

EVALUATION FINALE

YUG/812

Support for Capacity Building in the
Forestry Sector

PROJECT SUMMARY DATA

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| Country | Montenegro |
| Long project Title | Support for Capacity Building in the Forestry Sector |
| Short project Title | IPA (Instrument for Pre-Accession Assistance) 2010 |
| LuxDev Code | YUG/812 |
| Version of the Report | November 2013 |

RATING OF THE PROJECT BY THE EVALUATION MISSION

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| Global Rating (Effectiveness) | 3 Rating scores: 1 (excellent results, significantly better than expected), 2 (very good results), 3 (good results), 4 (sufficient), 5 (insufficient) and 6 (the Project was unsuccessful, or the situation has deteriorated on balance) |
| Rating using other evaluation criteria | Relevance: 2 Efficiency: 3 Sustainability: 3.5 |

EXECUTIVE SUMMARY

The present report outlines the findings and conclusions of the final evaluation mission in respect of the project YUG/812; *Support for Capacity Building in the Forestry Sector*. The project was co-funded by the European Union, the Government of Montenegro and the Grand Duchy of Luxembourg. The project is implemented since February 2011 and scheduled to run until March 2013. A request for a six months no cost extension until 30 September 2013 was approved early 2013 by the Delegation of the European Union to Montenegro. Following the Financing Agreement signed between the Government of Montenegro and the European Union “Concerning the National Programme for Montenegro under the Instrument for Pre-Accession Assistance - transition and institutional building component for 2010”, the project was approved by the Delegation of the European Union to Montenegro for funding under the IPA programme. The project was implemented in Podgorica (through the Forest Development in Montenegro - II project office) and in Pljevlja (the Forest Administration headquarter).

The evaluation mission was conducted on behalf of LuxDev, and the Montenegrin Ministry of Agriculture and Rural Development. It took place between 11 and 28 July 2013 and from 8 and 28 September 2013.

The evaluation objective was to assess the achievement of the specific project objectives and results, to assess the management model, to evaluate against the evaluation criteria relevance, effectiveness, efficiency and sustainability, and to assess the cross-cutting themes (governance for development, gender equality and environment and climate change).

The mission was carried out jointly by Mr Frank Mr Kammer (head of mission, expert in forestry and natural resource management, international consultant) and Mrs Milica Duronjic (expert in forestry and environmental protection, regional consultant).

The evaluative conclusions made in this report are based on a triangulation of information from project reports, stakeholder and boundary partner interviews and field observations.

The project evaluation was carried out according to the mission terms of reference and LuxDev's general evaluation format.

The mission commenced with a briefing by LuxDev in Luxembourg and in the country by LuxDev's regional representative and the project staff in Podgorica. Additionally, the evaluators met with all relevant stakeholders, including the Delegation of the European Union, the Forest Administration, the Montenegrin Ministry of Agriculture and Rural Development, the Central and Regional Forest Directorates, the Forest Institute and the Statistical Office of Montenegro. The team also contacted other donor agencies (United Nations Development Programme, *Kreditanstalt für Wiederaufbau* and *Deutsche Gesellschaft für Internationale Zusammenarbeit*). The evaluation mission concluded with a workshop at the premises of the Montenegrin Ministry of Agriculture and Rural Development, where the consultants presented the mission's findings and preliminary conclusions.

The project focused on building institutional capacity in Montenegro within the forestry sector to establish efficient forest management and administration systems. These in turn contributed to the adoption of key European Union standards for environmental protection, socio-economic policies and forest product trading regulations. The project also indirectly affected private forest owners and their associations, private sector enterprises involved in forestry, and state education, scientific, environmental protection and economic institutions. Key partners were the two State Forest Institutions, the Montenegrin Ministry of Agriculture and Rural Development and the Forest Administration represented each by a designated project manager.

An inception report was prepared in the first 45 days of the project to define inputs, activities and three results, with a period going up to February 2013. Based on the inception report, a detailed plan for the implementation of activities was developed and validated by a Steering Committee in June 2011.

The project's purpose was to strengthen capacity in Montenegro's forestry sector through the establishment of and training in sustainable forest management systems (in line with European Union standards, particularly those relating to marketing timber products and rural development as stated in the logframe "specifically European Union Regulations on Placing Forest Produce on the European Union Market and the European Union Regulation on Rural Development"). This has been achieved through the following results:

Result 1: Legal framework is compliant with European Union Regulations, and state forest institutions are capable of implementing the National Forest Policy, legislation and National Forest Programme in accordance with European Union regulations and standards.

Result 2: Internal capacities within State Forest Institutions are built to facilitate capacity building for its own forestry professionals, forestry staff in the private sector and deliver service to private forest owners.

Result 3: A monitoring and information management system is established that meets national and European Union requirements.

Main conclusion

Over the past two and a half years, the project had a positive impact on the change process of Montenegro's forestry sector. The project translated the key European Union Regulations into Montenegrin and a working group was established by the Montenegrin Ministry of Agriculture and Rural Development for the integration of the Network of protected areas in European Union (Natura 2000) requirements in the Forest Management Planning. Bylaws were created and are now compliant with European Union regulations. A further working group was created for the finalisation of a Forestry Education Development Plan, which includes the review of the existing forestry-related curricula. Employees of public institutions in the forestry sector were trained in areas that will allow them to implement their duties that derive from the forest policy and legislation, more effectively. The Business Process Review was completed and accepted by both the Forest Administration and the Ministry in January 2012. In the Business Process Review reference was made to the structure of the Human Resources Department and the Extension Unit and the staffing requirements, but the recommendations on the Forest Administration systematisation were not yet implemented at the time of the evaluation.

Furthermore, the project made a significant impact in relation to capacity building within the state forest institutions and the public forest sector. During the project period a total number of 524 participants were attending trainings sessions in 33 topics. A total number of 356 state forest institutions' participants (Ministry of Agriculture and Rural Development, Forest Administration and Forest Inspectorate) attended trainings.

Finally, the project financed and implemented a Forest Information System. Unfortunately, the tender for the purchase of hardware and software and the necessary training was cancelled three times before the software arrived finally in August 2013 and the training and the installation started in September 2013, the last weeks of the project period. Hence, the evaluation team could not confirm the functionality of the monitoring system at the national and regional level.

The project succeeded to integrate cross-cutting aspects and implement measures to ensure compatibility between forestry sector and environmental protection concerns by promoting good governance. The project results are highly relevant with enhancing the value, conservation and sound ecological management of the environment in Montenegro as demonstrated by the overall objective that they lead to. Promoting principles of participation, accountability, transparency and equality the project integrated good governance in planning, design, and implementation and monitoring.

The evaluation mission, following evaluation criteria, summarily rates the project as:

- highly relevant for the improvement of sustainable forest management in Montenegro, fully in line with the development policies of the Government of Montenegro, the Luxembourg Government and the European Union regulations and standards and was designed in a way to contribute to the overarching development goals and to the implementation of relevant international agreements and commitments ;
- average in terms of efficiency. The project's output being generally appropriate with the budget expended, particularly in comparison with similar projects elsewhere. The resources used for training of partner staff resulted in building of important capacities that are now available for the whole forest sector of Montenegro. However, activities related to the implementation of Natura 2000 and the expected data from the Forest Information System go beyond the project's timeframe. Weighing the project costs against its achievements the overall cost-benefit ratio was average;
- generally effective by providing capacity building to the forestry professionals within the State Forest Institutions. Most project activities were in line with the original planning in terms of time; only the activities related to the Forest Information System could not be achieved due the late installation of the system. The relatively short project period (2,5 years) and the provided funds were not sufficient to deliver results related to the Forest Information System implementation rolled out across the State Forest Institutions;
- below average in terms of sustainability and it was difficult to evaluate the direct impact of the project activities related to the improvement of the forest management, reforestation and rehabilitation programmes during the project period ; the forestry sector depends on a long term time horizon and sustainability is the core feature of the forest management and this is reflected in the results, tasks and activities. The most important tool (Forest Information System) was handed over to the Government of Montenegro at the end of the project and there is no evidence that the Government of Montenegro will continue to support activities and deliver results related to the Forest Information System in the future; the governmental institutions have no proper financial support and the number of specialists and other staff members is not as large as necessary ;
- highly relevant related to environment aspects with enhancing the value, conservation and sound ecological management of the environment in Montenegro. The inclusion of actions relevant to the Natura 2000 in the new Forest Management Planning methodology ensured a more efficient and effective use of the forest resource. The Forest Information System is providing support to the Forest Management and monitoring system that are aligned with the European Union regulations and standards and is in compliance with the Natura 2000 requirements.