



Netherlands Commission for
Environmental Assessment

Capacity Gap Assessment on SEA in Montenegro

Memorandum by the NCEA

27 June 2006



Advice of the Secretariat Netherlands EIA Commission

To Ministry of Environmental Protection and Physical Planning,
Montenegro, and World Bank
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Capacity Gap Assessment on SEA in Montenegro

1. INTRODUCTION

With the assistance of the Netherlands Government under the Bank Netherlands Partnership Programme, the World Bank supports the Government of Albania and Montenegro with capacity building in the area of Strategic Environmental Assessment (SEA). The World Bank has approached the Netherlands Commission for Environmental Impact Assessment (NCEIA) to provide its expertise and services in SEA. The Terms of Reference for the expected assistance of the NCEIA are provided in appendix 1 (September 2005).

The objective of the NCEIA's intervention can be summarized as designing and initiating the implementation of a coherent medium term (up to five years) programme for SEA capacity building in Albania and Montenegro with specific emphasis on processes/activities that contribute to sustainable coastal zone management of their Adriatic coast.

Specific activities within this overall objective can be summarized as:

- Carry out an SEA capacity gap assessment and assist the government in drafting a multi year SEA capacity building programme.
- Design and provide an SEA training course to the government and other stakeholders.
- Provide independent guidance on the implementation of a pilot SEA.
- Develop a dissemination strategy and materials, including the technical support for the organization of a regional SEA workshop.

To initiate these activities and establish first contacts with relevant stakeholders, the NCEIA visited Albania and Montenegro from 31 October till 4 November 2005. A mission-report reflecting the findings of the visit to Montenegro has been sent on 14 November 2005 to stakeholders met¹.

A second visit of the NCEIA to Montenegro took place from 27-31 March 2006 in the framework of a specific pilot SEA to familiarise both government and other stakeholders with SEA. For Montenegro, the National Spatial Plan was identified as a suitable plan for such a pilot SEA. A final draft advisory Terms of Reference by the NCEIA for this SEA was published on 7 April 2006². A final quality review of the SEA report is expected to take place in autumn 2006.

On the basis of these visits, a capacity gap assessment is undertaken through the present report, including a proposal for a multi-year SEA programme.

¹ draft mission report SEA capacity building in Montenegro, 14 November 2006

² Terms of Reference for an SEA for the National Spatial Plan, Montenegro, 15 May 2006 (both English and Montenegrin version)

2. FINDINGS OF SEA CAPACITY GAP ASSESSMENT

In accordance with the ToR, the capacity assessment started with an analysis of relevant documents and discussions with representatives of the government, donor agencies, technical institutes and non governmental organizations. This assessment was limited to national level only. In the framework of the multi-year SEA program, the local levels should be included as well to complement this first assessment.

2.1 Legal background of SEA

2.1.1 General

In the framework of the ESPOO convention, (Serbia and) Montenegro has signed the SEA protocol (Kiev) in 2003, which is however not yet ratified.

SEA legislation is now in place (enactment only as of 1-1-2008), in line with EU legislation (see appendix 2 for the SEA law text, 18 p. pdf attachment).

The Law on Physical Planning and Development came into effect in May '05. The new Law anticipated EU standards/requirements and that is why SEA requirements have been put in this new law. See details in 'Law on Physical Planning and Development' (19 p. in English). It states that SEA should be included specifically for:

- a) State planning documents:
 - Spatial plan of the republic (article 19);
 - Spatial plan of a specific purpose area (article 20);
 - Detailed spatial plan (article 21);
 - Study of a location (article 22).
- b) Some local planning documents:
 - Spatial plan of a local self governance unit (article 24);
 - General urban plan (article 25);
 - Detailed urban plan (article 26);
 - Study of a location (article 22).

The Law on Physical Planning and Development does not describe what should be the minimum contents of the SEA. It does state however that the developer is obliged to obtain detailed requirements related to environmental protection from the Ministry in charge of environmental protection, as well as approval from this Ministry regarding the study of environmental impact assessment.

The Spatial Plan of the Republic is now under preparation, but carried out under the procedures for the preparation under the former law and its provisions, which at that time did not require SEA.

Under the provisions of the new Law, municipalities have to have their spatial and general/detailed urban plans ready within 3 years as of adoption of the National Spatial Plan.

The NCEIA has the following remarks in relation to the Montenegrin SEA legislation:

- The Montenegrin SEA procedure prescribes that the competent environmental protection authority has to approve the SEA before a strategy, plan or programme is adopted. This gives SEA in principle a

strong and clear position in the Montenegrin planning process, and potentially a wide scope of application. The legislation contains a list of plans and programmes to which SEA applies. Also the Law of Physical Planning and Development specifically lists which plans should include SEA.

- Montenegro has a legal basis for SEA under the Law on Physical Planning and Development, which is an important step in the process of effective SEA application. However, until now there is no practical experience with implementation yet. By-laws still have to be developed.
- The SEA law is in place, but not yet enacted, which places Montenegro in a kind of transition period. This offers room for gaining practical experience, but requires commitment of authorities involved.
- The SEA law describes the steps in the SEA procedure, minimum content requirements etc. It also states that SEA has to be developed in parallel to the planning process. This requires a thorough analysis of the planning process (eg. type of plan, time and data availability, when in the planning process are decisions taken which have environmental implications, who are stakeholders and when to involve them, is public participation required at the scoping stage etc.).

2.1.2 Conclusions and recommendations

SEA legislation is in place now, which is an important and laudable achievement already for SEA introduction in a country. The NCEIA is of the opinion that this SEA law is in general 'good enough' to start with. The NCEIA already tried to apply the Montenegrin SEA requirements in the guidelines for the SEA for the National Spatial Plan, and did not come across any major bottlenecks.

In the experience of the NCEIA, a legal basis helps to make SEA effective but experience shows it is not a necessary condition. There are good examples of effective voluntary SEA systems. Internationally, there is a big discussion among SEA practitioners whether SEA legislation is something to start with as first priority or something you should only design 'tailor-made' based on practical experience gained during a couple of years. There is no consensus on the best approach.

An interim solution may be worth to consider in which a legal basis could include a preliminary period of for example three years in which a country focuses most of its energy in introducing and applying SEA concepts, processes and methods in priority economic sectors which will be having the greatest impact of the country's economic, social and environmental future. The preliminary period could also consider capacity building and learning. At the end of the three years, a more permanent legal basis can be designed based on the wealth of experience and lessons learnt during this period.

The NCEIA has also experienced that commitment of the authorities involved is much more important for effective implementation of SEA in the initial stages than appropriate legislation.

There is another complicating factor in Montenegro, and that is that also the Law of Physical Planning and Development poses SEA requirements. This needs further analysis in terms of whether these two Laws are fully harmonized and aligned.

The SEA legal background part needs more in-depth analysis. However, it is very difficult to do this a part of a first 'quick-scan' SEA gap assessment. That is why this component needs to be part of the proposal for the multi-year SEA programme (see Chapter 3 and further).

The NCEIA suggests that MEPPP just 'takes-off' on basis of the recommendations below. This will probably highlight the main problems with implementation and enforcement soon. This can be done with the help of a consultant, who can suggest improvements to the SEA law (and Law on Physical Planning and Development), and who can draft by-laws (if needed) etc. This analyzing, testing, refining, improving of SEA legislation may well take some time (for instance 01-01-2008 may be a deadline).

Recommendations:

- prepare an overview of spatial plans to be established under the provisions of the new Law on Physical Planning and Development;
- make an inventory of planning practices of Ministries and agencies in Montenegro and establish a list of proposed strategies, plans and programs on the near future agenda within the Ministries, to see which of these should/could be subject to SEA under the SEA law as of 01-01-2008;
- focus SEA on limited number of priority spatial plans and economic sectors first, where the most added value of SEA is expected, so start with a carefully selected number of national, regional and local plans and programmes with Ministries/agencies that are interested to be involved in SEA.
- develop scoping requirements also in terms of process: eg. issues like the design of the SEA and the link to the planning process.

2.2 Available staff and institutional capacity in relation to SEA

2.2.1 General

Ministry for Environmental Protection and Physical Planning

The Ministry for Environmental Protection and Physical Planning plays a pivotal role in the future SEA system. Consequently, the MEPPP can exercise significant influence in the planning processes of other ministries and authorities. Such a system will only work well if the MEPPP's position is generally respected and their expertise well recognised. This will put extra demands and pressure on the staff of MEPPP, which are at the moment small in numbers and lacking specific SEA expertise.

For environment there are 15 people at national level ('doing everything') and at municipal level there is very little staff tasked with environmental protection. Only some of the bigger municipalities (out of a total of 21) have a secretariat for environmental protection.

Technical institutes related to environment are: Institute for the protection of Nature, Institute of Marine Biology, Institute for Hydrology and Meteorology, Centre for Eco-toxicological research, Morsko dobro (public enterprise for public maritime domain) and some others. They are more aware on SEA, however not through training, but mainly through internet (SEA directive), and other available sources of information.

The MEPPP is in the process of establishing an Environmental Protection Agency (EPA)³, of which the above mentioned public institutes could be part. The EPA is planned to be starting its activities in October 2006 and should be an executive agency. MEPPP remains responsible for legislation, policy making, strategy development and supervision, whereas EPA's tasks would be related to issuing of permits in relation to EIA and SEA, inspection, reporting to the EU, coordination, training, assistance and information sharing between national and local government and the business sector and finally monitoring.

This would make the future EPA thus responsible for implementation of SEA. The newly established EPA would therefore require capacity building to 1) start working on the recommendations under 2.1.2 above 2) act as helpdesk, both in general (manuals and guidance) and as reviewer in specific SEAs 3) become ambassador for SEA and 4) make sure SEAs of sufficient quality are actually carried out in the country.

Consultants

Since '97 some 200-300 EIAs have been executed, by professionals or institutes with some EIA experience (although not exclusively working in this field). EIAs are now very much 'copy-paste'-like, and due to a number of reasons, the EIA did not develop into an effective tool in Montenegro. SEA requires a different set of skills and methods in comparison to EIA, and particularly a good understanding of the dynamics of planning processes and the ability to think strategically. Article 16 of the SEA law describes the required profile of SEA consultant, which is however currently not available in Montenegro.

Lead agencies for sector plans and spatial plans

Article 4 of the SEA law indicates that the competent state/public or local self-government authority for the preparation of a plan or programme is responsible for the implementation of the SEA procedure. This requires therefore understanding of SEA by sector Ministries and local government. One of the key principles of SEA good practice is that these assessments should be the direct responsibility of the 'owners' of the policies, plans and programs for which the SEA is carried out. These institutions therefore should have sufficient knowledge, skills and capacity to conduct the SEA process and carry out assessments. One way of building such capacity is to install 'environment units' in the key departments and train the staff of these units. Another opportunity is to arrange support⁴ by SEA experts of the MEPPP (or future EPA).

Other key players in SEA in Montenegro

The SEA law also specifically mentions eg. competent health care authorities, the public and other authorised organisations or experts in certain fields. Other key player are (environmental) NGOs, universities/academics and the court system. All these are not yet very familiar with SEA.

³ Information provided in March 2006 by EPTISA (the consultant of European Agency for Reconstruction) who was in the middle of this process.

⁴ like guidance to sectoral Ministries in undertaking the SEA: for instance, alerting them that they should undertake SEA, providing them with minimum requirements for contents, providing names of consultants, providing assistance in how to link the SEA to the planning process etc.

2.2.2

Conclusions and recommendations

The (governmental) institutional capacity on SEA in Montenegro is limited, in various ways: 1) human resources, 2) financial resources and 3) SEA knowledge and experience. The EIA department has some theoretical knowledge, but no practical experience in Montenegro so far. SEA capacity in other ministries is absent. The same applies to local government structures. SEA will only be effective if staff involved is properly paid, if consultants have enough budget to prepare solid assessments, if the costs of stakeholder involvement can be dealt with and funding for the actual implementation of a policy or plan has been secured.

Regarding the institutional capacity for SEA, a distinction can be made in: (i) how to organize the undertaking of an SEA for a specific plan or programme and who is responsible and (ii) who would be responsible for the co-ordination of effective SEA implementation in the coming years (so apart from specific SEA's, also taking care of organizing SEA training and awareness raising, improving legislation, designing the institutional framework etc.) The latter refers to how the multi-year SEA programme could be managed and is dealt with in Chapter 5.

Successful SEA introduction requires a careful design of the institutional framework. Several models are possible, for example an SEA secretariat within the MEPPP (or EPA), combined with SEA 'units' in the sectors at ministerial and local levels. The pros and cons of the various options need further analysis in the Montenegrin context.

There is experience where standing environmental units within sector Ministries are rarely effective and rarely maintained for long. Usually, a few staff are assigned to be members of such a unit in addition to their usual duties, and since they are already overworked they can't do much about this.

Also there are examples where Ministries, where there is likely to be a large numbers of SEA for which the Ministry is responsible (e.g, one involved in public infrastructure, or spatial planning), have one or two people responsible for ensuring that the SEA's get done, whereas the actual work would be carried out by external consultants.

However, there are also examples of SEA units in other than Environment Ministries working out well. For instance in Turkey, where the Ministry of Tourism created an SEA unit for their Tourism Master plan. In Ghana an SEA team was created for the SEA for the PRSP. This team consisted out of 3 members of the Environmental Protection Agency and 3 members of the National Development Planning Commission (under the Ministry of Economic Affairs). These were temporarily installed (for around 1,5 years) and stopped functioning when the SEA was finalized.

In the Netherlands there are separate SEA/EIA units (permanent) at the most important sector Ministries (Transport and Water, Energy, Economic Affairs, Agriculture), SEA/EIA units in each of the 11 provinces and also at the most important municipalities.

Recommendations for 1 and 2) (for 3) see next paragraph)

- The various options need more discussion and analysis with especially MEPPP, to find out which model would be the most realistic and feasible one. This also depends on the future role of EPA. Therefore this component should be an important part of a multi-year SEA programme;
- In Montenegro, apart from MEPPP, it would be worthwhile looking into the possibility of installing some sort of SEA anchor/co-responsibility, within the Ministry of Economy and/or Ministry of Transport.

2.3 Awareness raising and training requirements on SEA

2.3.1 General

Training activities already undertaken in relation to SEA

There has been capacity building under the Finnish project (June '05 for some 70 participants) but this was limited to EIA and IPPC. SEA was not part.

The Regional Environmental Centre (REC) has a field office in Montenegro (since 2004) with 3 staff members (Head office in Hungary with around 100 staff members and with country offices in 16 countries including Serbia and Montenegro, Country Office in Belgrade). REC has also been involved in the Finnish project on SEA legislation. REC Montenegro has experience in training and capacity building for municipalities and government, mainly in relation to public participation in EIA. They are currently involved in capacity building of MEPPP and other environment related organizations through the organization of study tours Montenegro/Hungary and vv. SEA is mainly in charge of REC head office Hungary: possibly SEA could be included as a topic of one of the next study tours. REC is interested in providing assistance in training. One person from MEPPP has participated in the preparation of the REC manual for SEA for South Eastern Europe.

REC also has a project on the Aarhus convention implementation in the region, where one of the components is SEA application. Within this project, a SEA workshop took place mid June, which was dedicated to more general SEA issues including the Montenegrin SEA Law, and a presentation of an actually completed SEA (case study). The participants were mainly from Ministries and central level institutions, but also with some participation from local level.

In April 2006, a 1 day workshop 'Strategic assessment of impact on environment – concept presentation' was conducted within the activities defined by the Project 'Strengthening Capacities of the MEPPP to deal with problems of environmental management', jointly implemented by UNDP (cluster: Capacity Development Programme) and MEPPP. Slovenian Oikos held the workshop and has also prepared some guidance on EIA and SEA implementation (around 30 pages).

The issues presented at the workshop were the concept of potential usage of SEA in Montenegro, practical steps of SEA including 'screening', 'scoping', public participation, analysis of programme goals, impact analysis, 'environmental report' and practical aspects of SEA implementation. The 21 participants who represented MEPPP, Ministry for Agriculture, Forest

and Water Management, Ministry of Tourism, Ministry of Economy, Ministry of Maritime Affairs and Transport and officials for five Montenegrin Municipalities (Pljevlja, Bijelo Polje, Podgorica, Kotor and Niksic) were provided with new information on assessment of impact on the environment.

Target groups for SEA training and possible forms

The consultants preparing the National Spatial Plan, should definitely be part of any future SEA training activity, as well as the specialized institutes for environmental protection. Also emphasis should be placed at municipal level, because the new Law on Physical Planning also requires SEA at local level planning (for developing new plans or up-dating existing ones).

Any SEA training should include Ministers (or Deputies/State secretaries) to create awareness.

Key priority target groups for SEA training are:

At national level:

- Ministry of EPPP
- Ministry of Agriculture, Forests and Water Management
- Ministry of Maritime Affairs and Transport
- Ministry of Tourism
- Minister of Economy
- Cabinet? or environmental committees of parliament?
- Universities or research or academic institutes, technical institutes related to environment
- Court of Justice (?)

At local level:

- A selection of municipalities with environmental units

Private level

- Environmental (EIA) consultants
- Chamber of Commerce/Industry or the like

Civil society

- NGOs like Regional Environmental Centre (REC Montenegro), Expeditio, Natura, Green Home, MOST, MANS, etc.

Awareness raising and training can take place in through workshops⁵ and through pilot SEAs (on the job training, see next paragraph 2.4)

2.3.2 Conclusions and recommendations

First SEA trainings are now being undertaken in Montenegro. For any future planning of training activities it is necessary to have a list of Ministries and staff that would need (or that would be interested in) SEA training. Within the ToR of the NCEIA (see appendix 1, item 2 under services sought), training design and course execution of a total of one classroom week was foreseen (both Albania and Montenegro). The NCEIA proposed originally that this training would have an introductory character and could have 30-40 participants of the most relevant Ministries, municipalities, NGOs and private sector (EIA consultancy firms).

However, after discussing a first draft of this gap assessment, it was correctly stated that it would be unrealistic to have 30-40 participants from Montenegro and a similar number from Albania. At that scale it would not really be training, but more of an awareness workshop. Also, the available

⁵ For a list of topics see appendix 3

budget would not allow for accommodation and per diem for so many people. Moreover, the SEA capacity building project under BNPP was expected to at least include one significant joint training activity with Montenegro & Albania together. MEPPP indicated they would like the joint training to be in October. This was confirmed by Albania, where also October/November would be fine with the Albanian counterparts.

Therefore it is proposed to have this training planned in the suggested period, after having gained the practical experience from the SEA pilot on the National Spatial Plan). In any SEA training, the involvement of MEPPP is highly needed, and possibly REC could be involved as well providing assistance both because of their experience in capacity building in environment related issues in Montenegro, as well as because of their SEA knowledge (regional expertise, REC headquarters regional office).

Recommendations

Apart from this major joint SEA training under the BNPP project, the development of a multi year training programme for different target groups, is needed, for instance through:

- a high level awareness raising meeting for decision makers and top level staff of involved ministries, preferably at the start of the programme to raise awareness and create commitment;
- on the job training is needed for both government staff and consultants who will draft SEA reports;
- in depth training of MEPPP in guidance and scoping/review of SEA;
- curriculum development at universities to educate future SEA practitioners.

2.4 SEA pilots

2.4.1 General

The SEA for the National Spatial Plan

For Montenegro, the National Spatial Plan was identified as a suitable plan for a first pilot SEA. The idea of this pilot would be to use this as a model to show how to integrate SEA in plan development.

The NCEIA is involved in this pilot to provide independent advice on ToR, on the implementation of the SEA process and to carry out an independent quality review of the final SEA report. This pilot gives the opportunity to have a 'hands-on' practical experience with and for main stakeholders on how to do good practice SEA and to establish first SEA experience to be used in future training workshops on SEA.

A final draft advisory Terms of Reference for the SEA on the National Spatial Plan has been issued early April 2006.

Possibilities mentioned for other pilots

The National Coastal Management strategy is almost ready and therefore probably not very suitable for SEA, but it could be a good example of how participatory approaches have been conducted, who have been involved and what is their expertise/vision towards environment.

The same applies for the Plan for the Coastal Zone (Morsko Dobro or public maritime domain), which will be (or is) approved (soon).

Several other possibilities were mentioned for SEA pilots:

- SEA for the Shkodra lake, because at the Albanian side they proposed to have a Hydroelectric Power Plant, which would lower the water level by 4 m. Albania has also plans to construct a harbour/dredging canal at the ... river, which flows from the lake to the sea. From the Montenegrin side there are plans to have water supply from the lake because of tourism development in the coastal zone, which is now suffering water shortages. This could be an interesting pilot because of plans for interventions in a protected area.
- Sector strategies or master plans (an inventory needs to be made of plans under preparation, as a lot of master plans have been recently made, approved and adopted).
- The LEAPs (local environmental action plans). REC is starting with a manual developed by REC: 1 for Albania, 1 for Montenegro. In Cetinje municipality (Montenegro), a LEAP process is ongoing, and there is a LEAP office (with 1 person – LEAP co-ordinator). The LEAP will be part of municipal strategic plan for development. In general, secretariats for environmental affairs at municipal level have limited budget and powers. Another municipality (Kotor) is planning to revive a previously conducted but unfinished LEAP process.
- GTZ has ideas of tapping EU funds for general and detailed urban plans in Bar and Ulcinj coastal municipalities near Shkoder. This could be interesting SEA pilots also because of trans boundary aspects with Albania. SEA for local level planning.
- Ring-road around Podgorice.

2.4.2 Conclusion and recommendations

Until now, there is no experience with SEA actually applied in Montenegro. Based on the experiences with the first SEA pilot for the National Spatial Plan, specific opportunities for other SEA pilots can be identified as part of the multi-year SEA capacity building programme. Some suggestions have been mentioned already, but will be determined in relation to the most pressing capacity gaps/institutional obstacles and have to be in line with the priorities of the authorities in Montenegro.

Recommendations:

- SEA pilots enable relevant decision makers and other stakeholders to become aware of the added value of SEA. Staff can be trained on the job. Selection of suitable plans or programmes greatly determines the success of SEA introduction.

2.5 Data management

Data requirements in SEA differ from those in EIA. In particular, Geographic Information Systems (GIS) have shown to be useful. The SEA programme could identify whether useful GIS data and systems exist in Montenegro and if so, the need to improve their accessibility to the relevant agencies.

2.6 Dissemination strategy and materials

A country specific manual to be used by the staff of the involved agencies could be drafted, including a strategy for dissemination. The generic SEA manual presently drafted by the Regional Environmental Centre-Szentendre in Czech Republic (draft is available since March 2005) can be used as starting point.

Guidance material should be made available in leaflets for specific target groups and on the website of the MEPPP.

3. **PROPOSAL FOR MULTI-YEAR SEA PROGRAM IN MONTENEGRO ON SEA**

The items under 2.1 to 2.6 form the basis for a multi-year program on SEA. Below, the NCEIA gives an OUTLINE for a multi-year SEA capacity building programme. However, as the NCEIA is not a consultant (but an independent expert Commission), it cannot and is not allowed to elaborate this into a real project proposal, with concrete activities, log-frame, budget etc. This would be the responsibility of MEPPP and probably a consultant would be needed to provide assistance with that. However, the NCEIA is available and willing to do this together with MEPPP and such a consultant. The multi-year programme will need to (i) provide the framework for the planning and execution of all SEA activities in the period mid 2006-2009 (?) (ii) ensure effective resource allocation for donor supported SEA activities.

NB. The program is (in line with the ToR of the NCEIA) focused only on SEA. However, it can not be seen in isolation from EIA in Montenegro. Therefore, the UNDP funded 'capacity development project' (see 2.3.1), and the project funded by the European Agency for Reconstruction on the future establishment of a EPA should be closely followed.

Ad (i) framework for activities

A multi-year programme could be shaped according to the table below (next page):

Ad (ii) Donor support

There could be interest in the co-funding of a multi-year programme on SEA with GTZ, UNDP, EAR and the Netherlands Embassy, as they have identified environment as a priority for the coming years (see also mission report November 2005).

SEA introductory program for Montenegro, period 2006 – 2009

Main activities	1 ^e year	2 ^e year	3 ^e year	4 ^e year
Define SEA programme based on final capacity gap assessment on SEA	xx			
Design institutional embedding, by-laws, regulation, procedures and manuals (draft and final)		xxxxxxxxxxx	xxxxxxxxxxx	xxxxxxxxxxx
Carry out pilot SEAs Carry out regular SEAs	xxxxxx	xxxxxxxxxxx	xxxxxxxxxxx	xxxxxxxxxxx xxxxxxxxxxx
Awareness raising & training	x	x		
- high level meetings				
- SEA teams responsible for pilots	x x x	x x x	x x	x x
- staff of lead agencies	x x	x x	x x	x x
- staff of MEPPP	x x	x x	x x	x x
- Montenegrin EIA consultants	x x	x x	x x	x x
- NGOs	x	x	x	x
Coaching of SEA team/secretariat, by international SEA experts	x x x x x x x	x x x x x x x	x x x x x x x	x x x x x x x
Data management	xxxxx	xxxxxxxxxxx	xxxxxxxxxxx	xxxxxxxxxxx
Regional activities (to share experiences with neighbouring countries, in particular Albania)		x		x
Evaluation (mid-term and final)			x	x

4. EXPECTED OUTPUT OF THE PROGRAM

- Program for the introduction of SEA for the period 2006-2009, agreed by MEPPP and other relevant ministers;
- Institutional embedding established (SEA responsibilities clearly defined, both horizontally (between MEPPP and other lead agencies) and vertically (national versus local level) to implement SEA.
- Legal and regulatory framework functioning to guarantee effective SEA in line with the EU directive on SEA (implementable and enforceable);
- Awareness raised and commitment created at high level in Montenegro for SEA;
- Key actors in the SEA system trained for their specific tasks and roles (MEPPP, other sector Ministries, consultants (companies/experts));
- Practical experience with pilot SEAs amongst stakeholders;
- Informed national NGOs;
- Guidance material in place.

5. SUGGESTIONS FOR PROGRAM MANAGEMENT

The Government of Montenegro will have to lead and co-ordinate the process and is primarily responsible for the execution of the activities. The MEPPP (most likely but not necessarily) will be the owner of the SEA capacity building program. Other relevant ministries will have to be committed to this program.

Support by different parties to carry out the program will be needed, such as national and international consultants and NGOs.

In practical terms, a kind of Task Force/Steering Committee is needed, that sees to it that the introduction and development of SEA in Montenegro will be internalized at sectoral and decentralized levels. The Task Force should guarantee that SEA is not only an environmental policy, but also a formalized policy of Montenegrin government (at executive and legislative level). Therefore such a Taskforce should have a broad and high level composition, in which ministries but also for instance private sector could be represented. The idea would be to have some kind of guaranteed political commitment through this Task Force or Steering Committee. How this in practice could be organized has to be discussed still: frequency of meetings, number and level of members, their tasks and mandate etc.

Apart from this Task Force, it is proposed to have an SEA team or secretariat: responsible for the day-to-day work in executing the multi-year SEA program (operational work). The SEA team/secretariat:

- could eventually turn into the trainers for other staff and would become the ambassadors for SEA in and outside the government.
- can be done coached by an organisation with international SEA experience (e.g. NCEIA or REC) during the entire process. The SEA team/secretariat members will be (partly?) paid during the first years (out of the budget proposed for the multi-year program). In the end, the team/secretariat should become institutionalized, eg. as part of a future EPA (and paid for by Montenegrin government).
- therefore mechanisms would have to be developed and established to guarantee the financial self-sustainability of the SEA system.

Again, the feasibility of an SEA team has to be discussed with MEPPP in relation to how many staff are likely to be dedicated to working on SEA (full time, part time, with other responsibilities). The NCEIA has experience in e.g. Romania and Georgia⁶, where such SEA teams are operational, which can serve as an example to be discussed.

The NCEIA is willing to provide its assistance in the implementation of the SEA programme, via contribution to:

- training and coaching of the SEA team/secretariat (or future EPA)
- training and awareness raising through presentations and short workshops on SEA
- advice on implementation of SEA legislation (and/or by-laws), procedures, manuals
- assistance and quality review in pilots
- quality review of the SEA system once in place (in 2009).

⁶ E.g. in Georgia the SEA team consists of a chair (State secretary Ministry of Env.), a coordinator, 3 heads of departments, 2 SEA specialists (1 from NGO sector, 1 from private sector) and an independent legislation specialist. All are involved according to a different amount of days and a different amount of payment. Terms of Reference for this SEA team and ToR for each individual team member are available as an example.

6. PROPOSED TENTATIVE BUDGET

The program is not elaborated into concrete activities and therefore it is not possible to provide a detailed budget.

PM: Under the BNPP funds, the NCEIA will carry out two tasks (as is in the ToR), which do not form part of the budget hereunder and will be completed before the start of the programme. These are:

- quality review of the SEA for the National Spatial Plan
- joint regional training on SEA for Albania and Montenegro

Main activities 2006 – 2009	NCEIA	Consultant	Gov. of Montenegro	Total Budget
Multi year SEA program developed	5,000	10,000	5,000	20,000
Establishing SEA institutional framework	5,000	20,000	10,000	35,000
Carry out pilot SEAs 1e SEA 2e SEA 3e SEA 4e SEA	30,000	120,000	80,000	230,000
Coaching SEA team/secretariat	10,000	50,000		60,000
Financial support SEA team			50,000	50,000
Awareness raising and training - high level meetings - lead ministries - consultants - NGOs	20,000	40,000	20,000	80,000
Guidance material		20,000	20,000	40,000
Data management		10,000	10,000	20,000
Regional activities	10,000	10,000	10,000	30,000
Total	80,000	280,000	205,000	565,000

For any SEA capacity building programme, a realistic assessment of the resources that the governments can be expected to provide for implementation, including their own budgetary resources and external assistance is of utmost importance.

Of course these are tentative figures. The idea would be that this multi-annual SEA program would be undertaken with donor support. The contribution of the Montenegrin government would be (in the proposed budget) 205.000.

This is a very rough estimate and this can be reduced of course. A next step would be to agree first with MEPPP on whether they think this gap assessment correctly reflects the current situation, and whether they agree with the proposed recommendations. Based on that, and their wishes and priorities, a more realistic budget can be developed.

APPENDIX 1

Terms of Reference for the expected assistance of the Netherlands EIA Commission

SEA CAPACITY-BUILDING IN ALBANIA AND MONTENEGRO, WITHIN A BROADER CONTEXT OF SUSTAINABLE COASTAL ZONE MANAGEMENT ALONG THE ADRIATIC COAST

TERMS OF REFERENCE

1. Background

With the assistance of the Government of the Netherlands under the BNPP, the World Bank will support the Governments of Albania and Montenegro (GOA, GOM) with capacity-building in the area of Strategic Environmental Assessment. The initiative compliments efforts to strengthen the countries' capacity for implementation of their respective poverty reduction strategies as well as to provide upstream analytical input to Bank operations. In addition, it will directly support priority Bank programmatic lending operations in both countries:

- Albania has already initiated large-scale coastal development planning program in parallel with concerted implementation efforts entailing substantial infrastructure investments, including as part of Bank supported Albania Coastal Zone Management and Clean-Up Program (ACZMCP). A centrepiece to this work is the preparation of the South Coastal Region Development Plan and associated SEA work. The BNPP-supported work will leverage and seamlessly integrate with that work to 1) independently assure its quality and 2) build upon it to develop and operationalize a structured approach to strengthen the GOA's institutional capacity for SEA.

- Similarly to Albania, the BNPP support will set in place a structured program for SEA capacity-building in Montenegro. The coastal zone of Montenegro is ecologically closely linked with that of Albania, and the GOM is planning to intensify tourism in coastal areas substantially over the next decade, with assistance from the World Bank among others (e.g., proposed IDA and GEF-financed Tourism Development Project currently under preparation). Therefore, it is expected that the SEA capacity-building initiative in Montenegro will focus initially on tourism and related development in the coastal region. However, the GOM may identify additional priority focal areas for SEA capacity building.

2. Objectives

The long-term objective of the project is the practical implementation of SEA in Albania and Montenegro in order to:

- Contribute to improved decision-making by integrating environmental concerns and sustainable development principles into the development planning (plans and programs);
- Structure public and governmental debate in policy preparation and planning processes; and
- Guarantee public participation, transparency and quality of information.

To this end, the World Bank initiative aims at designing and initiating the implementation of a coherent medium-term (up to five years) programme for SEA capacity building in Albania and Montenegro with specific emphasis on processes/activities that contribute to the sustainable coastal zone management of their Adriatic coast. It is intended to both draw-upon and compliment existing and planned Bank operations in Albania and Montenegro and provide a framework for the selection and implementation of on-going and future (capacity-building) SEA activities not only by the Bank but also by other Donors active the area.

3. Services sought from the Netherlands EIA Commission for the period 2005-2006.

In meeting the above objective, the World Bank intends to enter with the Netherlands EIA Commission in a partnership arrangement and engage its expertise and services to perform the following activities:

- 1) Undertake capacity gap assessment and assist the governments in drafting a multi year SEA capacity-building programme (Albania and Montenegro). The capacity assessment should be based on both the analysis of existing studies and fieldwork with the representatives of the respective governments (at central and local levels) as well as relevant private sector and NGO representatives. The multi-year program should be based on a realistic assessment of the resources that the respective governments can be expected to provide for implementation, including their own budgetary resources and external assistance after the close of the present activity. The program This should result in programmes that:
 - i) identify and target one or more sector/activity –specific opportunities for SEA pilot work per country that will also address the identified most pressing capacity gaps/institutional obstacles;
 - ii) link closely with on-going and planned Bank operations; and

- iii) are approved and adopted by the respective governments.
- 2) Design and provide SEA training courses to the government and other stakeholders. (Albania and Montenegro) to be carried out with support from the grant (and other funding as appropriate). The training should both relate to and support Bank-assisted SEA pilot activities already under way (Albania) or expected to be initiated under this initiative (Montenegro).
- 3) Provide independent guidance on the implementation of two pilot SEA activities, as follows:
 - i) Guidance to the Albania ICZMCP-supported South Coast Development Plan SEA, including:
 - (1) providing advice to both the government and its consultants on the implantation of SEA process, and
 - (2) quality review of the final SEA report.
 - ii) Following identification of the Montenegro pilot SEA (to be defined under 1 above), provide support and guidance for implementation, including:
 - (1) identification of scope of the activity
 - (2) designing the pilot SEA and assisting the Bank with Terms of Reference and selection of consultants to carry out the assignment;
 - (3) providing advice to both the consultants and their government counterparts on the implantation of SEA process and
 - (4) quality review of the final SEA report design.
- 4) In the context of the basis of the above training and pilot activities, develop dissemination strategy and materials, including the technical support for the organization of a regional SEA workshop.

4. Approach for an effective introduction of SEA

The approach to drafting a five-year SEA introductory programme should be such as to raise ownership for SEA by the respective governments. The implementation of specific pilot SEA to familiarise both government and other stakeholders with SEA is further expected to contribute to this process. As part of the dissemination strategy and based upon practical experiences with the pilot SEAs, the respective governments could be assisted with the drafting of country specific SEA procedures and guidelines (including guidance on new SEA legislation in line with the EU SEA directive, if necessary). If there is sufficient government buy-in, inter-ministerial SEA taskforces could become the driving force responsible for the implementation of the programmes. Finally, the program for introduction of SEA will include a coherent program for training of key stakeholders, aimed at ensuring that SEA processes are well understood, transparent and participatory.

Appendix 3 Overview of SEA training topics

- General introduction on SEA: what is SEA, how to apply, what are benefits, differences with EIA
- Different SEA steps: screening, scoping, assessment, decision-making, monitoring
- Current planning practices and how to integrate SEA
- Case-studies on different sectors
- Case studies on different levels of SEA application (policy, plan, programme, national/regional)
- Presentations on SEA pilots in Montenegro: positive and negative lessons learned
- SEA assessment methodology, such as stakeholders assessment, how to develop strategic alternatives, how to identify impacts at strategic level, application of GIS in SEA, how to organize public participation in SEA designing a suitable SEA process, reviewing SEA (quality control), etc.
- SEA process management (keeping overview, time and financial management, flexibility, composing SEA teams etc.

Through presentations, group assignments, discussion, round tables etc.

In planning, environment always has had a very prominent place since the 60th. Montenegro was a pioneer when comparing with plans from other countries. However, a weak point always has been implementation. Implementation therefore was recommended to be a specific point of attention in any SEA training.