.2.1. Land use and abandonment

Comparatively low human population densities are present in mountainous and karstic areas in the region, and these are subject to substantial ageing and depopulation processes. In general, human settlements are small but rather numerous; large, but completely unpopulated areas are rare. However, a common trend in all countries of the region is migration from rural areas to urban and coastal zones as well as abroad.

Land used for agriculture comprises approximately half of the entire territory of the Western Balkan region. Landscapes and habitats were created by the centuries old practices of extensive grazing and low-input small-scale cropping and typically such landscape is a mosaic of small plots of land used for different purposes (variety of crops, meadows, pastures, hedges etc.). The inter-linkage between extensive farming, biodiversity and traditional landscapes is very strong.

One of the special features of the region is karst poljes in the Dinarides and in particular in Bosnia & Herzegovina. These landscapes can be characterized as one of the most fascinating and biodiversity rich in the Balkans. Poljes are often very fertile and would have a great importance for human development and agricultural production in the mountainous area of Balkans. Due to the regular flooding poljes were used intensively for pasturing and as meadows over the past 3,000 years, leading to an extensive very rich habitat mosaic namely for plant and bird species, in particular where near-natural flood tolerant forests stands, natural streams, river banks, hedges and bars were preserved.

The coverage of Key Biodiversity Areas such as Important Bird Areas, Important Plant Areas and Primary Butterfly Areas is increasing as more data is being collected. These areas are not under legal designation; however they represent sites of global significance for biodiversity conservation.

The recent decline in rural population and in the number of livestock animals has led to land abandonment, especially in mountainous areas. This harms biodiversity by shrinking the area of farmland of high natural value and thus the mosaic of habitats for wildlife. At the same time, intensive agriculture is expanding, which also threatens biodiversity.

This biodiversity has faced a series of threats, including a sprawl of built-up areas in urban and coastal zones, mining activities and unregulated hunting and timber cutting. At the same time, governments in the region have a taken a series of steps to protect species and habitats, and in particular they have increased the share of their territory designated as protected.

Due in part to declines in rural population and migration to urban areas, and reduced economic prospects, pastures and other extensive agricultural lands may continue to be abandoned, especially in mountain areas. This can harm biodiversity by shrinking the area of

farmland of high natural value and thus the mosaic of habitats for wildlife. At the same time, intensive agriculture is expanding, which also threatens biodiversity.

3.2.2. Infrastructure development including hydropower projects

After the troubles in early 1990s and transformations of national economies, the region has witnessed a wave of infrastructure development. Uncontrolled road and hotel construction that support rapid tourism development, especially in sensitive areas such as coastal zones, wetlands and mountains, led to permanent habitat loss and fragmentation, and thus biodiversity degradation. This is particularly true in Montenegro and Albania.

The Balkan region is famous for its outstanding natural beauty and diversity, and amongst all big, geologically old lakes and many of the last wild rivers of Europe with a very high number of rare and endemic species. In particular the pristine river systems and natural lakes are rich in endemic fish and mollusc species.

Among the largest current threats to the natural heritage of the Balkan region is a wave of planned hydropower stations. Hydropower dams have a significant impact on the river ecosystem and the longitudinal continuum for living organisms and sediments. They can also present a negative impact on wild terrestrial animals including large carnivores already constrained to the remote mountain fringes within the Dinaric Arc. This inevitably leads to additional loss of ecological integrity, river degradation, and consequently a decrease in biodiversity.

A total of 1,640 projected hydropower plants (HPPs) are existing or planned to be constructed within the Balkan Peninsula, of which 32% of the projects are planned in strictly protected areas while another 17% are intended to be constructed in other protected areas. Thus, a total of 49% of all projected HPPs are located in protected areas, which points to the fact that this practice is the rule rather than an exception. This indicates a very high pressure of hydropower on protected sites.

There is a strong increase of projected and constructed small hydropower plants (< 1 MW) across the entire Balkan region, while many projects with a capacity of > 1 MW are also still in the pipeline or already under construction. Therefore, a high pressure of hydropower development on protected areas can be assumed.

Hydropower development seems to be focusing on river stretches with high ecological values (mountain ridges, larger rivers from gorges to lowland). In fact, a significant number of hydropower plants can already be found in protected areas today, deteriorating habitats and having strong impacts on whole river catchment as well as downstream sections of rivers, including related protected areas.

Furthermore, karst poljes are under serious threats from hydro technical structures and engineering works: dams, reservoirs, tunnels, intensive agriculture, construction of drainage and irrigation systems, urbanization, groundwater over pumping etc.. These have already caused a lot of mainly negative changes in some of them, and also to fragile ecosystems and wildlife.

There is no doubt that hydropower infrastructure represents a serious danger for biodiversity loss. Nevertheless, these projects should be assessed within a broader environmental framework. There are namely some positive sides of hydropower energy developments for the environment, especially in fighting climate change effects.

The whole of region indeed has a huge potential in development of renewable energy from different sources such as solar, wind and water which can help to combat climate change on regional and global level.

3.2.3. Species overexploitation and illegal use

Balkans is recognised as a weak spot in terms of unsustainable and illegal use of species. For instance, several studies have shown huge rate of illegal activities such as poaching, trapping, killing and trade of wild birds which damage not only local, but Europe and worldwide population of certain migrating species. Due to constant international appeal and pressure Albanian Government has introduced a two-year ban on hunting in February 2014. In other countries hunting-ban areas have been recognized and the process for their legal protection is on the way.

Due to socio-economic reasons and long tradition, overfishing is another issues that has to be tackled in future. Use of illegal tools such as large fishing nets, explosives and electro-fishing is widely distributed in the region. Wish populations in small rivers and lakes are especially under huge pressure, and some of them being even endemic and relict.

Chapter IV: Conditions of and operating environment for biodiversity conservation civil society in the country

Objective of the Chapter; Main objective of the Chapter is to provide a short presentation of the current status of the biodiversity civil society organizations in the region, their characteristics, strengths and vulnerabilities. The Chapter is based on structured interviews with individual civil society organizations and round tables with these organizations organized during the country visits in each of the four countries of the region. Not only conservation oriented, but also selected other environmental civil society organizations were invited to participate and provided useful inputs.

No major legal restrictions for the work of biodiversity civil organizations; In none of the countries of the region, legal restrictions for operations were mentioned as an obstacle for their activity. Legislation governing civil society organization has been strongly influenced by the democratization processes these countries have undergone since the beginning of the transition and continue within the framework of the EU integration processes.

Strong geographical concentration of civil society organizations in capital towns; In all countries of the region, large civil society organizations are highly concentrated in their capital towns or other large cities. It is difficult to find strong civil society organizations at the regional level, especially in rural areas and geographically remote places. This consequently leads to uneven coverage of the country territory with respect to project and work areas dealt with by these organizations.

Rather poor cooperation of civil society organizations with local communities and with the business sector; Civil society organizations have low capacities and inappropriate skills for efficient cooperation with local communities. Better cooperation between the two is very much needed to conserve biodiversity and sustainable use of natural resources. Civil society organizations in all countries of the region often suffer from a bad image what may be an additional explanation for rather poor mutual understanding between local communities and civil society organizations and also for their sub-optimal cooperation. With some rare examples, civil society organizations in the countries of the region have practically no institutional working cooperation with the business sector. Some of the organizations claim that they have initiated cooperation of this type but with practically no success. One of the reasons mentioned is that private businesses are traditionally more interested to invest or donate for social purposes and sports as these activities are more visible to the population at large.

Civil society organizations have by and large rather weak institutional and operational capacities; An important feature of civil society organizations in the region is their generally low, insufficient institutional and operational capacity. Typically, civil society organization in the countries could be classified into two groups. In each of the countries, there is one or a few larger biodiversity civil society organizations capable of making significant impact in the area on nature conservation. The other group typically consists of a large number of small, very often single person organizations with obvious bottlenecks associated with this type of

organizations. In some countries of the region, such as Montenegro and to lower extent also Macedonia, there is a clear lack of future biodiversity experts as their academic institutions and universities produce insufficient number of biologists and ecologists interested in nature conservation. Civil society organizations in these counties are therefore highly dependent on foreign human resources for their regular professional activities.

Only few civil society organizations in each of the countries are capable for efficient international cooperation; In each country of the region, there is a very limited number of civil society organizations that are capable of designing and implementing transboundary or international projects with significant contribution to biodiversity conservation. This is clearly due to rather low capacities of a majority of civil society organizations for this type of activities. Some civil society organizations are members or cooperate closely with international conservation and environmental networks, but smaller ones tend to concentrate on local issues and projects.

Civil society organizations are typically not specialized; Civil society organizations in the region lack diversity of their professional orientation, such as specialisation for different taxa or group of taxa. In would be very beneficial and needed for these countries to have more profiled organizations that take care in plant, insect, fish, amphibian, reptile, bird and mammal diversity etc. Specialization and building profiles is especially important for the upcoming period of ecological network designation and later on for monitoring of organisms and habitats. All this is required by international treaties and standards to which all the countries of the region have assigned.

Project work is a focus of activity for majority of civil society organizations; A large majority of civil society organizations focus their work on individual projects for which financing may be tapped. This means that they typically operate very opportunistically by going from one project to another under the general moto "go where the money is". Unfortunately, this business model is very often associated with poor quality of project deliverables and thus contributes to a bad image not only for the organization concerned but for the civil society at large. Very few civil society organizations are able to embark seriously on more demanding tasks, such as advocacy, influence and policy advice. Without activities of this kind it is extremely difficult for these organizations to establish themselves as a credible and trustworthy stakeholder in the society.

Civil society organizations are strongly donor-driven both in terms of their activities and funding; Civil society organizations in the region are very dependent on international assistance from donors and partner organizations. Domestic budget and para-budget sources for biodiversity purposes are more an exception than a rule with a notable exception of Bosnia and Herzegovina where environmental funds represent an important funding source. In some countries of the region, such as Montenegro, the recent crisis has eroded further budget funds for environmental purposes. In circumstance of small domestic funding and therefore high dependence on foreign donors, civil society organizations are very vulnerable in cases of sudden stops of funding from these sources. It is within this framework to underline that reduced volume of financial assistance of individual foreign donors in the region (in some

cases their full withdrawal) – sometimes justified by the fact that these countries are on the EU accession path and have an access to significant IPA funding – has not always been compensated with funding from other sources, especially EU sources.

Poor cooperation among civil society organizations; In circumstance of scarce funding opportunities both from domestic and foreign sources civil society organizations often see each other as competitors. This leads to the lack of communication and cooperation among themselves, and consequently to sub-optimal outcome not only for the civil organizations themselves but also for the society at large. Better communication and partnership could lead to better results for the civil society, including their stronger influence on biodiversity conservation issues.

Relationship between governments and civil society organizations evolves with confidence gap on both sides still present; Though situation varies from one country to another, but there is generally still a significant confidence gap between governmental institutions and biodiversity conservation civil society organizations. There have been several concerns expressed by the civil society sector in this respect. For example, governmental institutions sometimes consider nature conservation organizations as an obstacle to economic and overall development and *de-facto* consider them as opponents to development. Or, governments are not ready to recognize or they even tend to neglect an important role civil society organizations may play in offering certain services that are highly needed to the countries. Monitoring of biodiversity trends is an obvious example of this kind. And finally, governments do not make enough efforts to help civil society organizations to strengthen institutionally and to become less dependent on project funds from foreign donors. On the other hand, government sources also have their arguments for not being satisfied with civil society organizations' activities. What is, for example, claimed is that outputs of civil society organizations are sometimes of questionable quality and biased, that civil society organizations are just an appropriate legal form to do consultancy, or that civil organizations are more interested for publicity than for actual cooperation with the government. Sometimes also professional independence of certain civil society organizations has been questioned due to either personal interlinkages of their staff with various stakeholders or for some other reasons.

Chapter V: Overall philosophy of the strategic vision for CEPF support to biodiversity conservation civil society

The main objective of this chapter is to design – based on the overall development context (*Chapter II*), biodiversity conservation strengths and weaknesses (*Chapter III*), and civil society characteristics of the region (*Chapter IV*) – the overall philosophy of the strategic vision for CEPF support to biodiversity conservation – focused civil society in the Balkan region or the theory of change as presented in the ToR.

5.1. Main determinants on which the strategic vision is based

Main determinants of the strategic vision for CEPF in the Balkan region are the following:

- ***Socio-economic and political context far from stable (Chapter II);*** If compared with other developing country regions, Balkan is relatively well developed in economic terms expressed in per capita GDP. Nevertheless, the region faces significant economic weaknesses, such as strong deindustrialisation, high level of unemployment, and large external imbalances. Balkan countries perform rather well also with respect to social development indicators. On the other hand, the countries are faced with the problems associated with unfinished transition, especially with weak institutions and not efficient judiciary, and also with the corruption problems. In the case of Bosnia and Herzegovina, the institutional arrangement of the state established with the Dayton peace agreement poses a specific and additional challenge for efficient functioning of the state.

- ***EU accession delayed and with unclear future (Chapter II);*** EU accession framework is, no doubt, a specific feature of this region at the global level. This framework should, in principle, be a guarantor that biodiversity conservation objectives will be high on the policy agenda of these countries both through transposition of the environmental acquis into the national legislation and through the pre-accession financial assistance provided for this area. Unfortunately, as the EU accession process for the region has been delayed and the EU membership has been postponed far in the future. The strategic vision is based on the assumption that the region will not join the EU before 2025, with a possible exception of Montenegro for which EU membership is still possible in early 2020s. Under these circumstances, it is not surprising that the appetite of the candidate countries from the region for the *acquis* related reforms is rather limited and is on a downward trend.

- ***Being considered as "EU courtyard", many bilateral donors left the region (Chapter II);*** As the region is relatively well developed in terms of per capita GDP (if compared with other developing country regions in the world) and taking into account that the region is on an EU accession part, many of the bilateral donors have completely ceased their programmes in the region or drastically reduced their volumes. As this has not been compensated fully with larger inflows from EU pre-accession funds, the total volume of aid inflows was reduced and within its overall structure EU funds participate with a very

high share. As said above, a rather small proportion of these funds in being allocated for civil society in the biodiversity conservation areas.

- ***Transitional environment does not bode well in prioritization of nature conservation objectives vis-à-vis economic development objectives (Chapter II);*** Transition, very often associated with sub-optimal or even poor governance and corruption, has *de-facto* put environmental objectives as being treated junior or subordinated to the objectives in those economic sectors that are the main economic development drivers and have very often strong negative impacts on the environment, and especially on biodiversity. Some of these sectors include energy in all countries of the region, agriculture in B&H and Albania, or tourism in Montenegro and Albania. Though all the countries of the region are parties of the most important global biodiversity conversation conventions, their implementation has been rather weak due several factors, including insufficient political commitment, inadequate administrative and professional capacities of the institutions, and the lack of financial resources.

- ***Countries of the region are extremely rich in biodiversity terms due partly to the weak economic development in the past (Chapters II and III);*** All the countries of the region are at much lower level of economic development than majority of EU member states. Rather weak economic development in the past decades in as important explanation why the region is still very rich in biodiversity terms both in absolute terms and *vis-a-vis* the majority of developed EU member states. Protecting biodiversity in the region, thus, makes even more sense. At the same time, growing biodiversity risks associated with fast development accompanied with large infrastructure (often co-financed by EU) are also a reality. An appropriate balance between biodiversity protection and economic development objectives is of crucial importance for a long-term, sustainable development of these countries and mature civil society has an important role in searching for this balance. Countries of the region typically do not have full appreciation of the economic importance of biodiversity, especially for sectors like tourism. The "wealth" of biodiversity should not be considered as a burden to the society but rather as a unique development opportunity for the region.

- ***Legacies from the past have shaped the structure civil society in a way to be focused strongly on political issues, and much less on environmental issues (Chapter IV);*** The region has an unfavorable legacy of the pre-transition socialist system and of the hostilities of 1990s. Both have influenced negatively the development of the civil society in the region. Within the civil society as a whole, there has been a strong ponder of the organizations addressing political issues, such as civil rights and democracy, while environment and more focused for biodiversity conservation has attracted less interest of the civil society groups. At least partly, this can be explained by the fact that relatively small proportion of all the funds foreign donors allocate for civil society organizations is being allocated for biodiversity conservation.

- ***Biodiversity conservation focused civil society still far away from being mature (Chapter IV);*** Biodiversity conservation civil society in the region is by and large weak

with very limited influence on policy making. The society typically consists of one or two relatively strong organization on the one hand, and a big number of small ones on the other. With some notable exceptions of larger civil society organizations, civil society in this area is typically week in professionally terms and financially highly dependent of foreign donors. Domestic funding, both public and private is almost non-existent. There is typically a deep lack of confidence between the official institutions and the civil society organizations. Though specific reasons may vary from one country to another, but in none of the countries the blame could be placed on either of the two sides.

5.2. Two-phase approach to the strategic vision

Further strengthening of the biodiversity conservation civil society in the region is needed, before phasing out from CEPF assistance will be initiated; Biodiversity conservation civil society in the Balkan countries is, with exception of some individual organizations, in still rather early stages of its institutional and profession development. Taking into account the key determinants of the CEPF strategic vision for the forthcoming period (see above in the *sub-chapter 5.1*.) and if measured through the five CEPF graduation criteria, the conclusion of the Project Team is that it would be premature for CEPF to start phasing out of its support to civil society organizations in the region. The Team is of the opinion that it would not be appropriate to start the phasing out process for CEPF assistance before its clients in the region – biodiversity conservation civil society organizations – are sufficiently phased in or mature for their tasks in professional, institutional and financial aspects of their activities. Beginning of the phasing out would be a counterproductive option before a reasonable level of phasing in is being achieved. Of course, in order to avoid the repetition of the same conclusion in a couple of years, let say in 2020, there is a need for a strengthening process which would be more than in the past focused on capacity building program and on monitoring and reporting of the progress achieved. This is the only way to overcome on a sustainable basis a situation where most of civil society organizations do not have clear strategies for operation with their activity to be strongly project-by-project based and donor-driven.

Two-phase approach for CEPF graduation vision in the region over the next decade; **The** Project team is proposing a two-phase graduation approach for the strategic vision of CEFP activities in the region. In the first phase, called *strengthening phase* **–** covering the medium-term period between 2016 and 2020, CEPF should continue with an active program aimed at strengthening biodiversity conservation civil society in the region. In the second phase – called *towards the phasing out phase* – CEPF should continue with its active program in the region with the phasing out process to be initiated once the civil society reached a sufficient level of maturity. Details of this two-phase approach are presented in following *Chapter VI*.

Chapter VI: Strengthening biodiversity conservation civil society and creating conditions for initiating its phasing out from CEPF support

Objective of the chapter; The main objective of this *Chapter* is to articulate – based on the analysis made in *Chapters II, III* and *IV,* and in line with the *Chapter's V* overall philosophy of the strategic graduation vision – medium-term strategy for strengthening biodiversity conservation civil society in the region and to present initial conditions that have to be met in order that phasing out of the civil society from CEPF support may be initiated.

The implementation, both in *strengthening phase* as well as in *towards the phasing out phase,* is measured by benchmarking against the methodological framework developed by CEPF. The framework sets five *graduation conditions*, i.e., (i) conservation priorities and best practices, (ii) civil society capacity, (iii) sustainable financing, (iv) enabling policy and institutional environment, and (v) responsiveness to emerging issues. All the *graduation conditions* need to be met in order for a hotspot to graduate from CEPF support. To make these *graduation conditions* locally relevant, specific *graduation criteria* and *graduation targets* are being articulated. Once the *graduation targets* (they are expected to be time-bound) are selected, it is necessary to define *actions* that are required to meet the *graduation objectives.*

The chapter consists of five main sub-chapters:

- In the *first sub-chapter,* key features of the *strengthening phase,* i.e. of the 2016-2020 strategy for strengthening biodiversity conservation civil society in the region as whole, are presented.

- The *second sub-chapter* focuses on the *towards the phasing out phase,* i.e. the post 2020 period, and articulates conditions which have to be met in order to initiate the process under which the civil society form the region is expected to graduate from CEPF support.

- The *third sub-chapter* presents assumptions under which both phases of this strategic vision have been prepared as well as on potential risks that could challenge its implementation.

- The *fourth sub-chapter* focuses on detailed methodological / technical introduction for the country tables.

- The *final, fifth sub-chapter* consists of tables, one per each of the four countries of the region, addressing both, the *strengthening phase* as well as the *towards the phasing out* phase.

6.1. Key features of the 2016-2020 strategy for strengthening biodiversity conservation civil society (the *strengthening phase*)

This sub-chapter articulates a medium-term program for strengthening biodiversity civil society in the four countries of the Balkan region. The progress in the program

implementation is being measured by benchmarking against the CEPF five *graduation conditions*.

several conditions for measuring improvement of the civil society under each of the five CEPF graduation criteria; For each of the five CEPF *graduation conditions,* the strategy has articulated a number of region and / or country specific *graduation criteria* for measuring improvements of the civil society on its way towards initiation the process of graduation. In all the four countries, they include the following *graduation criteria* (see *Table 5* and details in country tables in *sub-chapter 6.5.*):

- ***Condition 1 – conservation priorities and best practices;*** Under this *graduation condition,* the following three *graduation criteria* have been identified and articulated at the workshops with the civil society organizations: *first,* key biodiversity areas identified, *second,* globally threatened species identified, and *third,* conservation articulated and incorporated. In Bosnia and Herzegovina, one additional *graduation criteria* – best practices for management of conservation priorities introduced – was included as well.

- ***Condition 2 – civil society capacity;*** Under this *graduation condition,* four *graduation criteria* have been put forward at the workshops with the civil society organizations. They include the following: *first,* biodiversity conservation social community broad and deep rooted, *second,* sufficient institutional and operational capacity of civil society organizations, *third,* civil society organization have access to long-term financing, and *fourth,* capacity to work in partnership. In Macedonia, one additional *graduation criteria* – transformational impact of civil society – was included as well.

- ***Condition 3 – sustainable financing;*** Under this *graduation condition,* the following three *graduation criteria* have been articulated at the workshops with the civil society organizations: *first,* domestic public sector funding available, *second,* civil society organization own funding sources sufficient to operate normally, and *third,* donor funding available

- ***Condition 4 – enabling policy and institutional environment;*** Under this *graduation condition,* again three *graduation criteria* have been articulated at the workshops with the civil society organizations. They include the following: *first,* legal environment for conservation established, *second,* enforcement of the legislation effective, and *third,* private business practices supportive to biodiversity conservation objectives. In Bosnia and Herzegovina and in Macedonia, one additional *graduation criteria* – domestic educational programs exist and produce trained environmental managers – was included as well.

- ***Condition 5 – responsiveness to emerging issues;*** Under this *graduation condition,* the following three *graduation criteria* have been articulated at the workshops with the civil society organizations: *first,* biodiversity monitoring at a country level in place, *second,* threats to biodiversity monitoring at a country level in place, and *third,* conservation issues are regularly discussed in public

Altogether, 16 individual graduation criteria have been selected for the region as a whole an additional 3 in individual countries of the region; Based on extensive consultation with the civil society organizations in the region, altogether thirteen individual *graduation criteria* have been identified for monitoring the progress towards the point where civil society organizations in the region will be able to run effectively conservation programs on a self-sustaining basis, and to respond effectively to the present as well as future biodiversity threats.

One target (accompanied by one action / instrument) per each criteria is being applied for monitoring the progress; For each of the *graduation criteria* set by this strategy, one specific, measurable, achievable, relevant and time-bound indicators (i.e. SMART indicators) has been set. Articulation of the targets to be achieved by 2020, therefore called *2020 targets*, especially their quantification, reflects differences among individual countries of the region. Targets have been set in way that all are achievable by 2020, if key assumptions under which the strategy has been drafted will hold.

Indicative funding needs calculated for the action / target articulated under each individual criteria; For each individual *action* needed to meet individual *2020 target* identified at the workshops with civil society organizations, an *indicative of funding needs* was calculated. These calculations were prepared using the same cost template for all the four (see sub-chapter 6.4. for details). *Table 5* provides an overview of *indicative funding needs* for *actions* to be used for meeting *2020 targets* under each of the 19 individual *graduation criteria* by 2020. Two general and closely interlinked qualifications of data contained in Table should be made. *First,* the data have been gathered under high time pressure and based on limited funds available for the missions, and *second,* data are based on inputs provided by civil society organizations without appropriate consultations made in this respect with other stakeholders, primarily with government institutions and donors.

Strong concentration of funding needs on activities aimed at meeting only six targets set for 2020; By far the largest proportion of all funding needs is being associated with *activities* required to meet the *2020 targets* under the CEPF *graduation condition "Conservation priorities and practices".* At the workshops in the countries of the region, almost 2/3 of total funding needs for the biodiversity conservation civil society in the next medium-term period is aimed at reaching the *2020 targets* in the following areas: identification of key biodiversity areas, comprehensive global threat assessment, and articulation and introduction of conservation plans. Very demanding in financial terms are also *activities* of civil society organizations aimed at putting in place biodiversity monitoring and threats to biodiversity monitoring systems (under the CEPF *graduation condition "Responsiveness to emerging issues"*) as well as activities aimed at making enforcement of the legislation more effective (under the CEPF *graduation condition "Enabling policy and institutional environment"*). Altogether, these six *activities* participate with over 80 per cent in total *indicative funding needs* the civil society has put forward to meet all targets set for the 2016-2020 period.

Table 5: *Indicative funding needs* for the *actions* to be implemented in order to meet *2020 targets* in the 2016-2010 period (by countries and by *graduation criteria*)

CEPF *graduation condition*	CEPF *graduation criteria**	Country (in 000 EUR)				% of total
		ALB	BIH	MAK	MNG	
Conservation priorities and practices	Biodiversity areas identified	850	742	1.764	650	
	Globally threatened species identified	100	864	51	100	
	Conservation plans articulated and incorporated	105	1.033	100	70	
	Best practices for management of conservation priorities introduced	-	32	-	-	
Sub-total		***1.055***	***2.671***	***1.915***	***820***	***62***
Civil society capacity	Civil society broad and deep rooted	100	25	26	15	
	Sufficient institutional and operational capacity of civil society	120	20	50	20	
	Sufficient long-term financing of civil society	50	25	40	25	
	Capacity to work in partnership	15	68	55	5	
	Civil society organizations have a transformational impact	-	-	27	-	
Sub-total		***285***	***138***	***198***	***65***	***7***
Sustainable financing	Public sector funding available	50	5	-	5	
	Civil society organizations have own resources to operate normally	150	50	35	25	
	Donor funding available	100	15	35	15	
Sub-total		***300***	***70***	***70***	***45***	***5***
Enabling policy and institutional environment	Legal environment for conservation established	30	15	25	15	
	Enforcement of legislation effective	672	69	190	170	
	Private business operators supportive of biodiversity conservation objectives	10	3	5	3	
	Domestic education programs exist and produce trained environmental managers	-	10	5	-	
Sub-total		***712***	***97***	***225***	***188***	***12***
Responsiveness to emerging issues	Biodiversity monitoring at a country level in place	143	560	125	25	
	Threats to biodiversity monitoring at a country level in place	400	15	75	15	
	Conservation issues regularly discussed in public	50	25	37	25	
Sub-total		***593***	***600***	***237***	***65***	***14***
Total		**2.945**	**3.576**	**2.645**	**1.183**	**10.349**

* *Action* that is needed to meet the *2020 target* set under the individual criteria.

Source: Country tables from *sub-chapter 6.5.*

Strong concentration of prospective funding sources on CEPF and EU; At the workshops with the civil society organizations in all the four countries, the participants were also asked to present their views on *prospective funding sources* for the *activities* budgeted above. In contrast to the *indicative funding needs* that were specified at the level of an individual graduation condition (and associated *activity* to meet the individual *2020 target*), *prospective funding sources* were estimated at the level the five CEPF *graduation conditions* only. As shown in *Table 6*, by far the largest proportion of all funding needs in the forthcoming

medium-term period, as articulated by the civil society organizations, is expected to be financed from two main sources only – CEPF and EU primarily through IPA.

Table 6: *Prospective funding sources* for the *actions* to be implemented in order to meet the *2020 targets* in the 2016-2020 period (by individual countries)

CEPF *graduation condition*	Country	*Prospective funding sources* (% of total)					Total (in 000 EUR)
		IPA EU	CEPF	Other donors	Gov. funds	CSO own	
Conservation priorities and practices	Albania	20	50	30	-		1.055
	Bosnia and Herzegovina	25	45	25	5	-	2.671
	Macedonia	20	60	20	-	-	1.915
	Montenegro	35	45	20	-	-	820
Civil society capacity	Albania	50	30	20	-	-	285
	Bosnia and Herzegovina	45	35	-	20	-	138
	Macedonia	40	35	25	-	-	198
	Montenegro	55	35	10	-	-	65
Sustainable financing	Albania	-	10	70	-	20	300
	Bosnia and Herzegovina	-	20	50	-	30	70
	Macedonia	-	25	65	-	10	70
	Montenegro	-	20	40	-	40	45
Enabling policy and institutional environment	Albania	-	-	65	30	5	712
	Bosnia and Herzegovina	16	-	10	72	2	97
	Macedonia		-	8	90	2	225
	Montenegro		-	8	90	2	188
Responsiveness to emerging issues	Albania	10	30	60	-	-	593
	Bosnia and Herzegovina	20	30	50	-	-	600
	Macedonia	20	30	50	-	-	237
	Montenegro	20	30	50	-	-	65
Total							10.349

Source: Country tables from *sub-chapter 6.5*.

With 40 per cent share, CEPF is expected to maintain its key position in financing biodiversity conservation civil society organizations in the region; Under the projections developed by the civil society organization at the country workshops, CEPF is expected to participate with as much as 40 per cent in the total funding of the *activities* planned for four Balkan countries in the 2016-2020 period. With the total nominal amount of donations equivalent to 4.0 million EUR, CEPF is expected to be by far the single most important foreign donor of biodiversity conservation civil society organizations in the region. Even though this amount may be assessed to be biased upward – the amount was generated by civil society organizations as main recipients of CEPF funding – it nevertheless points to the lack of other funding sources.

CEPF funding is expected to remain at an annual level similar to the one in the recent period and is expected to be highly concentrated; In case that CEPF donations to the civil society organizations in the region in the forthcoming medium-term period would actually be at an average annual level of around 1 million EUR this would mean that the institution's aid intensity would remain at a level similar to the one in the previous medium-term period. The CEPF financing is expected to remain highly concentrated on activities that are classified under the CEPF *graduation condition "Conservation priorities and practices"* (identification

of key biodiversity areas, identification of globally threatened species, and conservation plans development) with 3.3 million EUR to be allocated for this purposes. Another two priority areas for CEPF financing include "*Responsiveness to emerging issues*" (biodiversity monitoring and threats to biodiversity monitoring) with 0.5 million EUR and strengthening of *"Civil society capacity*" (strengthening institutional and operational capacity of organizations) with 0.2 million EUR.

With 20 per cent share EU is expected to be the second most important donor to biodiversity conservation civil society in the period 2016-2020; As EU candidate countries, all the four countries of the region are eligible for IPA-II under the 2014-2020 medium-term financial perspective of the EU. Taking into account that environmental *acquis* in the area of biodiversity conservation, including introduction of the Natura 2000, is very demanding both in operational and financial terms, it is realistic to expect that EU funds will remain by far the most important source of grant funds that will be channeled into environment (the same apply for grant assistance in general). Though only a part of these funds will be for biodiversity purposes (how big this part will be depends on the level of priority, governments will assign to this segment of the environment), and only a fraction of this part will go for civil society within this area, EU is still expected to be an important funding source for them both through environmental projects having special civil society component and through general grant schemes aimed specifically at supporting civil society organizations. EU is expected to participate with 20 per cent in the total funding of the activities planned for the four Balkan countries in the 2016-2020 period.

6.2. Conditions to be met for initiating phasing out of biodiversity conservation civil Society from CEPF assistance (the *towards the phasing out phase*)

This sub-chapter articulates analytical framework under which phasing out of biodiversity civil society organizations in the region from CEPF assistance may be initiated. Again, the five CEPF *graduation conditions* are taken again as a methodological tool and benchmark.

Medium-term strategy framework (presented in *sub-chapter 6.1*) and its country-by-country reflection (presented in *sub-chapter 6.5*.) articulate time-bound targets that are achievable or possible to meet by 2020 in each of the four countries of the region. By meeting these *2020 targets*, the biodiversity conservation civil society in each of the countries of the region will be strengthened and therefore closer to the point when its phasing out from the CEPF financing may be initiated. Nevertheless, even in case that all the *2020 targets* would actually be met by that year by each of the four countries, civil society in the region would in general terms still not meet the conditions under which CEPF can start withdrawing for the region with the confidence that effective biodiversity conservation programs will continue on a self-sustaining manner. Some of the *2020 targets* have namely been set in a manner that, if achieved, they could at the same time also represent a trigger for starting the phasing out process. Some others of the *2020 targets* could rather be considered as a kind of mid-term review targets on the way towards the *graduation targets* that may have very long timelines.

Determination of the time when phasing out process from CEPF financing may be initiated; For determining when phasing out process may be initiated, one has to take into

account that timelines may be different for each of the four countries of the region with some being expected to start graduation earlier than the others. Two pragmatic decisions have been made in order to determine when phasing out from CEPF financing may be initiated in individual country.

- *Formulation of graduation targets;* All the *2020 targets* are classified into two groups. One consists of those targets that have been set in a manner that, if achieved, they can at the same time be considered as a trigger for starting the phasing out process with respect to that individual target. For this group, the *2020 targets* are the same time also the *graduation targets*. Another group consists of those *2020 targets* that are set in a manner that, even if achieved, the civil society of the country will not be considered mature enough for initiation of a phasing out process with respect to that individual target. For this group of targets – they all have long or even very long timelines – beginning of the phasing out is expected after the year 2020, either in the period between 2021 and 2025 or even in the post-2015 period. Consequently, for this group of targets, *graduation targets* will be set at a later stage with the timeline extending beyond the year 2020 and therefore are not the same as the *2020 targets.*

- *Setting a threshold for initiating the phasing out process;* It is not realistic to start the phasing out process only at the point when all the *graduation targets* are actually met. Consequently, a threshold has been articulated with the number of the *graduation targets* that need to be met before the CEPF *graduation conditions* can be considered to be in place. What is being proposed is that out the 16 individual *graduation targets* set in each of the four Balkan countries, 12 targets (or 75 per cent), of them at least one from each of the five CEPF graduation conditions, should be met before the phasing out process may be initiated[8].

It is estimated that in none of the four Balkan countries conditions for initiating phasing out from CEPF assistance will be met by 2020; Using this pragmatic framework, the civil society organizations have, based on their professional judgement, provided their views on when they expect that each of the 16 individual *graduation targets* is expected to be met in their respective countries. As shown in *Table 7* – it provides the summary of their assessment – none of the 4 Balkan countries is expected to meet the threshold for initiating the phasing out process in 2020 even under the circumstance that strengthening of the civil society is planned for the 2016-2020. By the year, Albania is expected to meet 6 out of 16 individual *graduation targets*, with at least 1 of them addressing 4 out of 5 CEPF *graduation conditions* while in Bosnia and Herzegovina and Macedonia none of the *graduation targets* is expected to be achieved by 2020.

[8] In case that a any of these graduation targets is considered to be such importance that it must be met for initiating the phasing out process, then meeting this particular graduation target (called »determining graduating target«) should be among the required 12 graduation targets quota. In case this additional conditions is introduced into the methodology for initiating the phasing out process, then this very »determining graduation target« would have to be selected.

Table 7: Timelines for meeting *graduation targets* (by individual countries)

CEPF *graduation condition*	CEPF *graduation criteria**	*Graduating target* to be reached by			
		ALB	**BIH**	**MAK**	**MNG**
Conservation priorities and practices	Biodiversity areas identified	Until 2025	Until 2025	Until 2025	Until 2025
	Globally threatened species identified	2020	Until 2025	Beyond 2025	Until 2025
	Conservation plans articulated and incorporated	2020	Until 2025	Until 2025	Until 2025
Civil society capacity	Civil society broad and deep rooted	Until 2025	Until 2025	Beyond 2025	Beyond 2025
	Sufficient institutional and operational capacity of civil society	Until 2025	Beyond 2025	Until 2025	Until 2025
	Sufficient long-term financing of civil society	Beyond 2025	Beyond 2025	Until 2025	Beyond 2025
	Capacity to work in partnership	2020	Until 2025	Until 2025	2020
Sustainable financing	Public sector funding available	Beyond 2025	Until 2025	Until 2025	Until 2025
	Civil society organizations have own resources to operate normally	Beyond 2025	Beyond 2025	Until 2025	Beyond 2025
	Donor funding available	2020	Beyond 2025	Until 2025	Until 2025
Enabling policy and institutional environment	Legal environment for conservation established	2020	Until 2025	Until 2025	2000
	Enforcement of legislation effective	2020	Beyond 2025	Until 2025	Until 2025
	Private business operators supportive of biodiversity conservation objectives	Beyond 2025	Until 2025	Beyond 2025	Beyond 2025
Responsiveness to emerging issues	Biodiversity monitoring at a country level in place	Until 2025	Until 2025	Until 2025	Until 2025
	Threats to biodiversity monitoring at a country level in place	Until 2025	Until 2025	Until 2025	Until 2025
	Conservation issues regularly discussed in public	Until 2025	Until 2025	Until 2025	Until 2025

* *Action* that is needed to meet the *graduation target* set under the individual criteria.

Source: Country tables from *sub-chapter 6.5.*

But phasing out process from CEPF assistance may be expected to start by 2025 for all the Balkan countries with exception of Bosnia and Herzegovina; Based on criteria set above, biodiversity conservation civil society in three out of four Balkan countries – Albania, Macedonia and Montenegro – is expected to become sufficiently mature to start its phasing out from CEPF assistance by the year 2025. By that year, 12 or 13 *graduation targets* (with at least 1 under each CEPF graduation condition) are expected to be met in Albania, Macedonia and Montenegro. With 11 out of 16 *graduation targets* reached by 2025, Bosnia and Hercegovina is the only of the four countries that is today expected to remain just below the phasing out trigger by that time.

Beginning of the region's phasing out from CEPF assistance will be strongly influenced by the dynamics of the EU accession process; An important element which will strongly influence actual timing for the beginning of the region's phasing out from CEPF financial assistance is the dynamics of the EU accession process for the countries. Intensification of

this process associated with faster harmonization of the environmental *acquis* and it implementation as well as with the perspective to replace limited IPA funds with much larger volumes of cohesion funds would be a strong argument in favor of CEPF decision to start the phasing out its assistance to the region. And vice versa, in case that EU accession process continues to be very slow or is even discontinued for whatever reason, much longer presence of CEPF in the region would remain necessary.

6.3. Main assumptions and risks of the medium term strategy / long-term vision

Assumptions and risks are closely related concepts; Assumptions are a kind of a base-line scenario about the future on which the medium-term strategy / long-term vision is based. In contrast, risks are uncertainties that may have a negative impact on the implementation of the strategy / vision.

Two groups of assumptions; Assumptions associated with the strategy / vision could be generally classified into two strongly interrelated groups. The first one consists of assumptions that are biodiversity conservation civil society specific that are not very different from the ones in other hotspots. The other group of assumptions, however, consists of those ones that are determined by a broader political and socio-economic context in which the civil society in the Balkan countries operate.

Risks for the strategy / vision implementation concentrated on those ones associated with the broader development context of the Balkan region and especially with the dynamics of its EU accession path; Based on very traumatic historical record of the region and taking into account institutional, political and economic reality of the region today, the implementation of the strategy / vision will be determined extensively on the dynamics of the EU accession process. Intensification of this process associated with faster harmonization of the environmental *acquis* and it implementation as well as with the perspective to replace limited IPA funds with much larger volumes of cohesion funds would be a strong argument in favor of CEPF decision to start the phasing out its assistance to the region. And *vice versa*, in case that EU accession process continues to be very slow or is even discontinued for whatever reason, much longer presence of CEPF in the region would remain necessary.

6.4. Methodological / technical introduction for the country tables

This methodological introduction consists of two parts. At the beginning some general issues related to the contents of the country tables as well as to the process of their preparation are presented. In the continuation, some more technical issues that are required to understand the content of the country tables are presented.

6.4.1. General issues

Among the *general issues* about the country tables, one for each of the four countries, the following issues are considered to be the most important ones:

- Country tables have been prepared using CEPF framework as a methodological tool for measuring progress.

- In each of the four countries of the region, the country table was filled out at the 1-day workshop the member of the Project Team had with representatives of civil society organizations from that respective country. At the end of the mission in the country, the table was presented and discussed at the wrap up seminar where all the three groups of stakeholders – civil society organizations, government institutions and donors – were invited. It should, nevertheless, be underlined that the tables reflect primarily the views of the biodiversity conservation civil society organizations, as in some countries – Albania and Bosnia and Herzegovina – government representatives were not present at the wrap up seminars. Consultation process would also profit from the presence of the business community members at these seminars.
- Country tables are not geared specifically towards identifying what CEPF should be supporting in the region over the next medium-term period. They are rather a comprehensive overview of biodiversity conservation civil society needs that would, if met adequately, contribute towards substantial strengthening of this society in each of the four countries by 2020. Funding from CEPF as an institution with a mandate to finance biodiversity conservation civil society is seen to be instrumental for reaching this objective. Nevertheless, the tables are expected to provide useful information to all other bilateral and multilateral donors programming their assistance to the biodiversity conservation civil society organizations in the region.

6.4.2. Specific issues

Among more *technical issues* needed to understand the contents of the country tables, the following ones seem to be the most important:

- ***"CEPF graduation conditions" (column 1);*** The five graduation conditions as set in the CEPF graduation framework
- ***"Criteria for measuring improvement / initiating graduation process" (column 2);*** On the subject of each of the five CEPF graduation conditions, at least two but preferably more country specific "*Criteria for measuring improvement / initiating graduation process"* have been articulated. Each of the criteria should measure improvement in / strengthening of the biodiversity conservation civil society performance in the period 2016-2020.
- ***"2020 target" (column 3);*** On each of the "*Criteria for measuring improvement / initiating graduation process",* one *"2020 target"* was required to be articulated.
- ***"Action required to meet the respective 2020 target" (column 4);*** On each "*2020 target"* one "*Action required to meet the respective 2020 target*" was asked to be stipulated.
- ***"Indicative funding needs for the 2016-2020 period" (column 5);*** On each "*Actions required to meet the respective 2020 target*", "*Indicative funding needs"* for the period 2016-2020 were asked to be calculated. Funding needs were calculated using the calculations provided at the end of this sub-chapter.
- ***"Prospective funding source" (column 6);*** And finally, for all the actions / instruments that are subject of each graduation condition set by CEPF, *"Prospective funding sources"* were asked to be identified. In contrast to information provided in columns 1 to 5 which relate to an individual criteria for measuring improvement / strengthening under an each of the

graduation criteria set by CEPF, the information provided in the column "*Prospective funding source*" refers to the total, i.e., to all the criteria for measuring improvement / strengthening articulated under each of the five graduation criteria set by CEPF.

- ***"Estimated time when the graduation target is expected to be met" (column 7);*** In contrast to columns 2 to 6 which, in fact, articulate in substantial details the first phase covered by the strategic vision, i.e. the *strengthening phase*, this column provides some general guidance for second, i.e. the *towards the phasing out phase*. The column provides a qualified judgement of the civil society organizations when an individual *"Criteria for measuring improvement / initiating graduation process"* is expected to reach conditions under which graduation from CEPF assistance may be initiated. Three alternatives were offered on each of these criteria:
    - ***"2020";*** It means that, if the "2020 *target*" under an individual graduation criteria is actually reached by that year, then under civil society's professional judgement initiation of the phasing out process under this very criteria may start immediately. Under this alternative, the *2020 targets* are the same time also the *graduation targets*.
    - ***"Until 2025";*** It means that even though the "2020 *target*" under an individual criteria is actually reached by that year, this would still be insufficient to consider the civil society of that country in 2020 to be mature enough for initiation of the phasing out process under this very criteria. Under civil society's professional judgement, this point could be achieved reached later, more precisely in the period between 2021 and 2025. Under this alternative, the *2020 targets* are not the same as *graduation targets.* These will be set at a later stage with the timeline until 2025.
    - ***"Beyond 2025";*** This means that even though the "2020 *target*" under an individual criteria is actually reached by that year, this would still be insufficient to consider the civil society of that country in 2020 to be mature enough for initiation of the phasing out process under this very criteria. Under civil society's professional judgement, this point could be reached much later, more precisely not before 2025. Under this alternative, the *2020 targets* are not the same as *graduation targets.* These will be set at a later stage with the timeline beyond 2025.

Though there are significant differences among individual countries of the region in terms of salaries and various types of services, the calculation of "*Indicative funding needs*" in the period 2016-2020 have been prepared using the same cost calculation template for all the four countries. The key pillars of this cost calculation template are the following:

- *Project coordinator / officer full time* = 800-850 EUR gross per month;
- *Gross money needed to equip rangers* = 3,000 EUR per a ranger;
- *Mapping - monitoring / day (SCO)* = 50 EUR gross as a per diem + 20 EUR for food + 20 EUR for accommodation + 20 EUR for fuel;
- *Species / KBA conservation plan expert* = Leading expert fee 2,500 EUR, plus 3 other experts times 1,500 EUR each for each plan;
- *Team building, financial, and other experts for trainings* = 600 EUR gross per day;
- *Room and equipment rental* = 250-300 EUR per day;
- *One day meeting for up to 30 people* = 300 EUR;
- *Two-day workshop, all inclusive for 30 people* = 3,000 EUR

6.5. Country tables

ALBANIA: Medium-term program for strengthening biodiversity conservation civil society and long-term vision for its graduation from CEPF support (benchmarked against CEPF graduation criteria)

CEPF graduation condition	Criteria for measuring improvement / initiating graduation process	2020 target	Actions required to meet the respective 2020 target	Indicative funding needs for the 2016-20 period*	Prospective funding source	Estimated time when the graduation target is expected to be met**
1	2	3	3	5	6	7
Conservation priorities and best practices	• KBA • Globally threatened species • Conservation plans	• 15 KBAs delimitated • 60% of all bird species, 30% of all mammal species, 20% of all reptile and amphibian species, 80% of all freshwater fish species, 70% of all vascular plant species, • Existence of conservation plans for 15 new KBAs	• Species and habitat mapping • Updating of existing public data base with historical and current data on selected taxa, and creation of a new shadow CSO data base • Preparation of conservation plans (stakeholders consultations, working groups)	• 850 • 100 • 105	• EU-IPA 20% • CEPF 50% • Other donors 30%	• Until 2025 • 2020 • 2020

Civil society capacity	• Conservation community • Institutional capacities • Financial resources • Partnerships	• At least 10 CSOs engaged in biodiversity conservation and research • At least 5 CSOs have a CSO tracking tool score of 70 or more • At least 5 CSOs have stable and diversified long-term funding sources • At least 5 partnerships, alliances networks	• Capacity building for CSO management, strategic planning, project writing and implementation for concrete conservation actions and measures, internship, twinning, • Capacity building for staff and members training, and fundraising for raising up technical capacities • Ensuring core funding for operational functioning, project writing and implementation • Meeting, MoU signing, creating and maintaining of Internet platforms for information sharing	• 100 • 120 • 50 • 15	• EU-IPA 50% • CEPF 30% • Other donors 20%	• Until 2025 • Until 2025 • Beyond 2025 • 2020
Sustainable financing	• Public sector funding • Civil society funding • Donor funding	• Three public sector agencies have sufficient financial resources, and encourage these institutions to cooperate with CSOs in preparations of KBAs • Up to 5% of annual budget made up of membership fees and other unrestricted funds • Secure up to 50% of annual budget from other donors	• Round table discussion/workshop on joint actions towards KBAs preparation, species and habitats monitoring • Promotion of CSOs, field work with volunteers, campaigning, local community engagement • Meetings, campaigns, advocacy for programming for operative grants	• 50 • 150 • 100	• Own CSO funds 20% • Other donors 70% • CEPF 10%	• Beyond 2025 • Beyond 2025 • 2020
Enabling policy and institutional environment	• Legal environment for conservation • Enforcement • Business practices	• 100% of all international agreements incorporated into national laws • A total of 90 rangers from regional protected areas management boards are trained for species	• Meeting, round table discussions, campaigns, sending complaints to international institutions and donors, sending amendments to laws and bylaws, cooperation with	• 30 • 672 • 10	• Funds from gov. 30% • Other donors 65% • Own CSO	• 2020 • 2020 • Beyond 2025

		identification and monitoring • At least 5 key business partners are supportive towards conservation	Parliament • Ranger service training • Meetings with stakeholders /companies, presentations, negotiations		funds 5%	
Responsiveness to emerging issues	• Biodiversity monitoring • Threats monitoring • Public sphere	• Biodiversity features of 15 protected areas or KBA are being monitored regularly • 20 protected areas or KBA are being monitored regularly for illegal activities • Increased visibility of nature conservation problems through various media	• CSOs are organizing regular monitoring • CSOs are organizing regular monitoring • Regular discussions through local, national and international media, Internet and social media	• 143 • 400 • 50	• EU-IPA 10% • CEPF 30% • Other donors 60%	• Until 2025 • Until 2025 • Until 2025

* in 000 of EUR

** if, »2000«, then *graduation target* is identical to the *2020 target:* if »Until 2025« or »Beyond 2025«, then *graduation target* will be different from the *2020 target*

B&H: Medium-term program for strengthening biodiversity conservation civil society and long-term vision for its Graduation from CEPF support (benchmarked against CEPF graduation criteria)

CEPF graduation condition	Criteria for measuring improvement / initiating graduation process	2020 target	Actions required to meet the respective 2020 target	Indicative funding needs for the 2016-20 period*	Prospective funding source	Estimated time when the graduation target is expected to be met**
1	2	3	3	5	6	7
Conservation priorities and best practices	• Key Biodiversity Areas • Globally threatened species • Conservation plans • Management best practices	• 10 KBA identified • 80% of all bird species, 70% of all mammal species, 100% of all reptile and amphibian species, 50% of all freshwater fish species, 80% of all vascular plant species, 80% butterflies, 100% dragonflies, 50% saproxylic beetles, 30% freshwater molluscs, 10% cave fauna, 20% 5% fungi • Existence of conservation plans for 5 KBAs and species: Balkan Lynx, Brown Bear, Wolf, Otter, Balkan Chamois, bat, Proteus, Meadow Viper, five underground sites, Corncrake, White Stork, Black Stork, Golden Eagle, White-throated Dipper, Black-billed Capercaillie, Rock Partridge, Griffon Vulture, five flora species, Rosalia Longicorn, Bladetail, Lillypad Whiteface, Ornate Bluet	• Habitat and species mapping • Development and updating of data base with historical and current data on selected taxa • Preparation of conservation plans (stakeholders consultations, working groups) • Development of plan for Livanjsko Polje (stakeholders consultations, advocacy activities)	• 742 • 864 • 1033 • 32	• EU-IPA 25% • CEPF 45% • Other donors 25% • Gover. funds 5%	• Until 2025 • Until 2025 • Until 2025 • Until 2025

		• Conservation management of best practices for Livanjsko Polje adopted				
Civil society capacity	• Conservation community • Institutional capacity • Financial resources • Partnerships	• At least 5 CSOs engaged in biodiversity conservation and research • At least 2 CSOs have a CSO tracking tool score of 70 or more • At least 5 CSOs have stable and diversified long-term funding sources • At least 5 partnerships, alliances networks	• Capacity building for CSO management, strategic planning, project writing and implementation for concrete conservation actions and measures • Capacity building for staff and members training, and fundraising for rising up technical capacities, internships • Ensuring core funding for operational functioning, project writing and implementation • Meeting, MoU signing, creating and maintaining of Internet platforms for information sharing	• 25 • 20 • 25 • 68	• EU-IPA 45% • CEPF 35% • Govern. funds 20%	• Until 2025 • Beyond 2015 • Beyond 2015 • Until 2015
Sustainable financing	• Public sector funding • Civil society funding • Donor funding	• Six public sector agencies have sufficient financial resources, and encourage these institutions to cooperate with CSOs in preparations of KBAs • Up to 5% of annual budget made up of membership fees and other unrestricted funds • Secure up to 10% of annual budget from other donors	• Round table discussion/workshop on joint actions towards KBAs preparation, species and habitats monitoring • Promotion of CSOs, field work with volunteers, campaigning, local community engagement • Meetings, campaigns, advocacy for programming for operative grants	• 5 • 50 • 15	• Own CSO funds 30% • Other donors 50% • CEPF 20%	• Until 2015 • Beyond 2015 • Beyond 2015
Enabling policy and institutional	• Legal environment for conservation • Education and training	• AEWA and Eurobats ratification by 2020 • Three environmental law experts and three	• Round table discussion/workshop on joint actions towards ratification of AEWA and	• 15 • 10 • 69 • 3	• EU-IPA 16 % • Govern. funds 72%	• Until 2025 • Until 2015 • Beyond 2015 • Until 2025

environment	• Enforcement • Business practices	environmental management experts educated and engaged in civil society organizations • Up to 20% of all protected areas have delimitated boundaries and zoning, and establishment of ranger services • One key business partner is supportive towards conservation	Eurobats • Contacts with relevant academic institutions and student organizations to promote position possibilities, interviews and academic guidance • Field work for delimitation of boundaries and zones of protected areas, ranger service training and equipping • Meetings with stakeholders/companies, presentations, negotiations		• Other donors 10% • Own CSO funds 2%	
Responsiveness to emerging issues	• Threats monitoring • Biodiversity monitoring • Public sphere	• 5 protected areas or KBA are being monitored regularly for illegal activities • Biodiversity features of 10 protected areas or KBA are being monitored regularly • Increased visibility of nature conservation problems through various media	• CSOs are organizing regular monitoring • CSOs are organizing regular monitoring • Regular discussions through local, national and international media, Internet and social media	• 15 • 560 • 25	• EU-IPA 20% • CEPF 30% • Other donors 50%	• Until 2025 • Until 2015 • Until 2015

* in 000 of EUR

** if, »2000«, then *graduation target* is identical to the *2020 target:* if »Until 2025« or »Beyond 2025«, then *graduation target* will be different from the *2020 target*

MACEDONIA: Medium-term program for strengthening biodiversity conservation civil society and long-term vision for its graduation from CEPF support (benchmarked against CEPF graduation criteria)

CEPF graduation condition	Criteria for measuring improvement / initiating graduation process	2020 target	Actions required to meet the respective 2020 target	Indicative funding needs for the 2016-20 period*	Prospective funding source	Estimated time when the graduation target is expected to be met**
1	2	3	3	5	6	7
Conservation priorities and best practices	• KBA • Globally threatened species • Conservation plans	• 10 KBAs deliminated • 25% of all mammal species, 60% of all bird species, 90% of all reptile and amphibian species, 60% of all vascular plant species • Existence of conservation plans for species: Balkan Lynx, Brown Bear, Otter, Balkan Chamois, Suslik, 4 bat breeding and hibernating caves, Egyptian Vulture, Eastern Imperial Eagle, Lanner Falcon, Lesser Kestrel	• Species and habitat mapping • Updating of data base with historical and current data on selected taxa • Preparation of conservation plans (stakeholders consultations, working groups)	• 1764 • 51 • 100	• EU-IPA 20% • CEPF 60% • Other donors 20%	• Until 2025 • Beyond 2025 • Until 2025
Civil society capacity	• Conservation community • Transformational impact • Institutional capacity • Financial resources • Partnerships	• At least 10 CSOs engaged in biodiversity conservation and research • CSO policy recommendations are incorporated into at least 5 national or sub-national policies in 5 years, and influence 5 private sector companies in 5 years • At least 10 CSOs have	• Capacity building for CSO management, strategic planning, project writing and implementation for concrete conservation actions and measures • Legal analysis and recommendations, public participation, meetings, 2 case study analysis with recommendations, and	• 26 • 27 • 50 • 30+10 • 55	• EU-IPA 40% • CEPF 35% • Other donors 25%	• Beyond 2025 • Until 2025 • Until 2025 • Until 2025 • Until 2025

		operational capacities to apply for at least 3 grants for nature conservation per year, and can efficiently manage at least 1 project implementation; at least 10 CSO representatives have received professional training in required topics • At least 5 CSO have one part-time or full-time fund raiser employed • At least 5 partnerships, alliances networks	presentations of best practices • Capacity building for staff and members training, and fundraising for raising up technical capacities, internships • Ensuring core funding for operational functioning, project writing and implementation • Meeting, MoU signing, creating and maintaining of Internet platforms for information sharing, site visits, working with local communities and local campaigns			
Sustainable financing	• Civil society funding • Donor funding	• Up to 7% of annual budget made up of membership fees or other unrestricted funds • Secure up to 10% of annual budget from other donors 10 CSO	• Promotion of CSOs, field work with volunteers, campaigning, local community engagement • Meetings, campaigns, advocacy for programming for operative grants	• 35 • 35	• Own CSO funds 10% • Other donors 65% • CEPF 25%	• Until 2025 • Until 2025 • Until 2025
Enabling policy and institutional environment	• Legal environment for conservation • Education and training • Enforcement • Business practices	• 80% of all international agreements incorporated into national laws • At least 3 young professionals in life sciences gain master degree in environmental management • Up to 20% of all protected areas have delimitated boundaries and zoning, and establishment of ranger services	• Meeting, round table discussions, campaigns, sending complaints to international institutions and donors, sending amendments to laws and bylaws, cooperation with Parliament • Contacts with relevant academic institutions and student organizations to promote position possibilities, interviews and	• 25 • 5 • 190 • 5	• Govern. Funds 90% • Other donors 8% • Own CSO funds 2%	• Until 2025 • Beyond 2025 • Until 2025 • Beyond 2025

		• At least 2 key business partners are supportive towards conservation	academic guidance • Field work for delimitation of boundaries and zones of protected areas, ranger service training and equipping +++ • Meetings with stakeholders/companies, presentations, negotiations			
Responsiveness to emerging issues	• Biodiversity monitoring • Threats monitoring • Public sphere	• Biodiversity features of 5 protected areas or KBA are being monitored regularly • 5 protected areas or KBA are being monitored regularly for illegal activities • Increased visibility of nature conservation problems through various media	• CSOs are organizing regular monitoring • CSOs are organizing regular monitoring • Regular discussions through local, national and international media, Internet and social media, workshop for journalists	• 125 • 75 • 37	• EU-IPA 20% • CEPF 30% • Other donors 50%	• Until 2025 • Until 2025 • Until 2025

* in 000 of EUR

** if, »2000«, then *graduation target* is identical to the *2020 target:* if »Until 2025« or »Beyond 2025«, then *graduation target* will be different from the *2020 target*

MONTENEGRO: Medium-term program for strengthening biodiversity conservation civil society and long-term vision for its graduation from CEPF support (benchmarked against CEPF graduation criteria)

CEPF graduation condition	Criteria for measuring improvement / initiating graduation process	2020 target	Actions required to meet the respective 2020 target	Indicative funding needs for the 2016-20 period*	Prospective funding source	Estimated time when the graduation target is expected to be met**
1	2	3	4	5	6	7
Conservation priorities and best practices	• KBA • Globally threatened species • Conservation plans	• 10 KBAs deliminated • 80% of all bird species, 30% of all mammal species, 90% of all reptile and amphibian species, 50% of all freshwater fish species, 80% of all vascular plant species • Existence of conservation plans for 10 new KBAs	• Species and habitat mapping • Updating of data base with historical and current data on selected taxa • Preparation of conservation plans (stakeholders consultations, working groups)	• 650 • 100 • 70	• EU-IPA 35% • CEPF 45% • Other donors 20%	• Until 2025 • Until 2025 • Until 2025
Civil society capacity	• Conservation community • Institutional capacities • Financial resources • Partnerships	• At least 5 CSOs engaged in biodiversity conservation and research • At least 2 CSOs have a CSO tracking tool score of 70 or more • At least 2 CSOs have stable and diversified long-term funding sources • At least 5 partnerships, alliances networks	• Capacity building for CSO management, strategic planning, project writing and implementation for concrete conservation actions and measures • Capacity building for staff and members training, and fundraising for raising up technical capacities • Ensuring core funding for operational functioning, project writing and implementation • Meeting, MoU signing, creating and maintaining of Internet platforms for information sharing	• 15 • 20 • 25 • 5	• EU-IPA 55% • CEPF 35% • Other donors 10%	• Beyond 2025 • Until 2025 • Beyond 2025 • 2020

Sustainable financing	• Public sector funding • Civil society funding • Donor funding	• Three public sector agencies have sufficient financial resources, and encourage these institutions to cooperate with CSOs in preparations of KBAs • Up to 10% of annual budget made up of membership fees and other unrestricted funds • Secure up to 10% of annual budget from other donors	• Round table discussion/workshop on joint actions towards KBAs preparation, species and habitats monitoring • Promotion of CSOs, field work with volunteers, campaigning, local community engagement • Meetings, campaigns, advocacy for programming for operative grants	• 5 • 25 • 15	• Own CSO funds 40% • Other donors 40% • CEPF 20%	• Until 2025 • Beyond 2025 • Until 2025
Enabling policy and institutional environment	• Legal environment for conservation • Enforcement • Business practices	• 90% of all international agreements incorporated into national laws • Up to 55% of all protected areas have delimitated boundaries and ranger services • At least 2 key business partners are supportive towards conservation	• Meeting, round table discussions, campaigns, sending complaints to international institutions and donors, sending amendments to laws and bylaws, cooperation with Parliament • Field work for delimitated boundaries of protected areas, ranger service training and equipping • Meetings with stakeholders/companies, presentations, negotiations	• 15 • 170 • 3	• Govern. Funds 90% • Other donors 8% • Own CSO funds 2%	• 2000 • Until 2025 • Beyond 2025
Responsiveness to emerging issues	• Biodiversity monitoring • Threats monitoring • Public sphere	• Biodiversity features of 5 protected areas or KBA are being monitored regularly • 5 protected areas or KBA are being monitored regularly for illegal activities • Increased visibility of nature conservation problems through various media	• CSOs are organizing regular monitoring • CSOs are organizing regular monitoring • Regular discussions through local, national and international media, Internet and social media	• 25 • 15 • 25	• EU-IPA 20% • CEPF 30% • Other donors 50%	• Until 2025 • Until 2025 • Until 2025

* in 000 of EUR

** if, »2000«, then *graduation target* is identical to the *2020 target:* if »Until 2025« or »Beyond 2025«, then *graduation target* will be different from the *2020 target*

Literature and sources

I. General

1. Balkan Biodiversity - Pattern and Process in the European Hotspot
http://www.springer.com/gp/book/9781402028533

2. High Nature Value Farming in the Western Balkans: Current Status and Key Challenges – a Scoping Document
http://www.efncp.org/download/HNVF_SEE_v1.pdf

3. The Blue Heart of Europe. Hydromorphological Status and Dam Project
http://balkanrivers.net/sites/default/files/BalkanRiverAssessment29032012web.pdf

4. Flooding analysis of Karst Poljes in Bosnia & Herzegovina
http://www.euronatur.org/fileadmin/docs/docs_english/Karst-workshop_October2013/Flooding_analysis_of_Karst_Poljes_in_Bosnia_and_Herzegovina_3152013.pdf

5. World Bank Indicators. World Bank
http://data.worldbank.org/products/wdi

6. Human Development Report 2014. UNDP
http://hdr.undp.org/en/content/human-development-report-2014

7. Economic Reform Programs 2014: European Commission
http://ec.europa.eu/economy_finance/publications/occasional_paper/2015/pdf/ocp229_en.pdf

II. Country by country

Albania

1. 4th National Report to the United Nations Convention on Biological Diversity CBD for Albania
https://www.cbd.int/doc/world/al/al-nr-04-en.pdf

2. Biodiversity in Albania: Report on national situation of Biodiversity in Albania
http://www.catsg.org/balkanlynx/05_wildlife-management/5_4_biodiversity/Pdfs/GIRDA_&_Dedej_-_Biodiversity_in_Albania.pdf

3. Biodiversity and the Protected Areas System in Albania
http://www.cqm.rs/2009/3iqc/11.pdf

4.Protected Areas Gap Assessment in Albania
http://www.al.undp.org/content/dam/albania/docs/misc/Protected%20Areas%20Gap%20Assessment.pdf

5. Mediterranean Basin biodiversity hotspot – Ecosystem Profile
http://www.cepf.net/Documents/Mediterranean_EP_FINAL.pdf

6. CBD national report for Albania
http://planet.uwc.ac.za/nisl/Biodiversity/pdf/al-nbsap-01-en.pdf

7. Biodiversity Data Base for Shkodra / Skadar Lake
http://archive.rec.org/REC/Programs/REREP/Biodiversity/docs/ShkoderBiodiversityDB.pdf

8. Bojana/Buna Transboundary Integrated Management Plan
http://195.97.36.231/dbases/MAPlibraryHoldings/MedPartnership/FINAL%20REPORTS/Sub-Comp%201.2%20ICZM/1.2.2%20Demonstrations/Buna%20Bojana/Biodiversity%20analysis_Alb.pdf

9. Biodiversity Strategy –GEF financed project in Albania
http://www.thegef.org/gef/sites/thegef.org/files/gef_prj_docs/GEFProjectDocuments/Biodiversity/Albania%20-%20Bio%20SAP%20and%20Natl%20Report/EA%20proposal%20(final).pdf

10. ENVIRONMENTAL PERFORMANCE REVIEW for Albania
http://www.unece.org/fileadmin/DAM/env/epr/epr_studies/albania.pdf

11. Streamlining Biodiversity indicators in the West Balkans
http://www.ecnc.org/uploads/2014/02/Synthetic-report-SEBI-West-Balkans-disclaimer.pdf

12. Albanian National Capacity Self-Assessment for Global Environmental Management
http://apps.unep.org/publications/pmtdocuments/-Albania_National_Capacity_Self-Assessment_for_Global_Environmental_Management-2006ALBANIA.pdf

Bosnia and Herzegovina

1. Overview and state of biological and landscapes diversity in Bosnia and Herzegovina
https://www.cbd.int/doc/world/ba/ba-nr-01-en.pdf

2.Bosnia and Herzegovina Fourth Report to the United NationsConvention on Biological Diversity2010 Biodiversity Targets National Assessments
https://www.cbd.int/doc/world/ba/ba-nr-04-en.pdf

3. The Strategy of Bosnia and Herzegovinaand Action Plan for Biodiversity andLandscape's Protection(NBSAP BiH 2008-2015)
https://www.cbd.int/doc/world/ba/ba-nbsap-01-en.pdf

4. Protected area management effectiveness in Bosnia and Herzegovina, Final report of the RAPPAM analysis –
http://awsassets.panda.org/downloads/bosnia_and_herzegovina_rappam_report.pdf

5. Strategy and action plan for the biodiversity conservation in Bosnia and Herzegovina (2015-2020)
http://hrdocz.com/download/101934

6.A guide for habitat types in Bosnia and Herzegovina (according to the Habitats Directive)
http://www.fmoit.gov.ba/userfiles/file/Natura%202000%20-%20Interpretation%20Manual%20LL.pdf

7. Reports the state of Environment od B&H
http://www.fmoit.gov.ba/ba/page/58/ostali-dokumenti

8. Report on the biodiversity of Bosnia & Herzegovina
http://www.fmoit.gov.ba/ba/page/63/bh-chm

Macedonia

1. Biodiversity Assessment for Macedonia
https://www.google.rs/url?sa=t&rct=j&q=&esrc=s&source=web&cd=1&cad=rja&uact=8&ved=0CBsQFjAAahUKEwi8rq3dp4DIAhVG_nIKHfX8Cxw&url=http%3A%2F%2Frmportal.net%2Flibrary%2Fcontent%2F118_macedonia%2Fat_download%2Ffile&usg=AFQjCNHLGYJkQvTfqIfb67yS8crYdN1yCA&bvm=bv.102829193,d.bGQ

2. Biodiversity Strategy and Action Plan of the Republic of Macedonia – Ministry of Environment and Physical Planning
http://www.catsg.org/balkanlynx/05_wildlife-management/5_4_biodiversity/Pdfs/DarrellSmith_2003_Biodiversity_strategy_action_plan_FYR_Macedonia.pdf

3. Assessment and Evaluation of Biodiversity on National Level – REPORT and National Catalogue (Check List) of Species
http://www.undp.org/content/dam/the_former_yugoslav_republic_of_macedonia/docs/Biodiversity.pdf

4. 4th National report of the implementation of CBD in Republic of Macedonia
https://www.cbd.int/doc/world/mk/mk-nr-04-en.pdf

5. Using important plant areas and important bird areas to identify Key Biodiversity Areas in the Republic of Macedonia
http://threatenedtaxa.org/ZooPrintJournal/2012/August/o299706viii122766-2778.pdf

6. Macedonia- Environmental and Climate Change Policy Brief
http://www.sida.se/globalassets/global/countries-and-regions/europe-incl.-central-asia/macedonia/environmental-policy-brief-macedonia.pdf

7. Analysis of national strategies of the Republic of Macedonia in terms of alignment with climate change issues
http://www.ekosvest.com.mk/images/publikacii/Strategy_analysis_summary.pdf

8. Environment situation in the Former Yugoslav Republic of Macedonia
http://www.ecologic.eu/sites/files/project/2013/SC_xx_Note_Envl_situation_Rep_of_Macedonia_Oct_2008.pdf

9. Support to Macedonia for the Revision of the National Biodiversity Strategy and Action Plan (NBSAP) and Development of the Fifth National Report to the Convention on Biological Diversity (CBD)

https://www.google.rs/url?sa=t&rct=j&q=&esrc=s&source=web&cd=30&cad=rja&uact=8&ved=0CE8QFjAJOBRqFQoTCMje55itgMgCFevwcgod7qoBRQ&url=http%3A%2F%2Faddis.unep.org%2Fprojectdatabases%2F00780%2Fdocuments%2FInception%2520Report-final_April%25202013.pdf%2Fat_download%2Ffile&usg=AFQjCNGDQhkYZ5C3AIS7gLjf9whu1s1J5w&bvm=bv.102829193,d.bGQ

10. Strategy for sustainable development of forestry in the Republic of Macedonia
http://www.fao.org/docs/up/easypol/580/4-2_strategy-macedonia_173en.pdf

Montenegro

1. Biodiversity analysis for Serbia and Montenegro
http://www.brucebyersconsulting.com/wp-content/uploads/2011/11/Serbia-and-Montenegro-Biodiversity-Analysis-2002.pdf

2. Biodiversity Strategy, Action Plan and National Report of Serbia and Montenegro
http://www.undp.org/content/dam/undp/documents/projects/SRB/00046087_Biodiversity_prodoc_8_July_2005.pdf

3. Introductory Report on Nature Conservation in Montenegro
https://wcd.coe.int/com.instranet.InstraServlet?command=com.instranet.CmdBlobGet&InstranetImage=1667941&SecMode=1&DocId=1641432&Usage=2

4. Results of the initial evaluation of Protected Area Management in Montenegro
http://d2ouvy59p0dg6k.cloudfront.net/downloads/montenegro_rappam_report.pdf

5. National Strategy of Sustainable Development of Montenegro
http://www.kor.gov.me/files/1207655097.pdf

6. Enhancing Trans-boundary Biodiversity Management in South Eastern Europe
http://www.envsec.org/meetings/documents/Draft%20ENVSEC%20SEE%20Biodiversity%20Assessment%20Report%20Summary.pdf

7. The economic value of protected areas in Montenegro
http://issp.me/wp-content/uploads/2013/04/Economic-Value-of-Protected-Areas-in-Montenegro.pdf

8. Analysis of ICZM practice in Montenegro
http://www.shape-ipaproject.eu/download/listbox/WP3%20action%203.1/Analysis%20of%20ICZM%20practice%20in%20Montenegro.pdf

9. Ecological state Montenegro +20
http://www.stakeholderforum.org/fileadmin/files/Ecological%20state%20Mentegro%20+20.pdf

10. Freshwater Key Biodiversity Areas in the Mediterranean Basin Hotspot
https://portals.iucn.org/library/sites/library/files/documents/SSC-OP-052.pdf

11. General vulnerability assessment for the coastal area of Montenegro

http://195.97.36.231/dbases/MAPlibraryHoldings/MedPartnership/FINAL%20REPORTS/Sub-Comp%201.2%20ICZM/1.2.1%20ICZM%20NAPs%20and%20IMF/National%20ICZM%20Strategies/Montenegro/Flora%20and%20fauna_Vulnerability_ENG.pdf

Annexes

Annex 1: Annotated table of contents for the Report and schedule of activities *agreed* at the kick-off meeting in Ljubljana, 3 and 4 September 2015

Based on discussions taken place in Ljubljana on 3 and 4 September 2015, the main objective of this short note is twofold.

- The first one is to outline an annotated table of contents for the Report. It is based on the ToR for the Project, but is adjusted in a way to reflect specific features of the region, such as unfinished process of delayed transition, uncertainties associated with the EU accession, generally weak institutions and specific features of the civil society.
- The second objective of the note is to set a tentative schedule of activities under the Project. It is prepared in a way so that the Report would available for discussion at the CEPF Donor Council on 25 January 2016.

I. Annotated table of contents of the Report

The draft Report consisting of about 30 pages of the text and tables will be based on the following annotated table of contents:

- ***Chapter 1:*** **Introduction**
  - Setting the stage for the Project (CEPF framework for hotspot long-term visions; ToR prepared for the Project; discussions in Ljubljana; principles on which the Project will be based – flexibility, ownership by stakeholders, transparency, dissemination of information)
  - Overall objective of the Project is to develop a long-term strategic vision for CEPF investment in the Balkans. Due to variations across the region, the Project should apply national approaches within an over-arching hotspot-wide vision.
  - In more operational terms, the Project has the following objectives: (i) to analyze international context for the region's long-term development (unfinished transition, consequence of the crisis and new growth model, unclear EU accession path, generally weak institutional features), (ii) to assess conditions of and operating environment for civil society in the region, (iii) to identify needs for strengthening civil society development as well as key dilemmas / risks associated with this process, and (iv) to articulate strategic vision to support civil society development including the process of its "graduation" from CEPF support
  - Methodology of work: (i) review of literature and documents on biodiversity conservation in the hotspot sub-region (global and EU documents, country strategic papers, documents of civil society, donor strategies and programs), and (ii) field visits in each of the four countries (main partners for discussion will come from civil society, government structures and donors – bilateral / multilateral);
  - Structure of the Report (by chapters and annexes)
- ***Chapter 2:*** **Social, political and economic context for the region's development in the area of biodiversity conservation**

- Global and EU context (Global economic and specifically environment trends, Nagoya 2009)
- EU contexts (challenges faced by the EU after the crises; EU birds and habitat directives, EU 2020 biodiversity strategy)
- Regional and country-by-country context (unfinished transition with generally weak institutions; consequences of the crisis and weak prospects for high medium-term economic growth; unclear EU accession path with implications on other donors' strategies)

- ***Chapter 3:*** **Biodiversity strengths and weaknesses / risks of the region**
  - General features of the region as a biodiversity hotspot (basic characteristics of the region, in what respects it is unique in biodiversity terms)
  - Biodiversity strengths of the region (at the level of the region as a whole and at the country by country level)
  - Biodiversity weaknesses / risks of the region (again, at the level of the region as a whole and at the country by country level)
- ***Chapter 4:*** **Conditions of and operating environment for biodiversity conservation civil society**
  - Regional context (recent development and current status of civil society organizations; conservation financial instruments applied currently and their potential in the future)
  - Country specific features (public policies and institutional framework in sectors with a large impact on biodiversity; two "stylized" approached to NGO – government relationship)
- ***Chapter 5:*** **Needs for strengthening civil society development and key dilemmas / risks associated with this process**
  - Areas in which strengthening of civil society is needed (institutional, personal, financial, etc.)
  - Key dilemmas associated with the support to civil society development (short-term vs. long term goals; large, international NGOs vs. small, local NGOs)
  - Potential risks expected on the way towards a mature civil society (marginalization due to personal, organizational and / or financial reasons, inability to profile themselves as credible partners of the governments, etc.)
- ***Chapter 6:*** **Strategic vision for support to biodiversity conservation civil society including the process of its »graduation« from CEPF support**
  - Conceptual framework for setting a pathway for strengthening civil society (what ToR calls "theory of change")
  - Medium-term program of support to civil society with the progress to be benchmarked against the five "graduation" criteria set by CEPF (conservation criteria and best practices, civil society capacity, sustainable financing, enabling policy and institutional environment, and responsiveness to emerging issues)
  - Identification of conditions (each of them with criteria and targets) that would trigger the beginning of the "graduation" process from CEPF support (criteria and targets are not based on timeline but on substance)

    - Communication of the vision to the stakeholders and dissemination of information
- **Annexes**

II. Tentative schedule of activities

- *3 and 4 September*: Meeting with the Chairperson and CEPF staff
- *5-20 September*; Review of the literature and preparation for field visits
- *21 September – 10 November*: Field visits to all the four countries of the sub-region and drafting of the first draft
- *11-20 November*: Review of the first draft by the Chairperson and CEPF
- *21-30 November;* Revision of the first draft based on comments provided by the Chairperson and CEPF
- *7 and 8 December*: Regional leader / expert round table
- *10 December – 10 January*: Drafting of the final draft
- *11-20 January*: Preparation of inputs for CEPF Donor Council

Annex 2: Key features of the country visits in each of the four countries of the region carried out in October and early November 2015

- ***Duration of the visit in a country;*** Individual visit took two and half days.
- ***Stakeholders met during the visit in a country;*** During the visit, structured interviews were made with individuals from three groups of stakeholders – civil society organizations, government institutions, and multilateral and bilateral donors. In each of the countries, the team met with representatives of the ministry responsible for environment (typically also GEF focal point) and with the European delegation (EU is the main multilateral donor in all these countries and also one of the CEPF donors).
- ***Program of the visit in a country.*** The visit typically started with the meeting of the Project Team with representatives of reference biodiversity conservation civil society organizations in the country gathered on invitation of DOPPS. On the second day, the Project Team members had parallel meetings. The lead expert met with representatives of government institutions, with the European delegations and with other donors while the expert, i.e. the second member of the Project Team, continued discussions with the civil society organizations and focused on preparations of the country table presented in *Chapter VI*. In the morning of the third day, a summing-up workshop with participation of all the three groups of stakeholders was organized. The workshop was aimed at (i) presenting the "take homes" from bilateral meetings and at presenting main features of the country table for *Chapter VI*, and (ii) at discussing the issues / questions that were subject of the visit and the Project as a whole.
- ***Annotated document of issues / questions for the visit in a country;*** The lead expert in cooperation with the other project expert, the Project Chairperson and the CEPF-RIT's Programme Officer for the Balkans prepared an annotated document of issues / questions to be discussed during the visit in the country (see ***Annex 3***). The document which was used as a kind of a background document for discussion at the meetings was sent to the counterparts ahead of these meetings.
- ***Contribution after the visit in a country;*** The persons met during the visit were asked to provide written contributions on the issues / questions document at their convenience.

Annex 3: Issues/questions that have been used as a background document the inteviews during the October – November visits to four countries of the region (*prepared on 2 October 2015*)

Interviews during the October – November missions to the four Balkan countries will be made with individuals coming from the the following three groups of major stakeholders:

- Local civil society organizations (LSC)
- Government organizations (GO)
- International and bilateral donnors (DO)

In the interviews, five segments of issues / questions will be addressed. Not all the segments will have the same importance when interviewing individuals / institutions from each of the stakeholder groups.

The issues / questins follow the agreed annotated agenda for the Report to be produced.

Segment I: Social, political and economic context for the country's development in the area of biodiversity conservation (LSC, GO, DO)

Objective: To analyse the overall context for the country's future development in the field of biodiversity conservation

- Unfinished transition with generally weak institutions (administration, judiciary, very small budgets of institutions for biodiversity protection due to economic situation and political decisions)
  - Is the transition lagging behind in the country because it simply stared later or for some other reasons? Which ones?
  - How would you describe (non)efficiency of your institutions, especially of the public administration? Can you provide some examples of good practices and some examples where weaknesses have been clearly shown?
  - To what extent the initiative of the European Commission called "access to justice" (under the Aarhus convention) on environmental issues is present in your country?
  - All countries in the region have budget problems. How this is being reflected in budgets of institutions addressing the biodiversity conservation objectives.
  - Does your government have instruments for regular financing civil society in this area? If yes, can you present the main features of the mechanisms / instruments
  - What is an average grant size awarded to CSO by the governmental institutions in the field of nature and biodiversity conservation?
  - How would you assess the attitude of political players (political parties, business community) towards the biodiversity conservation objectives? Do they support them, neglect them or even oppose them?
- Consequences of the recent crisis and weak prospects for high medium-term economic growth
  - Through which channels the recent crisis has affected biodiversity conservation in the country – through less funding, through less general interest for the subject and / or through other channels?
  - Which areas of public finance support, such as education, health, environment, etc, were the most hit by the recent crisis?
- Unclear EU accession path with implications on other donors' strategies
  - To what extent EU environmental acquis influences attitude of various stakeholders – government, civil society and donor – towards biodiversity conservation
  - EU accession for the region is increasingly blurred. What does it mean for biodiversity conservation in the country?

- In many countries of the region, bilateral donors pull out under the explanation that the country is under EU accession process and therefore under a kind of "EU responsibility" for funding. On the ground, you often see premature phasing out of bilateral donors. What is your view on this subject?
- How relevant are EU documents, such birds and habitat directives, 2020 biodiversity strategy, for government policy making in this area as well as for activities of civil society? Are they integrated into national strategic documents?

- Consequences of the war in the 1990s for the biodiversity in the region (relevant only for BIH)
  - Through what channels the war influenced the biodiversity conservation objectives in the country?

Segment II: Biodiversity strengths and weaknesses / risks of the country (LSC, GO, DO)

Objective: To present the main biodiversity features of the country as well as its biodiversity strengths / potentials and weaknesses / risks

- General biodiversity features of the country (basic characteristics of the country; in what respects the country is unique / specific in biodiversity terms)
  - What do you consider as key biodiversity values in your country?
  - Do you think that biodiversity of your country is well researched and monitored?
- Biodiversity strengths / potentials of the country
  - What do you consider as the most threatened biodiversity features in your country?
  - What is by your opinion more needed: direct species or habitats conservation measures?
- Biodiversity weaknesses / risks of the country
  - What is the main drive for biodiversity loss in your country (direct human activities, law enforcement, economic development, etc.)
  - Is your national biodiversity conservation system well functional? Please name main features.
- How country is dependent / interrelated with other countries in the region with respect to biodiversity conservation problems.(trans-boundary and cross-border resources)
  - Please name several cross-border programs and initiatives if existing.
  - How important do you consider cross-border projects for biodiversity conservation?
- Strategic features of the country related to biodiversity (eg coastline for tourism, rivers for energy, forests for timber, lakes for water, fish, tourism, agriculture etc.,) of national importance
  - What natural and biodiversity resource is under biggest pressure in your country (certain species, types of habitats, some special areas etc.)
  - What natural resource is the main drive for your national economy? Is this resource under a strong pressure?

Segment III: Conditions of and operating environment for biodiversity conservation civil society in the country (LCS, DO. GO)

Objective: To provide a state of the art presentation of the current status of biodiversity civil society – their characteristics, strengths, vulnerabilities

- Recent development and current status of civil society organizations in the country with special reference to organizations dealing with biodiversity issues (institutional status, personal capacities, financial status)
  - Please give features of your organization for the last 5 years: financial status, personal capacities, membership base, main conservation projects and activities.
  - Please name one good and bad example in your recent work related to biodiversity and nature conservation.
- Public policies and institutional framework in sectors with a large impact on biodiversity
  - Do you have cooperation with private sector and other related stakeholders (investors, donors, state bodies etc.)?
  - Do you have cooperation with international biodiversity bodies (EU Commission, nature directives bodies, nature conventions bodies etc.)
- Conservation financial instruments applied currently and their potential in the future
  - How would you describe your incomes and fundraising in the last 5 years in terms of resources (national funds, governmental funds, private donors, international donors, EU grants, etc.)?
  - Where do you see the largest possible improvement in your fundraising and project application work?
- Civil society – government relationship on biodiversity conservation issues and assessment of the importance the civil society has on articulation of national policies in this area and on their implementation
  - Please describe your current status related to cooperation with governmental bodies.
  - Please name several actions/projects in which you contributed to national policies writing/changing/adopting and their implementation.
- National Spatial Plan and other national and regional strategic directions, commitments?
  - Please describe the actions your organization took in any decision making process related to the protected area creation/management or ecological network creation/management?
  - Are you satisfied with the current status of your protected areas, their conservation status, the ecological network conservation status?

Segment IV: Medium-term program for strengthening biodiversity conservation civil society in the country (LCS, DO)

Objective: To articulate a medium-term program (till 2020) for strengthening biodiversity civil society and to assess main dilemmas / risks expected to be faced in the process of the program's implementation. The progress in the program implementation should be measured by benchmarking against the five "graduation" conditions set by CEPF (conservation priorities and best practices, civil society capacity, sustainable financing, enabling policy and institutional environment, and responsiveness to emerging issues)

- Assessment of the current status of the country with respect to its meeting of the five "graduation" *conditions* set by CEPF
  - What is the status of conservation priorities and best practices?
  - What is the civil society capacity?
  - Where the country stands with respect to sustainable financing?
  - To what extend we can talk about enabling policy and institutional environment?
  - How the stakeholders assess responsiveness to emerging issues?
  - Why is it to early to speak about the graduation from CEPF assistance in this country?
- Key dilemmas associated with the support to civil society development
  - What is relationship between short and long-term goals of civil society development
  - To what extent large, international civil societies are expected to be present in in the country over the next medium-term period
  - Do large, international civil society organizations provide a competition to smaller, local civil society organizations ?
- *Criteria* to be used for measuring improvement in performance of biodiversity strengthening civil society in the country over the period 2016 – 2020? **(*on each condition set by CEPF, at least one, but preferably two or three country specific criteria should be articulated; see CEPF guidance for orientation*)**
  - Which *criteria* should be used with respect to the *condition* "conservation policies and best practices"?
  - Which *criteria* should be used with respect to the *condition* "civil society capacity"?
  - Which *criteria* should be used with respect to the *condition* "sustainable financing"?
  - Which *criteria* should be used with respect to the *condition* "enabling policy and institutional framework"?
  - Which *criteria* should be used with respect to the *condition* "responsiveness to emerging issues"?
- *2020 target(s)* should be set for the biodiversity civil society to be strengthened in the country over the period 2016 – 2020? (***on each criteria, at least one, but preferably two or three country specific targets should be articulated; see CEPF guidance for orientation*).**
  - What *target(s)* should be articulated with respect to individual *criteria* under the "conservation policies and best practices" *condition*?

- What *target(s)* should be articulated with respect to individual *criteria* under the "civil society capacity" *condition*?
- What *target(s)* should be articulated with respect to individual *criteria* under the "sustainable financing" *condition*?
- What *target(s)* should be articulated with respect to individual *criteria* under the "enabling policy and institutional framework" *condition*?
- What *target(s)* should be articulated with respect to individual *criteria* under the "responsiveness to emerging issues" *condition*?

- Specific *action(s) / instrument(s)* should be used for meeting individual 2020 *target(s)?* **(*on each target, at least one, but preferably two or three instruments should be articulated; see CEPF guidance for orientation*).**
  - What *action(s) / instrument(s)* should be used to meet individual 2020 *target(s)* with respect to the *condition* "conservation policies and best practices"?
  - What *action(s) / instrument(s)* should be used to meet individual 2020 *target(s)* with respect to the *condition* "civil society capacity"?
  - What *action(s) / instrument(s)* should be used to meet individual 2020 *target(s)* with respect to the *condition* "sustainable financing"?
  - What *action(s) / instrument(s)* should be used to meet individual 2020 *target(s)* with respect to the *condition* "enabling policy and institutional framework"?
  - What *action(s) / instrument(s)* should be used to meet individual 2020 *target(s)* with respect to the *condition* "responsiveness to emerging issues"?
- Communicating the program to the stakeholders and dissemination of data
  - What channels should be used for communication of the vision and for dissemination of information?
  - What specific instruments for individual group of stakeholders?

VERY IMPORTANT: At the end of mission in a country, we should be able to produce the following table for the country

Medium-term program for strengthening biodiversity conservation civil society in (NAME OF THE COUNTRY) benchmarked against CEPF graduation criteria

CEPF graduation condition	Criteria for measuring improvement toward beginning of graduation*	Targets to be reached by 2020**	Actions / instruments required to meet individual targets***	Indicative funding needs****	Prospective funding source
Conservation priorities and best practices	• …… • …… • ……..	• …… • …… • ……..	• …… • …… • ……..	• …… • ……. • …….	• …….. • …….. • ……
Civil society capacity	• …… • …… • ……..	• …… • …… • ……..	• …… • …… • ……..	• …… • ……. • …….	• ……. • ……. • …….
Sustainable financing	• …… • …… • ……..	• …… • …… • ……..	• …… • …… • ……..	• …… • ……. • …….	• ……. • ……. • …….
Enabling policy and institutional environment	• …… • …… • ……..	• …… • …… • ……..	• …… • …… • ……	• …… • ……. • …….	• ……. • ……. • …….
Responsiveness to emerging issues	• …… • …… • ……..	• …… • …… • ……..	• …… • …… • ……...	• …… • …… • ……..	• ……. • ……. • …….

***** **One or more *criteria* on each graduation *condition*;**
****** **One or more *targets* on each *criteria*;**
******* **One or more *actions / instruments* on each *target* to be reached by 2020**
****** In 000 of EUR**

Segment V: Strategic vision for support to biodiversity conservation civil society in the country, including for its "graduation" from CEPF support over long-run

Objective: To design strategic vision for support to the country's biodiversity conservation civil society, including conditions under which "graduation" from CEPF support will be initiated

- Concept of the graduation process
  - Is it realistic to start designing a detailed graduation process from CEPF assistance at this point or is it too early?
  - How many *criteria* for each of the five CEPF graduation *conditions* should be articulated for the graduation process? One or more?
  - How many *targets* for each of the *criteria* should be articulated for the graduation process? One or more?
  - Should all the *criteria / targets* that will be articulated for the graduation process have the same importance in the graduation process or they should be classified into let say two groups: (i) "more" important, and (ii) "less" important?
  - Does it make sense to set deadline in terms of the year for initiation of the graduation process or should the process be initiated when certain number of graduation *criteria / targets* determined in substance terms are met?
  - Under assumption of the latter, graduation will be initiated when 2/3 of all "more" important *criteria / targets* will be met, of them at least one *criteria / target* will have to be from each of the five CEPF graduation conditions. Do you have an alternative proposal on how the graduation process should be initiated?
- *Criteria* to be used for initiating graduation process from CEPF assistance **(*on each condition set by CEPF, at least one, but preferably two or three country specific criteria should be articulated; see CEPF guidance for orientation*)**
  - Which *criteria* should be used with respect to the *condition* "conservation policies and best practices"? Distinguish between "more" / "less" important criteria.
  - Which *criteria* should be used with respect to the *condition* "civil society capacity"? Distinguish between "more" / "less" important criteria.
  - Which *criteria* should be used with respect to the *condition* "sustainable financing"? Distinguish between "more" / "less" important criteria.
  - Which *criteria* should be used with respect to the *condition* "enabling policy and institutional framework"? Distinguish between "more" / "less" important criteria.
  - Which *criteria* should be used with respect to the *condition* "responsiveness to emerging issues"? Distinguish between "more" / "less" important criteria.

- *Target(s)* to be articulated for initiating the graduation process from CEPF assistance (***on each criteria, at least one, but preferably two or three country specific targets should be articulated; see CEPF guidance for orientation*).**
  - What *target(s)* should be articulated with respect to individual *criteria* under the "conservation policies and best practices" *condition*? Distinguish between "more" / "less" important targets (follow the criteria "more" / "less" important logic). Expected timing for the *target(s)* to be met – 2025 or later.
  - What *target(s)* should be articulated with respect to individual *criteria* under the "civil society capacity" *condition*? Distinguish between "more" / "less" important *targets* (follow the criteria "more" / "less" important logic). Expected timing for the target(s) to be met – 2025 or later.
  - What *target(s)* should be articulated with respect to individual *criteria* under the "sustainable financing" *condition*? Distinguish between "more" / "less" important *targets* (follow the criteria "more" / "less" important logic). Expected timing for the target(s) to be met – 2025 or later.
  - What *target(s)* should be articulated with respect to individual *criteria* under the "enabling policy and institutional framework" *condition*? Distinguish between "more" / "less" important *targets (*follow the criteria "more" / "less" important logic). Expected timing for the target(s) to be met – 2025 or later.
  - What *target(s)* should be articulated with respect to individual *criteri*a under the "responsiveness to emerging issues" *condition*? Distinguish between "more" / "less" important *targets* (follow the criteria "more" / "less" important logic). Expected timing for the target(s) to be met – 2025 or later.
- Communicating the vision to the stakeholders and dissemination of information
  - What channels should be used for communication of the vision and for dissemination of information?
  - What specific instruments for individual group of stakeholders?

VERY IMPORTANT: At the end of mission in a country, we should be able to produce the following table for the country

Long –term strategic vision for initiating the graduation process of biodiversity conservation civil society in (NAME OF THE COUNTRY) from CEPF support

CEPF graduation condition	Criteria for initiating the graduation process*	Targets to be reached for initiating the graduation process**	Estimated time when the target is expected to be met***	Actions / instruments required to meet individual target****	Indicative funding needs*****	Prospective funding source
Conservation priorities and best practices	• …… • …… • ……	• …… • …… • ……..	• …… • …… • ……..	• …… • …… • ……..	• …… • …… • ……	• …… • …… • ……..
Civil society capacity	• …… • …… • ……...	• …… • …… • ……	• …… • …… • ……	• …… • …… • ……..	• …… • …… • ……	• …… • …… • ……..
Sustainable financing	• …… • …… • ……	• …… • …… • ……	• …… • …… • ……..	• …… • …… • ……	• …… • …… • …….	• …… • …… • ……..
Enabling policy and institutional environment	• …… • …… • ……..	• …… • …… • ……	• …… • …… • ……..	• …… • …… • ……	• …… • …… • ……..	• …… • …… • ……..
Responsiveness to emerging issues	• …… • …… • ……	• …… • …… • ……..	• …… • …… • ……	• …… • …… • ……..	• …… • …… • …….	• …… • …… • ……..

***** **One or more *criteria* on each graduation *condition*;**
****** **One or more *targets* on each *criteria*;**
******* **2025 or later (if possible, possible specify)**
******** **One or more *actions / instruments* on each *target* to be reached by 2020**
******* In 000 of EUR**

Annex 4: Bodiversity profile of individual countries in the region

1. Albania

According to the Palearctic Habitat Classification, there are two bio geographical regions in Albania: Mediterranean and Alpine. A larger part of the country belongs to the Mediterranean type, which includes the Southern part and the Northwest. Meanwhile the Alpine type covers the North-eastern part of Albania.

The high diversity of ecosystems and habitats (marine and coastal ecosystems, wetlands, river deltas, sand dunes, lakes, rivers, Mediterranean shrubs, broadleaf-, conifer- and mixed forests, alpine and subalpine pastures and meadows, and high mountain ecosystems) enables the sustainability of high levels of biological diversity. In Albania 3.200 taxa of higher plants, 800 fungi, 1.200 diatom, 313 taxa of fish, 323 bird, 36 reptile, 70 mammal and 520 mollusk species have been recorded so far. Approximately 30% of all European flora occur in Albania. There are 27 endemic and 160 sub endemic species of vascular plants, which have a special protection importance for the country. There are some 91 globally threatened species found in Albania. These include the Dalmatian Pelican (*Pelecanus crispus*), and the Sturgeon (*Acipenser sturio*) for which Albania is a country of particularly critical importance.

Albania is an important contact zone of for flora and fauna in biogeographical sense. The main elements of the Albanian flora are Mediterranean (24%), Balkan (22%), European (18%), and Eurasian (14%). The Eurasian, Holarctic, Mediterranean, and Balkan elements dominate the faunistic spectrum of the country.

Information regarding the biodiversity, especially in terms of numbers and distribution,of Albania is generally lacking. There are still various taxonomic groups of flora and fauna which are poorly known and insufficiently studied. The Red List of endangered species of Albania is elaborated using the IUCN criteria. Threatened species according to IUCN criteria and Red List of Albanian Fauna and Flora consist of 36 mammal, 117 bird, 20 reptilian, 2 amphibian and 23 species of fish.

According to different IUCN categories the scale of threat for the bird species listed in the Red Book of the Albanian fauna has been estimated as follows: 26 critically endangered, 25 endangered, 30 vulnerable, 13 low risk and 22 data deficient species.

Although Albania is rich in habitat and species diversity, the country is facing loss of biodiversity as a result of synergistic effect of numerous ecological factors. The main ones to be mentioned are: infrastructural development, urbanization and tourism, deforestation, hunting, fishing, soil erosion, energy and mining as the main sectors with great impacts on the biological diversity. Water pollution is also a factor that poses a risk to the biological diversity.

Land conversion resulting in the habitat loss, fragmentation, and degradation is arguably the single most significant factor responsible for the endangerment of species in Albania. Different land types have been, and continue to be, converted for commercial, touristic and residential purposes. Land use conversions include, coastal urbanization, draining of wetlands, encroachment of residential or commercial areas into natural habitats, creation of

recreation areas such as ski resorts etc. Such conversion of native habitats to human-dominated environments contributes greatly to habitat fragmentation, degradation, increased pollution and ultimately to loss of biodiversity.

Alteration of the natural flow regimes of rivers and streams and their floodplains and wetlands is recognized as a major factor contributing to loss of biological diversity and ecological function in aquatic ecosystems, including floodplains. Four primary ways in which humans alter flow regimes in natural waterways are: building of dams, diversion of flows by structures or extraction, alteration of flows on floodplains with levees and structures (including those on wetlands to allow water storage), and extraction of gravel and alluvial sands and dredging.

Main sectoral pressures on biodiversity in line with GBO3 are present also in Albania. Habitat loss and degradation comes primarily as the result of deforestation and desertification of arable land. Excessive nutrient input and other forms of pollution are present primarily as the result of discharge of waste waters in rivers. Strong erosion in deforested watershed areas contributes to the high amount of total suspended soil indicators. Most of river parts in Albanian coastal lowland are in eutrophic to polytrophic conditions due to the high content of nutrients, nitrogen and phosphorus. Overexploitation and unsustainable use are mainly related to unsustainable forestry, fisheries and hunting activities. Invasive alien species are not recognized as a major threat to biodiversity in Albania yet, although no thorough research has been done so far manly due to the lack of human and financial resources.

2. Bosnia and Herzegovina

Bosnia and Herzegovina is being differentiated in three biogeographic regions: Mediterranean (with the Adriatic province); Eurosibirean-boreoamerican (with provinces as follows: Illyrian in the West, Moesian in the East and relict black pine forests on dolomites and serpentines and Alpine-high nordic (with the high Dinaric province and five sectors).

The territory of Bosnia and Herzegovina is imprinted by unique, mosaic like distribution of ecosystems: upland landscapes with underlined diversity of glacial biological/ecological forms, ecosystems of canyons and narrow passages comprising high diversity of well-preserved tertiary biological/ ecological forms, ecosystems of karst fields and wetlands. High level of biodiversity that exists in Bosnia and Hercegovina is the result of ecological heterogeneity of Bosnia and Herzegovina, its geomorphological and hydrological diversity, specific geological past and its eco-climate diversity. Flora, fauna and fungi of Bosnia and Herzegovina are considered to be among the most diverse in Europe, being especially important in terms of global biodiversity due to its high level of endemism and relictness.

In Bosnia and Hercegovina 1.457 species of cyanophytes and algae are so far identified. Within the diversity of this floristic group, species that characterize thermal and mineral springs, turfs, caves and associated habitats are of special significance. The diversity of vascular flora of B&H is represented by 5.134 species, which places this country among the richest ones in Europe. There are over 450 species and sub-species of vascular plants that are recognized as endemic, which makes this flora one of the most unique in Europe. Recently

undertaken research indicates that this number is much higher, especially as far as poorly researched genera are concerned, such as *Alchemilla, Petentilla, Rosa, Rubus, Hieracium, Centaurea, Carex, Festuca.* In B&H, 119 fish, 20 amphibian, 38 reptile, 326 bird and around 85 mammal species have been recorded so far. Invertebrates represent the least researched group of organisms in the fauna of B&H and an accurate account of their diversity is very difficult to produce.

Although Bosnia and Hercegovina is one of the biodiversity richest countries in the region, it faces numerous harmful factors which contribute to habitat degradation and biodiversity loss. It is possible to identify pressures on different levels of biodiversity. On the level of genetic and species diversity the most intensive pressures are: habitats conversion, unsustainable use of resources, permanent pollution of all environmental spheres, devastation and destruction of ecosystems, degradation and fragmentation of ecosystems, disturbance in wilderness, logging, hunting and poaching, unsustainable gathering of economically important species, uncontrolled use of pesticides and fertilizers, uncontrolled introduction of alien species, uncontrolled introduction and manipulation with GMOs.

Conversion of habitats, followed by overexploitation of resources and pollution are the most intensive pressures on biodiversity. In the group of ecosystems under intensive processes of habitat's conversion is majority of ecosystems belonging to specific landscapes of Bosnia and Herzegovina, such as: ecosystems of Sub-alpine grassland on carbonate, of Sub-alpine grassland on acid ground, of meadows on karst fields, of Sub-Mediterranean rocky-grasslands and karst, of marshes and wetlands, of fresh waters, of polydominant refugial communities, of endemic pine forests etc. Overexploitation of resources prevails in the most productive ecosystems of Bosnia and Herzegovina, positioned in easy accessible landscapes. Overexploited are resources and services of: ecosystems of oak forests within continental landscapes, Pannonian oak forests, upland's beech-fir forests, upland's deciduous forests, arable land and fresh water ecosystems.

Pollution is a very present type of pressure in landscapes and ecosystems near and around human settlements. Most affected ecosystems are: hygrophilous forests with alder, mesophilous meadows in continental valleys, hygrophilous meadows within Pannonian landscapes, brackish water bodies, Sub-Mediterranean rocky-grasslands and karst, littoral sea belt, fresh water ecosystems, riparian areas of fresh waters, ecosystems in urban and rural areas and ecosystems of nitrificated habitats.

The following factors have highest effects on ecosystem's and landscape's diversity: Infrastructural development (construction of traffic network; construction of power facilities /hydro-accumulation, power plants, power transmission, pipelines, gas lines etc. /; construction of water supply facilities /catchment areas, trenches, dam lakes, retentions, dams/); Agricultural activities (melioration, exhausting of habitats by monoculture, use of pesticides and fertilizers); Uncontrolled urbanization and rural development; Disharmony between development goals by sectors.

3. Macedonia

Republic of Macedonia is located in the central part of the Balkan Peninsula. The great floristic and faunal diversity at national level can be explained due to central position of the Macedonia and the various influences to which its territory has been exposed. With reference to the structure of ecosystems and their species, several different bio-geographical regions overlap in Macedonia: the sub-Mediterranean area, of the southern part of the Vardar Valley and the area near Dojran Lake with dominating Mediterranean and sub-Mediterranean species; the Middle-European bio-geographical region, which includes a major part of Macedonia and dominated various climate-zonal broadleaf forests; the Steppolic area in the central part of Macedonia which steppe-like vegetation; the Boreal bio-geographical region includes the biome of the European primarily coniferous forests of the boreal type; the Middle-south European mountainous bio-geographical region includes the alpine and partly sub-alpine zone oh the highest mountains and biome of the arctic-alpine rocky terrains, pastures, snow banks and screens; the Oreo-tundral area which ordeal floristic elements, invertebrates (butterflies) and mammals, and the aquatic area (lakes, wetlands, flowing waters) with dominating Mediterranean and Pontic-Caspian species.

Hydrologic status of tree big natural lakes: Ohrid Lake, Prespa Lake and Dojran Lake, glacial mountain lakes, rivers and other wetlands types are very important for existing aquatic flora and fauna species. The main land use elements in Macedonia include: 25% pastureland, 25% arable land, meadows, vineyards, and orchards, 8% barren land, 37% gazetted (legally established) forestland, 2% lakes and 3% urban or industrial land.

Due to the specific natural conditions (relief structure, climate, hydrography, and soil), as well as traditional but sustainable human influence, Macedonia is one of the few countries in Europe having such a rich diversity of habitats. Numerous wafer ecosystems are provided with rich shore vegetation, and deep gorges are sources of considerable endemism and relicts. In this small region at lower elevations, big agricultural areas, meadows, pastures, and even steppe-like-desert terrain are frequently found.

Macedonia contributes greatly to the species diversity of Europe. The country contains between 3.200 and 3.500 species of vascular plants, 485 species of vertebrate animals and 6.844 species of invertebrate animals. Macedonia has been insufficiently explored from the mycological point of view. So far, about 1.500 species of fungi have been identified. The protection and sustainable use of rare and threatened native species is of particular importance for the preservation of biological diversity. Macedonia receives influences from many biogeographic territories. Frequent changes in global ecological conditions in geological history have greatly contributed to the occurrence of exceptionally heterogeneous fauna. It has made this area a center of speciation for many groups of organisms. As a result of this process, a high level of endemism is present within most animal groups. The major factors contributing to the great vertebrate diversity of Macedonia are its central position of Macedonia in the Balkan Peninsula and, its exposure to varying climatic influences, modified by complex and prevailing mountain relief, and various petrographic and edaphic conditions of land. The vertebrate fauna of Macedonia consist of 485 species, including 49 species of freshwater fishes, 15 species of amphibians, 32 species of reptiles, 307 species of birds, and 82 species of mammals.

The present status of biodiversity in the Republic of Macedonia is a consequence of the environmental conditions in which species and ecosystems are developing, global changes and anthropogenic impacts. The direct causes of biodiversity loss are numerous. Most of them are common for all types of biodiversity, while some are specific to flora, fauna or ecosystems: inadequate management of aquatic ecosystems; drainage of marshes and swamps; construction of hydropower reservoirs in gorges; lack of water treatment plants (for riverine and lake ecosystems); mine excavations and other geologic works; construction of ski lifts, transmission lines, television transmitters and other antenna systems; loss of habitats during unplanned expansion of urban centers, holiday resorts and settlements and tourist/recreation zones; modification of habitats; fragmentation of habitats, due mainly to traffic infrastructure, where highways intersect habitats that are important as vertebrate corridors (particularly for large mammals). When aquatic habitats are artificially fragmented, recommendations for maintaining ecological minimum flows in watercourses are not followed; destruction of areas with natural halophytic and meadow vegetation; uncontrolled destruction of forests, forest fires, clearing for building sites, construction of roads and railroads, expansion of tourist settlements and forest desiccation; uncontrolled collection of medicinal plants and wild animals; illegal collection of rare plants (especially endemic plants) by professional and commercial collectors, illegal collection of birds' eggs and certain species of butterflies etc.

Aquatic and wetland ecosystems are the most endangered ones. Among the higher plant groups, the most endangered group is that of Angiosperms (280-300 endangered species), ferns (15), mosses (20) and Gymnosperms (7). Five species of Gymnosperms are considered to be extinct. The current faunal diversity of the Republic of Macedonia is facing great pressure resulting from direct and indirect anthropogenic impacts. Thus, as many as 113 vertebrate species are included in the category of threatened species, which is 22.3 % of the entire vertebrate fauna (17 are Macedonian endemic species). Invertebrate faunal diversity suffers from even greater anthropogenic pressure, which has led to a reduction in the populations of large numbers of species and may eventually lead to extinction. Special attention and care needs to be paid to 650 endemic invertebrate taxa, many of which are limited to the three natural lakes (Dojran Lake-11, Prespa Lake-18 and Ohrid Lake-209).

Despite a large amount of research, there is still not enough information concerning the current status of the populations of a large number of endemic species nor the direct threats to their survival.

4. Montenegro

Montenegro’s diversity of geology, landscapes, climate types and soils, and its position on the Balkan Peninsula and Adriatic Sea, have created conditions for the development of a highly diverse biodiversity, making Montenegro one of the biodiversity “hot-spots” of Europe and the world. Montenegro can be divided into two main bio-geographical regions, Mediterranean and Alpine and has a very wide range of ecosystems and habitat types for a country of its size. Additionally, biodiversity is influenced by the presence of elements of Alpine flora and fauna on the tops of coastal mountains and the intrusion of warm air and elements of Mediterranean flora and fauna through river valleys and canyons deep into the mountains in the continental

part of Montenegro. The northern mountain region is bio-geographically connected with other mountain habitats in the Dinaric Alp mountain corridor.

Biodiversity of Montenegro is represented not only by remnants of the glacial flora and fauna (the so-called glacial relicts) but also remnants of older Tertiary flora and fauna in the sheltered warm river valleys and canyons. Due to the refugial character of these "sheltered" habitats, there is a considerable endemism in Montenegro with dominant Central European, Iliric, Alpine and Mediterranean elements to the flora and fauna. Although there is no formal, widely recognized classification of ecosystems in Montenegro, from biodiversity point of view, conservation of the following ecosystems is crucial: alpine, forest, dry grasslands, freshwater and marine. Apart from these, there are additional types/systems of habitats considered important for biodiversity protection that are also distinguished from the previous classification of ecosystems because of their distinctiveness, namely coastal habitats, karst, caves and canyons.

Montenegro has high biological diversity, due to its geographic position, heterogenic distribution of habitats, topographic variations, geological history and climate conditions. Basic knowledge about the diversity of many plant and animal taxa is very limited, including disagreements about taxonomic status of some taxa – whether they are species or subspecies. Freshwater algae of Montenegro exhibit high diversity. Approximately 1.200 species and varieties have been described so far with silicate and green algae being the predominant groups. Marine algae are represented with more than 300 species. Currently, 589 species of Bryophytes are recorded for Montenegro, comprising 483 species of Mosses and 106 of Liverworts. This is less than most of the surrounding countries, but is probably a reflection of insufficient research of these groups. Montenegro, with 3.250 species, is floristically one of the most diverse areas in Europe. As part of the Balkan Peninsula, the country is one of 153 bio-centers that are globally important for floristic diversity. The level of endemism is also high, with as many as 392 Balkan (regional) endemic species, which accounts for over 7% of the Montenegrin flora. Apart from these, even local endemic species have significant importance, as 46 of these species in Montenegro are mostly Tertiary Relicts. Around 2.000 species of fungi have been recorded for Montenegro, although it has been estimated that between 15.000 and 21.000 species could occur. Terrestrial invertebrates have been poorly studied in Montenegro. As a result, comprehensive species check-lists and even widely accepted approximations of species numbers are lacking. The freshwater systems of Montenegro belong to two basins – the Black Sea basin, in which some 30 fish species have been recorded, and the Adriatic Sea basin, with 60 fish species. Among the country's most important sites for freshwater fishes is Skadar Lake, which supports more than 40 fish species, including species that migrate between marine and freshwater systems, such as the Eel (Anguilla anguilla), Twaite Shad (Alossa falax nilotica) etc. Montenegro supports a relatively high diversity of both terrestrial and aquatic Amphibians and Reptiles. There are currently 56 species (18 species of Amphibian and 38 species of Reptiles), and 69 subspecies recorded from 38 genera. Montenegro is located along a major migratory route (the Adriatic flyway) and diversity of natural habitats result in high avian diversity. Of a total of 526 European bird species, 333 can be found regularly in Montenegro, and several additional species are registered as occasional visitors and the current total for Montenegro is 348 species. Montenegro provides an important refuge for a number of rare and threatened bird

species, including Dalmatian pelican *Pelecanus crispus* and pygmy cormorant *Microcarbo pygmeus.* Montenegro also has a rich mammal fauna, with 65 species registered in total.

While comprehensive data on population and distributional changes are lacking for most species and habitats, there are many examples of threatened and declining biodiversity in Montenegro reported. The flora and fauna of the coastal zone is considered the most threatened in Montenegro. This region is threatened by uncontrolled tourism and urban development which due to increased discharge of polluted and untreated waste waters into the sea endangers the marine ecosystem. Unsustainable forestry during the past decades has led to destruction of almost all of the most valuable forest complexes. Wetland habitats suffer from eutrophication, particularly from pollution from human settlements. Plans for the direct use of biological resources from freshwater ecosystems, plans for their drainage represent important threat to the flora and fauna, particularly fish population. Hunting has also been a threat to many water birds in Montenegro. The cumulative effect of the above threats to biological diversity is the loss of rare or endangered habitats and their associated (often endemic) species, particularly on the coast and a reduction in the functionality and stability of natural ecosystems, particularly of forest and water ecosystems.

List of individuals / institutions met

Montenegro, 5 to 7 October 2015

- National government / public officials
  - Ivana Vojinovic, General Director for Environment, Ministry for Sustainable Development and Tourism
  - Milena Batakovic, Senior Advisor, Environmental Protection Agency of Montenegro
  - Zoran Mrdak, Director, National parks of Montenegro
- Donors
  - Mitja Drobnic (Head of Delegation) and Ana Stanisic Vrbica (Good Governance and European Integration Advisor), Delegation of the EU in Montenegro
  - Jelena Janjuševic (Manager, Centre for Sustainable Development), UNDP
  - Jelena Perunicic, GIZ
- Civil society organizations
  - Dejan Milovac, MANS
  - Nebojša Banicevic, Darko Saveljić, CZIP
  - Bjanka Prakljacic, Noé Conservation
  - Sanja Svrkuta, Azra Vukovic, Natasa Kovacevic, Green Home

Macedonia, 12 to 14 October 2015

- National government / public officials
  - Sonja Lepitkova (State Secretary), Jasmina Petkovska (Head of Department for International Cooperation) and Vlatko Trpeski (Head of the Department for Nature), Ministry of Environment and Physical Planning
  - Dragan Tilev (State Counsellor), Secretariat for European Affairs
- Donors
  - Maja Bogdanovska Zendelska (Environment & Infrastructure), Delegation of the EU in FYROM
  - Anita Kodzoman (Head of Energy, Environment and Disaster Risk Reduction Unit) and Zlatko Samardziev (GEF SG), UNDP
  - Stanislava Dodeva (National Programme Officer), Swiss Embassy in the Republic of Macedonia
- Civil society organizations
  - Ksenija Putilin, Robertina Brajanoska and Danka Uzunova, MES
  - Metodija Velevski, Prirodoslovni muzej
  - Katarina Georgieska, REC Country Office Macedonia

Bosnia and Herzegovina, 1 to 3 November 2015

- National government / public officials
    - Senad Oprasic (Chief of the Environmental Protection Department), Ministry of Foreign Trade and International Relations
    - Zineta Mujakovic and Andrea Bevanda Hrvo, Federal Ministry on Environment and Tourism
- Regional institutions
    - Sanjin Arifagic (Head of Economic and Social Development Unit), Regional Cooperation Council
- Donors
    - Renata Abduzaimovic and Dzemal Hodžic, Delegation of the EU in Bosnia and Herzegovina
    - Amila Selmanagić Bajrovic and Sanjin Avdic (Sector Leader – Energy & Environment) and Amila Selmanagic Bajrovic, UNDP
    - Gabiele Rechbauer (Sector Fund Manager – Biodiversity), GIZ
- Civil society organizations
    - Zoran Mateljak and Mato Gotovac, WWF
    - Jasminko Mulaomerović and Simone Milanolo, Centar za kartografiju krša
    - Ilhan Dervovic, Naše ptice
    - Dejan Kulijer and Ena Hatibovic, BIO.LOG
    - Nataša Crnković, Centar za životnu sredinu

Albanija, 4 to 6 November 2015

- National public institutions
    - Pëllumb Abeshi (State Secretary), Ministry of Environment
    - National Agency for Protected Areas – Zamir Dedej (Executive Director), National Agency for Protected Areas
- Donors
    - Antoine Avignon (Head of Biodiversity Department), Delegation of the EU in Albania
    - Elvita Spahiu (Programme Officer for Environment Sector) and Violeta Zuna (National Project Manager/Team Leader UNDP Albania's Biodiversity) – UNDP
    - Ermira Koçu and Ralf Peveling, GIZ
- Civil society organizations
    - Dritan Gorica, URI
    - Klodian Aliu and Etleva Bodinaku, ASPBM
    - Taulant Bino, AOS
    - Mirjan Topi, PPNEA
    - Marinela Mitro, INCA

List of participants at the Postojna high level consultation 8 December 2015

See the list of participants attached in a separate pdf file.