

ENVIRONMENTAL PROTECTION WORK PROGRAM  
FOR 2022

**CONTENTS**

INTRODUCTION..... 4

Work program..... 5

1. LEGAL AND FINANCIAL ASPECTS OF THE COMPANY ..... 5

1.1. Bodies of the Company..... 5

1.2. Organization and human resources ..... 6

1.3. Business activity ..... 6

1.4. Providing funds for the work of the Company and the manner of use ..... 6

1.5. Allocation of funds to beneficiaries... 7

2. ADMINISTRATIVE AND TECHNICAL ASPECTS OF THE COMPANY'S  
MANAGEMENT ..... 8

2.1. Board meetings ..... 8

2.2. Legal affairs ..... 8

2.3. General affairs ..... 8

2.4. Public procurement ... 9

2.5. Free access to information ..... 9

2.6. Integrity Plan..... 9

2.7. Professional development of employees ..... 9

2.8. Cooperation with other subjects..... 10

2.9. Financial affairs ..... 13

2.10. Book of procedures of the Company ..... 13

2.11. Communication strategy... 13

2.11.1. Projects visualization and media promotion ... 15

2.11.1.1. Planned marketing campaign for projects in the field of environmental protection  
15

2.11.1.2. Planned marketing campaign for energy efficiency and OIE projects..... 16

2.12. Corporate social responsibility ..... 18

3. PROJECT FINANCING, PLANNING AND IMPLEMENTATION... 19

3.1. Environmental projects..... 21

3.1.1. Protection and preservation of national parks resources through the improvement of  
the protection service ..... 22

3.1.2. Improvement of municipal infrastructure in NP "Skadar Lake" ..... 22

3.1.3. Improvement of pollutant cadastre and the Environmental Information System integration .....	23
3.1.4. Improving the efficiency of water supply by replacing asbestos-cement pipes.....	24
3.1.5. Construction of a leachate treatment plant at the regional landfill “Možura” .....	25
3.1.6. Support for the construction of the new sanitary landfill at location “Možura” .....	26
3.1.7. Support for the construction of a landfill gas collection system and its use in a cogeneration plant for the production of heat and electricity .....	27
3.1.8. Public call for co-financing the implementation of projects for the prevention of illegal waste disposal in 2022... ..	27
3.1.9. Public call for co-financing the procurement of waste management utility equipment 28 .....	28
3.1.10. Public call for the public sector for co-financing environmental protection project 29 .....	29
3.1.11. Public call for financing TV campaign.....	30
3.2. Energy efficiency and renewable energy projects .....	31
3.2.1. Support project for the purchase and installation of photovoltaic panels up to 10 kw for households and photovoltaic panels up to 30 kw for legal entities .....	32
3.2.2. Incentives for the procurement of energy efficient vehicles for state administration bodies... ..	32
3.2.3. Incentives for the procurement of energy efficient vehicles for natural persons .....	33
3.2.4. Incentives for the procurement of energy efficient vehicles for the economy.....	33
3.2.5. Investment incentives for the procurement of electric-vehicles charging infrastructure.....	34
3.2.6. Energy efficiency for residential buildings-households.....	34
3.2.7. Energy efficiency for business facilities intended for the economy... ..	34
3.2.8. Energy efficient home for socially vulnerable categories... ..	35
CONCLUSION.....	36
TABLE OVERVIEW OF ACTIVITIES AND PROJECTS PROVIDED BY THE WORK PROGRAM FOR 2022.....	39

## INTRODUCTION

At the Session on November 22, 2018, the Government of Montenegro adopted the Decision on the establishment of the Environmental Protection Fund (hereinafter referred to as the Eco-Fund). The Decision defines: the Statute of the Eco-Fund as a limited liability company, activity, the bodies of the company and their authorizations, organization of the company, share capital, financing and use of funds. The Environmental Protection Fund was established on the basis of the Law on Environment ("Official Gazette of Montenegro", No. 52/16) in order to collect and distribute funds for protection, preservation, sustainable use and improvement of the environment in Montenegro. It started with the registration in the Central Register of Business Entities, reg. number: 5-0923251 / 005 from 03.03.2020.

The organization, competencies and the manner of work of the Company's bodies are regulated by the Statute and other general acts, in accordance with the law. The Articles of Association contain general provisions, name and seat, seal, responsibility for the Company's obligations, representation, activities of the Company, internal organization, share capital of the Company, management of the Company, bodies of the Company, financial operations and reporting, book of decisions of the Company, public work and other important issues for the work of the Company.

Montenegro is actively working at the national and international level to contribute the global combat against climate change and environmental degradation. Montenegro's accession to the European Union (hereinafter EU) requires an active role of all segments of society, and the Eco-Fund has a significant participation in the process of integration and further progress in implementing the EU acquis, especially under Chapter 27-Environment and Climate Change, as well as fulfilling the international obligations that Montenegro has undertaken by acceding to conventions and agreements in the field of environment.

The Eco-Fund operates in cooperation with the competent state administration bodies and state administration bodies responsible for environmental protection, local self-governments, professional and scientific institutions, and the civil sector. In performing its activities, the Eco-Fund applies the principles of transparency and publicity, objectivity and accountability in decision-making and application of recognized standards of good practice.

Through the activities it implements, the task of the Eco-Fund is to provide financial resources for the implementation of projects, programs and activities aimed at achieving systematic and comprehensive preservation of the quality of all environmental components, biodiversity, rational use of natural resources and energy as basic conditions for sustainable development, with the purpose of exercising the human right to a healthy environment. By co-financing projects and programs for environmental protection and climate-energy areas, the Eco-Fund will become one of the leaders of stronger economic and infrastructural development of Montenegro, with transparency and efficiency in procedures for securing, managing and appropriate use of funds.

Through its operations, the Eco-Fund strives to become a recognizable entity, which will contribute to financial and technical support to achieve sustainable development goals, as well as other relevant domestic and international documents in the field of environmental protection and energy-climate, and become a desirable partner to domestic and international institutions to prove itself as an institution that offers a healthy working environment, gathers educated,

qualified and professional staff and favors teamwork based on good interpersonal relationships and professionalism in performance.

The Eco-Fund adopts the annual Work Program and Financial Plan, which is approved by the Government of Montenegro. The Eco-Fund shall submit a report on the implementation of the Work Program and Financial Plan no later than March 31 of the current year for the previous year.

The Work Program and Financial Plan for 2022 contain basic and concise information on the activities and operations of the Company, as well as partners involved in project implementation, where the main goal of the Eco-Fund in 2022 will primarily be to achieve planned revenues for the implementation of contracted projects and completion of the already initiated, while the special attention will be paid to monitoring the timely collection of income.

### **ENVIRONMENTAL PROTECTION FUND WORK PROGRAM FOR 2022**

The annual Work Program provides planning the activities of the Fund "Environmental Protection Fund" for 2022, in order to achieve the core business of the Company, as well as adequate preparation of the Financial Plan which provides planning of labor costs and financing the preparation, implementation and development of programs, projects and similar activities in the field of preservation, sustainable use, protection and improvement of the environment, energy efficiency and the use of renewable energy sources, at the state and local level.

The annual work program includes the planned activities of the Company and their implementation, as follows:

1. LEGAL AND FINANCIAL ASPECTS OF THE COMPANY
2. ADMINISTRATIVE AND TECHNICAL ASPECTS OF THE COMPANY'S OPERATIONS
3. FINANCING, PLANNING AND IMPLEMENTATION OF PROJECTS AND ACTIVITIES
  - 3.1 ENVIRONMENTAL PROTECTION PROJECTS*
  - 3.2 ENERGY EFFICIENCY AND RENEWABLE ENERGY PROJECTS*
4. CONCLUSION
5. TABLE OVERVIEW OF ACTIVITIES AND PROJECTS PROVIDED BY THE WORK PROGRAM FOR 2022

#### **1. LEGAL AND FINANCIAL ASPECTS OF THE COMPANY**

Pursuant to Articles 70 and 77 of the Law on Companies "Official Gazette of the Republic of Montenegro", No. 6/02 and

"Official Gazette of Montenegro", no. 17/07, 80/08 and 36/11), Article 8 of the Decision on the Establishment of the Environmental Protection Fund ("Official Gazette of Montenegro", No. 81/18), as well as the Statute of the Company ("Official Gazette of Montenegro", No. 61 (19 and 12/20) Eco-fund was registered with the Central Registry of the Commercial Court in Podgorica on 03.03.2020, as a limited liability company.

### 1.1. The bodies of the Company are:

- **Board of Directors**, as the governing body of the Company, determines the business policy, determines the proposal of the Statute of the Company and general acts issued by the Founder, makes decisions on the use of funds exceeding € 200,000.00, determines the annual financial report, business report and final account of the Company, adopts annual Work Program and Financial Plan of the Company with the consent of the Founder, proposes to the Founder change of the Company's capital, distribution of profits and way of covering losses, proposes Executive Director appointed by the Founder, adopts act on internal organization on long-term business cooperation and joint investments with other persons and decides in the second instance on the rights of employees in the Company.

With the Work Program and the Financial Plan of the Eco-Fund for each current year, the Board of Directors of the Eco-Fund determines the sources and purpose of financial resources and priorities for allocation in accordance with national strategies and other sectoral documents setting priorities in environmental protection, climate and energy efficiency. The mandate of the President and members of the Board of Directors expires on the day of the adoption of the annual financial statements and reports on the operations of the Company.

- **Executive Director of the Company**, as a management body, organizes and manages the business of the Company, represents the Company, executes the decisions of the Board of Directors, proposes acts adopted by the Board of Directors and is responsible for their implementation, makes decisions on the use of funds whose value does not exceed € 200,000.00, prepares and submits to the Board of Directors a proposal of the annual Work Program, Financial Plan and Annual Financial Report, business report and final accounts of the Company.

The Executive Director is appointed by the Government on the basis of a public competition and dismissed, and his term of office lasts four years with the possibility of reappointment.

### 1.2. Organizational structure and human resources management

Rules of Organization and systematization of work positions, number 01-077 / 21-312 / 2 from 01.12.2021. year, the following organizational units are planned:

- Department for Energy Efficiency and Renewable Energy Sources Projects (number of employees 6)
- Department for Environmental Protection and Climate Change Projects (number of employees 6)
- Department for Development and Implementation of International and Partnership Projects (number of employees 6)
- Finance and Accounting Department (number of employees 5)
- Legal and General Affairs Department (number of employees 8)

There are 12 employees, including the executive director. An employment contract with an indefinite term was established with 10 employees, while an employment contract was established with the executive director until the expiration of the mandate. One person was hired on the basis of a fixed-term contract.

In the forthcoming period, the workload of the existing staff and the possibilities of their redistribution between organizational units will be continuously taken into account, all with the aim of adequate management of human and financial resources, in the manner of a good host. Areas in which knowledge transfer is required include: preparation and implementation of Public Calls (development of application forms, electronic application tools, organization and development of a database of submitted projects, etc.), creation and use of various financial support instruments, project management data), monitoring of projects and their effects (reporting, defining and monitoring performance indicators), application of the best available technologies in the field of environmental protection, climate and energy efficiency improvement, visualization and implementation of promotional activities and ensuring the visibility of the Company as a successful and accessible service for all citizens, entrepreneurs and institutions in Montenegro.

### **1.3. Activity of the Company**

Article 4 of the Decision on the Establishment of the Environmental Protection Fund defines as the main activity of the Company financing of preparation, implementation and development of programs, projects and similar activities in the field of conservation, sustainable use, protection and improvement of the environment, energy efficiency and renewable energy sources at the state and local level.

### **1.4. Providing funds for the work of the Company and the manner of use**

Article 6 of the Decision on the Establishment of the Environmental Protection Fund defines that the financing of the Company is provided in accordance with the law. Funds for financing the Eco-Fund are provided from:

- the budget of Montenegro;
- eco-fees;
- loans, donations and aid;
- instruments, programs and funds of the European Union, the United Nations and international organizations;
- foreign investment in environmental protection, and
- other sources in accordance with the law.

The funds are used in accordance with the Financial plan of the Company, for:

- protection, preservation and improvement of the quality of the environment and climate, nature, air, water, sea, land, forests and geological resources;
- encouraging the sustainable use of natural resources;
- protection against the negative effects of climate change;
- waste management, remediation of waste landfills, encouraging the avoidance and reduction of waste generation, waste treatment and utilization of valuable waste properties;

- encouraging cleaner production, avoiding and reducing waste and emissions in the production process;
- protection and conservation of biological, geological and regional diversity;
- promoting energy efficiency in all sectors of energy consumption;
- encouraging greater use of renewable energy sources for personal consumption;
- encouraging cleaner traffic and the use of alternative fuels in traffic;
- encouraging low-carbon tourism;
- encouraging educational, promotional, research and development studies, programs, projects and other activities in the field of environmental protection, energy efficiency and the use of renewable energy sources;
- Implementation of the Company's activities.

The Company may also participate in the co-financing of programs, projects and similar activities implemented in the territory of Montenegro when they are organized and financed by international organizations, financial institutions and bodies, as well as other foreign legal entities.

### **1.5. Allocation of subsidies to beneficiaries**

Eco-fund revenues are allocated to beneficiaries for the purpose of co-financing projects, programs and similar activities, in accordance with the Statute and regulations of the Company. Beneficiaries of the Eco-Fund subsidies can be: companies and other legal and natural persons registered in accordance with the law, local self-government, state administration bodies and other independent legal entities financed from the state budget, non-governmental organizations, and natural persons with residence on the territory of Montenegro. Eco-fund subsidies are awarded to users in the form of: grants, subsidies, loans, donations and aid, and are awarded on the basis of a public competition announced by the Eco-fund. The manner of allocation and criteria for allocation of funds, as well as the manner of monitoring the intended use of Eco-Fund subsidies, are determined by general acts of the Company in accordance with the Statute.

The annual program of announcing Public Calls for the allocation of financial resources is adopted by the Board of Directors at the proposal of the Executive Director of the Eco-Fund, in accordance with the annual Work Program and Financial Plan. At the proposal of the Executive Director of the Eco-Fund, the Board of Directors may, in accordance with the changes in the Work program or Financial plan, change and annex the Annual Program of announcing the call. The annual program of announcing the Public call contains: the subject of the call, beneficiaries, the maximum amount of subsidy for each project applying for the call, the total amount of subsidy intended for each call, the deadline for announcing the call and the estimated duration of the call.



## **2. ADMINISTRATIVE AND TECHNICAL ASPECTS OF THE COMPANY'S OPERATIONS**

Administrative and technical aspects of the business relate to the following tasks:

### **2.1. Meetings of the Board of Directors of the Company**

The Board of Directors, in accordance with the authority determined by the Statute and acts of the Company, will continuously monitor the management of the Company's operation during 2022.

By the decision of the Government of Montenegro, No. 04-3935 / 4 of August 26, 2021, the following have been appointed as new members of the Board of Directors of the Company: Ana Pivljanin - B.Sc. Economist, Nela Vešović Dubak - Master of Biological Sciences, Marija Đurović - B.Sc. tourism manager, Gordana Kasom - doctor of biological sciences and Mihailo Asanović - graduate manager. At the XI session of the Board of Directors held on 02.09.2021. Ana Pivljanin was elected President of the Board of Directors.

By the end of 2022, regular meetings of the Board of Directors are planned due to the need to adopt reports on the work of the Company, the need to adopt the Work Program and Financial Plan, Annual Plan for Announcing Public Calls, Public Procurement Plan for 2022, adoption of the new Rulebook on Internal Organization and work systematization, as well as other issues within the competence of the Board of Directors.

### **2.2. Legal affairs**

- Preparation of legal acts, contracts, decisions and conclusions, reports and minutes for the needs of the Company;
- Preparation of general and internal acts;
- Conducting public announcements for employment;
- Preparation of employment contracts, decision on candidate selection;
- Keeping personal records of employees in the Company;
- Engaging external associates for the implementation of project activities depending on the needs of the Company;
- Preparation and analysis of agreements on partnerships, business cooperation and subsidies;
- Resolving labor- law issues of employees (requests, initiatives, salaries, allowances, business trips, etc.);
- Monitoring work records, including monitoring sick leave, vacations, business trips.

The Eco-Fund applied for participation in the Vocational Training Program for persons with higher education and expressed the need to employ 3 trainees in order to train persons to perform basic activities within the competence of the Eco-Fund, two trainees within the Department for environmental protection and climate change projects and one trainee within the Department for energy efficiency and renewable energy projects.

### **2.3. General affairs**

- Monitoring and coordination of the use of official vehicles;
- Records and coordination of property use;
- Running office business;
- Archiving.

There is a real need to upgrade the existing and purchase new IT infrastructure, so when it comes to technical resources, it is necessary to procure the following: missing personal IT equipment for employees (personal computers, printers, etc.); software and hardware; documentation archiving software - the need to easily access any document at any time and minimize the possibility of sending errors and the loss of mail requires an efficient and electronically maintained archive; website / portal hosting, etc.

The Eco-Fund owns one Toyota official vehicle, registration number PGKD668, for the purpose of performing regular official activities within the competence of the Eco-Fund.

### **2.4. Public procurement**

Public procurement activities during 2022 will also refer to the preparation of the annual Public Procurement Plan, implementation of public procurement procedures in accordance with the Law, as well as the conclusion of public procurement contracts.

In accordance with the Law on Public Procurement ("Official Gazette of Montenegro", No. 74/2019), as well as provided financial resources for operations, and for the purpose of ensuring adequate operations, it is planned to initiate simple procurement procedures in accordance with operational needs of the Company as well as public procurement procedures in accordance with the project activities from the Work Program. The Public Procurement Plan will be adopted and published in accordance with Article 84 of the Law on Public Procurement, by March 31 of the current year at the latest.

### **2.5. Free access to information**

The Company regularly performs activities in accordance with the provisions of the Law on Free Access to Information ("Official Gazette of Montenegro", No. 44 / 12,030 / 17) and takes into account the transparency of management bodies and proactive disclosure of information. In this regard, an authorized person was appointed to act on requests for free access to information, as well as publicly displayed documents on the company's website, namely: Guide to Free Access to Information, Public Registers and Public Records, Programs and Work Plans, List of employees with their titles, List of public officials with a list of calculations of their salaries, as well as information to which access was granted upon request.

## **2.6. Integrity plan**

The Law on Prevention of Corruption ("Official Gazette of Montenegro", No. 53/14, 42/17) introduced the obligation to adopt an Integrity Plan for all authorities in accordance with the Rules for the development and implementation of the Integrity Plan. In this regard, pursuant to Article 74 paragraph 1 of the Law, it is prescribed that the responsible person in the authority, appoints an integrity manager by a decision, responsible for drafting and implementing the Integrity Plan.

Pursuant to the above, the Integrity Manager and the working group for the development of the Integrity Plan were appointed in the Company, and it was adopted on September 11, 2020. The Company is obliged to submit a Report on the implementation of the Integrity Plan to the Agency for the Prevention of Corruption.

## **2.7. Professional development of employees**

Human resource management is continuous process and activity that needs to be planned and strategically directed towards strengthening the resources and potential of the Eco-Fund during 2022. Recognizing the importance of human capital in achieving its mission, based on the identified needs of employees, the Eco-Fund will pay special attention to education and improving the potential of employees, but also investing in improving their professional knowledge, skills and abilities to improve the Company's business. Investing in employees through training and education, study visits, work on training in accordance with the needs of the Company, as well as work on nurturing corporate culture, are significant competitive advantages of the institution.

In this regard, at the beginning of 2022, employees of the Eco-Fund will have the opportunity for professional training and development in accordance with the needs of the workplace and qualifications through the development of an employee education plan, under the conditions set by the Rulebook on Internal Organization and Systematization. work ("Official Gazette of Montenegro", No. 74/19.08 / 21.59 / 21, 68/21).

## **2.8. Cooperation with other entities**

Having in mind the defined areas of activity, the Eco-Fund is directed to cooperation with other institutions and organizations that will be partners in achieving the basic mission of the Company. In order to efficiently perform the program and development tasks of the Company, during 2022 special attention will be paid to the strategic improvement of cooperation at the national and international level.

- **Inter-institutional cooperation at the national level**

State administration and state administration bodies - In its operations, the Eco-Fund will continue to be directed to cooperation primarily with the competent Ministry of Ecology, Spatial Planning and Urbanism, then the Ministry of Capital Investments, the Ministry of Finance and Social Welfare, and other state administration bodies, primarily to the Environmental Protection Agency. Fields of cooperation will be different, from cooperation in

the development and definition of programs and policies of the Company, to the selection of priority projects, giving opinions on laws and bylaws, participation in working groups, etc. Also, due to the nature of the work, the Eco-Fund will make its business transparent by sending appropriate reports to the competent ministries.

Local self-governments and civil society organizations - in the implementation of the Eco-fund's business policy, cooperation with local self-governments and civil society is of utmost importance in order to improve the quality of the environment. Bearing in mind that local governments and civil societies perform tasks related to the establishment of environmental protection and improvement systems on their territory, proposing and implementing measures, drafting and monitoring the implementation of local plans, approved programs and projects in the field of environmental protection and energy efficiency, cooperation with local governments will contribute to fulfilling the mission of the Eco-Fund, as well as directing the economy in the direction of reducing the requirements for the consumption of natural resources, energy and the application of more environmentally friendly business.

Given the scope and complexity of environmental issues, close cooperation with scientific research and educational institutions is necessary. The protection of nature and the environment has become a very important social and political issue, leading to a change in thinking, approach and action in all segments of the environment. In order to improve environmental protection, and especially to achieve goals in improving the quality of air, land, water, sea, cleaner production, waste management, reducing emissions, green economy, the Eco-Fund will continue to encourage educational, research and development studies and co-finance appropriate programs, projects and similar activities. In that sense, it is planned to engage academic institutions and professional individuals on projects, studies, etc.,

- **Participation in working groups, conferences**

Participation in the activities of working groups, conferences, activities in global campaigns and work platforms, working meetings will continue in 2022. Representatives of the Eco-Fund are invited to participate in the work of the following working groups:

1. Working Group for Preparation and Conduct of Negotiations on Montenegro's Accession to the EU in the Field of the Acquis Related to the Negotiating Chapter 27 - Environment and Climate Change (Office of the Prime Minister of Montenegro, Office for European Integration);
2. Technical Working Group for the Development of the National Energy and Climate Plan (Ministry of Capital Investments);
3. Working Group - Support for Paradigm Change towards low-carbon transport in Montenegro" (Ministry of Capital Investments);
4. Six working groups within the implementation of the project "Solari 3000+" and "Solari 500+" (Electric Power Industry of Montenegro);
5. Working group on the project "Construction of a solar power plant on the roof of the building of the Parliament of Montenegro" (Parliament of Montenegro);

- To connect to the network

- For electricity supply
  - For verification of performed works and equipment requirements
  - For invoicing
  - For media promotion of projects
6. Working group for promotion and identification of projects in the field of green economy (Ministry of Economic Development);
  7. Energy Sector Investment Commission;
  8. Economic Recovery Program (Ministry of Economic Development)
  9. Working groups for drafting the proposal of the Decision on the amount of fees, method of calculation and payment of fees due to environmental pollution (Ministry of Ecology, Spatial Planning and Urbanism);
  10. Sectoral working group for selection and assessment of strategic importance of priority infrastructure projects in the field of environment (Ministry of Ecology, Spatial Planning and Urbanism);
  11. Preparation for the implementation of support projects for the purchase and installation of photovoltaic panels for residential buildings;
  12. Working group for coordination of the process of preparation of the project "Support to the paradigm shift towards low-carbon transport"
  13. Evaluation of progress in the implementation of micro, small and medium enterprise development policies (MSMEs);
  14. Working Group for the Development of the National Energy and Climate Plan (NECP)

- **Cooperation with international financial institutions and organizations**

Based on the projection of revenues in accordance with the current legal framework, it is evident that the Eco-fund will have very limited financial resources in the next medium term, so it will be extremely important in 2022 to attract international funds by identifying available funds and establishing bilateral cooperation with international financial institutions and organizations, as well as strive to be involved in the processes of planning and programming the use of pre-accession funds of the European Union.

With the aim of exchange of knowledge and experience, strengthening the position in the international market, participation in international projects, Eco-Fund in 2022 plans to establish and implement cooperation with international institutions, organizations and funds in the region in order to provide additional funds through bilateral cooperation projects for investment in environmental protection and climate / energy areas.

International financial institutions and organizations - Cooperation with international financial institutions and organizations, as one of the fields of activity, occupy an important place in the work of the Eco-Fund. The use of financial resources from these sources is certainly something that is expected in the implementation of future program activities of the Eco-Fund and where good foundations have been laid through the conclusion of memorandums (agreements) on cooperation. Assistance from international organizations will be of special importance in the first years of the company's operations, while with the development of activities this assistance

will become more important, and will relate primarily to the transfer of relevant experiences, transfer of knowledge and skills, as well as raising technical and administrative capacity of the Company and implementing joint projects. The signing of the Agreement on Cooperation between the Eco-Fund and the United Nations Development Program (UNDP) in Montenegro in June 2020 speaks in favor of this, which provides for further support to the institutional development of the Eco-Fund through joint activities to create a sustainable financial mechanism for the environment and climate-energy area, help increase the competitiveness of the Montenegrin economy through the development of green jobs and create a framework for the development of a low-carbon future in which economic growth is not achieved at the expense of the environment.

The Eco-Fund, in cooperation with the Ministry of Ecology, Spatial Planning and Urbanism - Directorate for EU Integration, International Cooperation and Climate Change, has launched an initiative towards the Green Climate Fund to obtain accreditation that will provide access to the International Fund for Fundraising financing projects in the field of environmental protection and energy efficiency in Montenegro. Through the National Program of Priority Activities in the Field of Climate Change Mitigation and Adaptation within the Cooperation with the Green Climate Fund, the Eco-Fund has been recognized as a potentially accredited body for direct access to the GCF. Through selected project proposals within the Program of Priority Activities, the Eco-Fund has been identified as a potential implementation partner in projects related to: increasing the climate resilience of health institutions, implementing energy efficiency measures and introducing renewable energy sources in the residential sector, as well as low-carbon transport projects.

In cooperation with the competent Ministry and the representative of ZKF in Montenegro, a project proposal was prepared based on the institutional strengthening of the national contact point, the Directorate for EU Integration, International Cooperation and Climate Change Eco-Fund, the working group for the National Council for Sustainable Development changes and integrated coastal zone management, through support for the implementation of the updated National Determined Contribution (NDC).

The key point of this project proposal, related to the Eco-Fund, is the implementation of financial policies and analyzes in order to identify sustainable sectoral entry points and investment / financial strategies for financing climate change. In that way, the development of a multi-year strategy for access to climate finance, the construction of financing modalities and an investment strategy with a focus on the implementation of the national determined contribution, would be supported. At the same time, it would be possible to conduct training to improve the capacity of the Eco-Fund for the implementation of climate finance strategy. The value of the project, which will be carried out by the Eco-Fund, is € 300,056.00 with a deadline for implementation of 12 to 18 months.

The Eco-Fund officially started the accreditation process in the fourth quarter of 2021. In this regard, the Eco-Fund will work in parallel on the implementation of the project proposal and the accreditation process, as a precondition for obtaining it. During the accreditation process, it is necessary to adopt certain prescribed policies and procedures of the Green Climate Fund, as well as to present the capacity for implementation of projects and programs of various financial instruments from environmental and social risk categories assessed according to ZKF standards. The result of the accreditation process determines the size of the project or program;

fiduciary functions, which will shape the way it operates using the resources of the Eco-Fund (grants, loans and guarantees).

The Ministry of Capital Investments in cooperation with the Ministry of Health is implementing the project "Energy Efficiency in Montenegro - Second Phase" (MEEP 2). MEEP 2 is financed from a credit arrangement signed between the Government of Montenegro and the International Bank for Reconstruction and Development (IBRD), and aims to implement energy efficiency measures in health facilities and create a sustainable system of financing energy efficiency projects in the public sector. A sustainable financing system will enable the works on the application of energy efficiency measures in other facilities to be financed from the savings realized in the adapted facilities. The implementation of the MEEP 2 project started on September 1, 2018 and will last until December 31, 2023. years. The project budget is € 6,000,000.00. In order to implement the project task MEEP 2, and which refers to the creation of a sustainable system of financing energy efficiency projects in the public sector, a study and proposed model for financing energy efficiency projects that could be applicable in Montenegro, in which the Eco-Fund is recognized as an institution that would legal changes could play the role of a revolving fund as well as the role of a super ESCO. Therefore, with regard to the future development of the Eco-Fund and the definition of the roadmap, it is necessary to take into account the above. With the representatives of the World Bank, as well as the MEPP2 team in the past period, the Eco-Fund has achieved intensive communication, which is expected to continue in 2022. A study and proposal of a model for financing energy efficiency projects that could be applicable in Montenegro was made, within which the Eco-Fund was recognized as an institution that could, with certain legal changes, play the role of revolving fund and super ESCO. Therefore, with regard to the future development of the Eco-Fund and the definition of the roadmap, it is necessary to take into account the above. With the representatives of the World Bank, as well as the MEPP2 team in the past period, the Eco-Fund has achieved intensive communication, which is expected to continue in 2022.

## **2.9. Financial affairs**

- Development and revision of the annual Financial Plan and Procurement Plan;
- Regular annual reporting on the implementation of the financial plan and internal monthly monitoring of the implementation of the financial plan;
- Monitoring, analysis and preparation of reports on collected fees and revenues of the Company;
- Earmarked spending and ensuring the legality of financial operations;
- Monitoring regulations in the field of financial operations of the Company.

## **2.10. Company's Book of Procedures**

Pursuant to the Law on Financial Management and Control on February 8, 2021. the Company's Book of Procedures was adopted. The financial and legal procedures are clearly defined and accordingly the Company is responsible for efficient and adequate financial management that will enable a reliable system of financial control, and thus effective performance of the Company's functions, including risk management to prevent fraud and corruption.

The person in charge of financial management and control (FMC person) in the Company, takes care of the implementation and application of financial regulations in order to implement the system of financial control and management of the Company. Also, a set of internal rules and procedures has been developed in order to properly, economically, efficiently and effectively use the approved budget. Internal procedure for FMC and other documentation is a set of rules and procedures, including job descriptions that explain financial operations in the Company.

## 2.1. Communication strategy

The development of each product within the Eco-fund and its success on the market will depend primarily on the marketing strategy that should follow the business of the Eco-fund. The application of modern marketing achievements is set as an imperative before the management of the Company, especially having in mind the specific target groups for which the products and activities of the Eco-Fund are intended. In order to ensure the improvement of transparency and quality presentation of the work of the Eco-fund to the public, it is necessary to develop a communication strategy in order to intensify and improve communication with all target groups (beneficiaries of the Company's funds), which enables the preservation and improvement of the positive image of the Eco-Fund. One of the goals of the Communication Strategy will be to deepen and strengthen relations with all defined target groups and business partners.

All communication and marketing activities are approved by the management of the Eco-Fund through the adoption of the annual Marketing Activity Plan for 2022. If during the subject period there is a need for the implementation of additional unplanned activities, they are also approved by the management, at the suggestion of officials in charge of implementing communication activities in the Department for Legal and General Affairs. The annual marketing plan will start from the current position of the Eco-Fund (financial position, current projects, target groups, available instruments and marketing budget) and define activities for the implementation of marketing strategy and tactics. The general success of the Eco-Fund in the realization of its mission will largely depend on the success of marketing activities.

The development of the structure, regular updating and innovation of the website, as tools in the service of supporting marketing activities, was recognized in 2022 as a priority activity. On the site you can find all the information that is necessary for the beneficiaries of the Eco-fund, then the laws and bylaws on which the activities of the Company are based, as well as internal acts. Also, by sharing information related to business and activities carried out in the Eco-Fund, all interested parties have the opportunity to be informed about the work of the Eco-Fund in a timely manner, and transparency is one of the leading postulates of the Company. We are also actively working on promoting activities on social networks: Facebook and Instagram. In the next period, we will work on the translation of content from the website in English, creating a bilingual site.

Through regular contacts and cooperation with the media, we will actively work on expanding and improving cooperation. In cooperation with representative offices and the selected agency / agencies, the goal is to ensure communication in emitting markets, where it is necessary to ensure: strategy for media relations and social networks, strategy for cooperation with journalists and bloggers, preparation of content for emitting markets and monitoring and regular reporting, special projects that rely on social media and events according to the available budget. The plan is to hold press conferences, info days and organize thematic shows in electronic media.

Social networks have proven to be an extremely important channel for continuous communication in all emitting markets, as well as for regular proactive communication with target groups. Activities on social networks will take place throughout the year, and the engaged agency, together with the Department for Legal and General Affairs of the Eco-Fund, will prepare a monthly plan for publishing the current work of the company.



The Department for Legal and General Affairs of the Eco-Fund will submit a regular monthly report containing analysis and statistical processing of placed media content and publications on social networks, with the aim of raising quality in the work of the Department, and above all to have clear indicators we have reached the public and what impression the guidelines for further work have left on it.

Activities of advertising and visibility of projects during 2022 will include: 1. shaping brand identity - graphic, audio, video and digital; 2. digital advertising - writing texts, design and preparation of advertisements for print and digital media, lease of advertising space and time in specialized and general media (TV, web portals, social networks); 3. sponsorship visibility in space and time - permanent and temporary at live events, in printed publications, audio and video broadcasting shows, and in digital media; 4. events: meetings, debates, round tables, conferences, scientific and professional conferences, forums and public debates, seminars, socially responsible activities, actions. In the area of brand identity visibility of the project the emphasis will be on ensuring the recognizability of the project in different communication contexts - static and dynamic visibility in analog and digital communication channels.

#### **2.11.1. Visualization and media promotion of planned projects**

For the successful realization of each individual project that will be implemented by the Eco-Fund during 2022 adequate media promotion is required in order to become widely recognized as a key financial institution in the field of environmental protection and energy efficiency as soon as possible. In accordance with the dynamics prescribed by the Annual Program of Public Tenders for 2022, in cooperation with the marketing agency / project partners, the Eco-Fund will work on a joint strategy of media promotion of each project individually so that potential beneficiaries are informed about the subject of public tender, use and necessary documentation, and on the other hand, work would be done to preserve and create the reputation and image of the institution.

Basic tasks of promotional activities are to raise public awareness about environmental protection, the use of renewable energy sources and energy efficiency and to arouse the interest of beneficiaries to participate in projects implemented by the Eco-Fund and to reach as many beneficiaries as possible.

#### **2.11.1.1. Planned media campaign for environmental projects**

As important as it is to reach the beneficiaries of the Eco-Fund, it is equally important to strengthen the awareness of the general public about the importance of preserving the environment and implementing energy efficiency measures. Therefore, in the part of promotion of projects in the field of environmental protection, an important task will be the promotion of each individual activity. This means that the Eco-Fund will actively and dedicatedly inform the media about all activities on projects that it will implement in this area.

In planning the promotion of projects in the field of environmental protection, emphasis will be placed on the most active media promotion of activities that will be carried out with the aim of raising awareness of the general public about the importance of protection, preservation and improvement of the environment. In 2022 it is planned to maintain and independently implement the actions of the Eco-Fund staff, as well as in cooperation with partners, all in order to promote the importance of environmental protection.

- **Protection and preservation of National parks resources through the improvement of the protection service**

- Organize the signing ceremony of the Cooperation Agreement between the PE "National Parks" and the Eco-fund;
- Create multimedia material during the delivery of equipment and press release;
- Post information about the project on the website and social networks, and release it to the print media.

- **Improvement of communal infrastructure in NP "Skadar Lake"**

- Organize the signing ceremony of the Agreement between the PE "National Parks" and the Eco-fund;
- Create multimedia content at the beginning and at the end of the work;
- Post information about the project on the website and social networks, and release it to the print media.

- **Improving the environmental information system through the integrated cadastre of pollutants establishment**

- Joint activities with the Environmental Protection Agency to promote this important
- project and launching a public debate on the importance and necessity of establishing a pollutant cadastre;
- The Eco-Fund will, in accordance with its capabilities, strive to actively promote this important topic;
- On behalf of the Eco-Fund, inform the public about the given topic, which specifically means sending press releases, multimedia content and video material for TV reports, guest appearances in shows;
- Continuous monitoring of the topic on social networks.

- **Construction of leachate water treatment plants and support to the construction of a waste treatment plant for separate and controlled disposal of construction waste at the disposal site "Možura"**

- Inform the entire society about the current situation and the benefits that the implemented project activities will bring through the communication channel;
- The activities of the Public Relations Associate will be focused on the actualization of the given topic in the media, through guest appearances in environmental shows, interviews in the print media and on portals;
- Specific activities will be announced, covered and summarized in the media;
- Support for the construction of a landfill gas collection system and its use in a cogeneration plant for the production of heat and electricity;
- The Public Relations Associate has the task of continuously monitoring the activities on this project, and to promote the importance of the investment;
- Actualization of problems in the media and announcement of activities, as well as presentation of benefits for the whole society and highlighting the benefits that will bring with it the realization of this investment.

- **Public call for the civil sector to co-finance environmental projects**

- Activities that will be organized in cooperation with the civil sector will be covered by the media;
- Activities in the media will be aimed at raising public awareness of the importance of protecting all segments of the environment, adapting to climate change;
- Development of informative and educational materials;

In order to achieve the goals of this project, the Public Relations Associate has the task of continuously working throughout the year through communication channels to increase citizens' awareness of environmental protection and to encourage them to get involved in the environmental reform process.

- **Public call for co-financing the implementation of projects for the prevention of illegal waste disposal in 2022**

- Joint activities (events) with the users or local self-government units with which the project will be implemented will be covered by the media;
- Specific activities will be announced, broadcast and summarized in the media.

**Note:** The costs of media promotion of projects in this area are minimal, and will relate to possible costs during the signing of the Agreement, the cost of publishing the text in the print media, guest appearances in TV media, possible roundtables, increase the number of posts on social networks, etc. in order to improve their visibility. All the above activities for the promotion of projects in the field of environmental protection are part of the regular work activities of the Public Relations Associate and do not require additional funding.

**2.11.1.2. Planned media campaign for projects in the field of energy efficiency and renewable energy sources**

Given that these are projects in which the emphasis is placed on end users, the Eco-fund has the task to send a clear message to them and make them interested in our services. The final outcome of the project also depends on the interest of the users, so it is very important to make a good promotion of the projects we are implementing in cooperation with the marketing agency.

The promotion of projects to be implemented by the Eco-Fund in this area includes announcing projects in the media before announcing the public call, continuous advertising during the public call and promoting implementation after the public call closes, as well as informing the general public about the project outcome.

Because of all this material that will be placed for the purposes of project promotion must be aligned and strategic and tailored to the target groups and devices they use. The emphasis is on making the material more dominant visual than textual forms.

In both projects related to energy efficiency, it is necessary to cooperate with a marketing agency in order to provide graphic design services, video production, position slogan, brochure, banner, cover, roll up, media mix and the like. Cooperation with the marketing agency and specific services will be specified in the media brief that we will submit to the agency.

- **"Solari 3000+ and Solari 500+"**

- The project is implemented in partnership with EPCG, which bears all the costs of producing promotional material;
- The Eco-Fund is actively working on the promotion of this project in coordination with the Public Relations Service of EPCG.

- **Energy efficient vehicles for government agencies, businesses and individuals and investment incentives for the procurement of infrastructure for charging electric vehicles**

- Successful promotion of projects requires cooperation with a marketing agency in order to make a promotional video, advertisements, banners and other necessary promotional material for the purposes of promotion.
- Planned activities:
  - Organize meetings with businessmen to present the incentives we offer;
  - Organize meetings with representatives of state administration bodies and local self-governments in order to present the project;
  - Prepare promotional material in cooperation with the agency;
  - Before announcing the public call, start announcing the project;
- Publication of the public call;

- Press conferences;
- Contracting advertising space on television and radio during the public call, paid advertisements on the Internet;
- Continuous promotion on social networks.

Financial framework: In order to reach the end users and to be aware of the incentives offered, the Eco-Fund plans to allocate a maximum of 3% of the total project budget for marketing purposes, maximum of € 10,500.00.

- **Energy efficiency for residential buildings-households and for business buildings intended for the economy**

Successful promotion of projects requires cooperation with a marketing agency in order to make a promotional video, advertisements, banners and other necessary promotional material for the purposes of promotion.

- Organize meetings with businessmen to present the incentives we offer;
- Before announcing a Public call, start with media promotion in order to interest the public;
- In cooperation with the agency, prepare promotional material (video, advertisement, banners ...);
- Publication of the Public call;
- Press conferences;
- Contracting advertising space on television and radio during the Public call, paid advertisements on the Internet;
- Continuous promotion on social networks.

Financial framework: In order to reach the end users and to be familiar with the incentives offered, the Eco-Fund plans to allocate a maximum of 5% of the total project budget, or € 12,000.00, which is the maximum available funds for marketing.

Note: Depending on the additional funds available and the budget for 2022, the value of the project will change, and thus the share of marketing in the total budget.

## **2.2. Socially responsible business**

Corporate social responsibility is the commitment and contribution of the Eco-Fund to sustainable development through its work, which means a responsible attitude towards the local environment, the environment and society as a whole, and as such expresses its commitment to all business activities in the lawful manner and with respect for the highest ethical and business standards with responsibility in terms of business ethics and conduct. Aware of the impact on society and the environment as a whole arising from the Company's operations in 2022, we will strive to continuously contribute to sustainable development through progress - both the Company and the company as a whole.

The Eco-Fund will continue to strive for the status of a socially responsible company through

the establishment of such a line of business to make social responsibility an integral part of its policies, organizational culture, structures and activities. Some of the ways in which this has already been achieved are the following: through the vision and mission of establishing the Eco-Fund, the commitment to socially responsible business is clearly and precisely defined, by adopting rules and other internal acts defining rules and procedures, motivating employees to support and engage in social responsibility activities; by adopting a code of conduct or a code of ethics which concretizes the company's commitment to the principles of social responsibility; by including social responsibility as a key element of the company's business strategy.

Social responsibility business is becoming an increasingly important component of the business of the Eco-Fund, which seeks to meet increasingly demanding ethical, environmental, legal and public standards. The socially responsible behavior of the Eco-Fund imposes the need for the institution to take an active role in projects important for the protection and improvement of the environment, as well as projects for the improvement of energy efficiency and renewable energy sources. When we talk about participation in the projects in question, we have in mind, above all, the financing of projects that promote the development of environmental vision of Montenegro and support socially beneficial projects. In the coming period, the Eco-Fund, in cooperation with other institutions, will participate in the implementation and promotion of a number of projects of importance for the environment and climate change sector, ecologically important dates, financing of round tables and conferences, participation in financing of scientific and professional events, cleaning actions, and other forms of financing of socially useful activities), according to their financial possibilities.

### **3. FINANCING, PLANNING AND IMPLEMENTATION OF PROJECTS**

Implementation of project activities for 2022 is planned primarily from funds provided from the collection of eco-fees for environmental pollution (emissions of pollutants into the air; import of ozone-depleting substances; generation and disposal of hazardous waste) which are paid on the principle of "polluter pays", Pursuant to Article 77 of the Law on Environment ("Official Gazette of Montenegro ", No. 52/16). The amount, method of calculation and payment of these eco-fees is defined by the Decree on the amount of fees, method of calculation and payment of fees due to environmental pollution (Official Gazette of the Republic of Montenegro, No. 26/97, 9/00, 52/00, Official Gazette CG ", no. 33/08, 5/09, 64/09, 40/11, 49/11). Considering that this is a Regulation from 2011 and that in the meantime the Eco-Fund has been established, the adoption of new regulations is needed. The process of amending the mentioned Regulation is underway, primarily with the aim of establishing an improved and more functional system of calculation and collection of eco-fees, and primarily through the improvement of the register of polluters maintained by the Environmental Protection Agency. Also, the new Regulation will prescribe unit amounts of eco-fees in a way that is comparable to the amounts in the countries in the region and harmonized with the consumer price index, as well as incentives for legal entities and individuals, in a way that encourages them to implement measures to reduce emissions.

One part of the benefits is envisaged to be realized on the basis of other laws:

- Pursuant to the Law on Protection against the Negative Impacts of Climate Change ("Official Gazette of Montenegro", No. 73/2019), the Decree on Activities and

Activities Emitting Greenhouse Gases for Which a Greenhouse Gas Emission Permit is Issued ("Official Gazette of Montenegro", No. 008/20) is another legally grounded basis for securing the Eco-Fund's income through the principle that funds collected from the sale of emission credits at auction, for each unit of equivalent carbon dioxide emissions, are paid into the Company's bank account, as one of the key mechanisms for reducing emissions, but also increasing efficiency and improving industrial and energy production. During 2021.

- The Law on Roads ("Official Gazette of Montenegro", No. 82/2020) defines the fee for external toll costs as compensation for the prevention of air pollution and the negative impact of road traffic noise on the population. Although the law in question was adopted in 2020, the Eco-Fund has not yet generated revenue from it. Considering that traffic is recognized as one of the three main sources of air pollution in Montenegro and that eco-funds in the region as a stable and continuous income have a fee paid by all motor vehicles at registration (environmental tax), it is necessary in the future period to consider amending the law in question in order to introduce a new environmental fee for motor vehicles.

In order to further improve the overall environmental protection system and recognize the role of the Eco-Fund as a central financial institution that contributes to achieving the goals of protection and preservation of all environmental segments, as well as achieving energy / climate policy measures, it is necessary to amend the existing regulatory framework. The introduction of new compensation models is a complex process that requires a multidisciplinary approach and must primarily take into account the impact on the economy and the standard of living of citizens, which is why it is long and requires detailed analysis. The analysis of the current legislative framework identified a group of fees related to specific categories of waste as a key fee for ensuring a stable future source of income for the Eco-Fund (fees for management of electrical and electronic waste, batteries and accumulators, tires, packaging and packaging waste, etc.). We are currently working on the Draft Law on Waste Management, which should establish the preconditions and find the best model for the inclusion of the Eco-Fund in the management system of special categories of waste.

Financial sustainability and achieving the purpose for which the Eco-Fund was established, achieving the goals of the Government of Montenegro in the field of sustainable development, protection and improvement of the environment, climate change, energy efficiency and the use of renewable energy sources, will largely depend on identifying future possible mechanisms for providing revenue to the Eco-Fund.

Funds collected from excises (mineral oils and their derivatives, gasoline, diesel fuel, etc.), concessions and other fees have been identified as possible sources of financing for the Eco-Fund. Given that the Eco-Fund should be financed on a "polluter pays" basis and that mineral oils, oil and its derivatives, as well as the exploitation of mineral raw materials (coal) are major polluters of the environment, it would be justified to excise and the use of natural resources are used to protect the environment through the Eco-Fund. However, further prescribing specific fees as a source of Eco-Fund funds would require finding an appropriate legal framework for redirecting these funds to the Eco-Fund, it would include amendments to the existing legal framework (Law on Excise Duties, Law on Mining) which would redirect funds or part of funds from fees for the use of mineral raw materials from the budget to the account of the Eco-Fund and that a certain percentage of excise duty on mineral oils, their derivatives and substitutes be directed and used for the Eco-Fund. Also, part of the funds for financing the Eco-Fund could

be provided from the tax on the use of motor vehicles, vessels, aircraft and aircraft in accordance with the Law on Tax on the Use of Passenger Motor Vehicles, Vessels, Aircraft and Aircraft.

Pursuant to the Law on Nature Protection ("Official Gazette of Montenegro", No. 054/16), the obligation to pay a fee for the collection, use and trade of protected species of wild flora, fauna may be established.

Given that the realization of the above revenues of the Eco-Fund, as well as its future activities to achieve environmental goals and achieve energy efficiency measures and renewable energy sources largely depends on the activities of relevant ministries through the adoption of necessary regulations, Eco-Fund will continue initiatives for the adoption of the necessary regulations by amending the existing normative framework. In case of adoption and application of the mentioned normative acts, as well as amendments to the existing ones, there would be a further increase in the company's income and an increase in the business activities of the Eco-Fund.

Realization of income according to the principle "Polluter pays" in accordance with applicable laws and bylaws allows co-financing of programs and projects for environmental protection and energy efficiency aimed at preventing further environmental pollution, remediation of existing pollution, and sustainable use of natural resources, as well as promoting energy efficiency and renewable sources energy. Therefore, the starting points of the Work Program for 2022 are previous activities and lessons learned, activities and projects started in the previous year, close cooperation and exchange of information with relevant ministries, and analysis of obligations arising from national strategic documents. The work program is objective and rational, based primarily on the available financial resources and human resources, and accordingly, the Eco-Fund has made a schedule of planning activities for 2022 through the following project activities:

- Environmental protection projects;
- Energy efficiency and renewable energy projects.

### **3.1. ENVIRONMENTAL PROTECTION PROJECTS**

Montenegro is distinguished by the diversity of habitats and ecosystems, which is reflected in the great biological and genetic diversity. Conservation and protection of biological diversity is a fundamental value and a significant resource in the development policy of Montenegro. With all the challenges, with clearly defined principles and goals and energetic action, the environment can be preserved in the long run. It is extremely important to protect the environment and sustainable use of natural resources, improve environmental management, prevent environmental pollution, integrate environmental issues into other sectoral policies (tourism, energy, industry, agriculture, forestry, mining, transport, etc.), raising awareness and involving the public in the decision-making process and implementing measures.

The role of the Eco-Fund is to contribute to the achievement of the goals set by the strategic and planning documents of Montenegro, as well as the assumed international obligations, with its funds and professional work on projects in the field of environment. By strengthening cooperation with relevant ministries, state institutions, national parks, nature parks and other public institutions, and cross-sectoral cooperation, the Eco-Fund becomes the main initiator of



projects and activities aimed at targeted research, monitoring the state of nature, nature conservation, efficient nature management and use of quality solutions for nature protection. Cross-sectoral cooperation in the field of environmental protection, nature and sustainable development.

The main strategic goals of nature protection are: to increase the efficiency of basic nature protection mechanisms; reduce direct pressures on nature and encourage sustainable use of natural resources; strengthen the capacity of the nature protection system; increase knowledge and availability of data on nature; raise the level of knowledge, understanding and public support for nature protection.

Activities on the implementation of program measures and goals in the field of environmental protection were directed by the Eco-Fund in accordance with the strategic documents of the Government, towards the fulfillment of the following program goals:

- Protection and conservation of biological diversity, in particular through the establishment of conservation measures and protection of biodiversity in protected natural assets;
- Improving infrastructure in protected natural assets;
- Water protection in the framework of environmental protection;
- Arrangement and rehabilitation of communal and illegal waste landfills;
- Improving environmental monitoring, in particular with a view to protecting, preserving and improving air and soil quality, and mitigating climate change and protecting the ozone layer;
- Stimulating the circular economy, that is cleaner production by avoiding and reducing waste generation and emissions in the production process;
- Establishment of an integrated management system for special waste categories;
- Encouraging educational, research and development studies, programs and projects and International cooperation in environmental protection projects.

The Eco-Fund will participate in the preparation and implementation of projects in the field of environmental protection in cooperation with the competent institutions, competent ministries, as well as with professional and scientific institutions, and local self-government units. Out of the total amount of € 1,160,000.00 planned by the Work plan, which will be allocated by the Eco-Fund for financing the environmental protection program in 2022, the implementation of the following projects is planned:

### ***3.1.1 Protection and preservation of national parks resources by improving the protection service***

Subject and goal of the project: When it comes to protected areas of nature and meeting the objectives for which they were declared, as a crucial and most important segment is their quality management. International nature protection organizations take as a key measure of the effectiveness of protection in such areas the concept and quality of their institutional management and the vision of a long-term plan to ensure a stable and long-term system of their financing. In Montenegro, there is still a large gap between the actual financial costs required for adequate management of certain protected areas and their total revenues, which includes revenues from the budget and those from their own activities, which calls into question the possibility of achieving the goals for which they were established.

The Eco-Fund will implement the project "Protection and preservation of natural values of national parks through the improvement of physical protection" in cooperation with PE "National Parks", and was designed to strengthen financial management capacity and sustainability of protected areas, as well as institutional and individual capacity in order to improve the cost-effectiveness of protected area management, and to contribute to sustainable socio-economic development at the local / national level. The success of the management of an individual protected area is reflected primarily in the way in which it fulfills the tasks for which it was established. The protection service (physical and professional) is the basis for the preservation of natural and created values of the park and the basis for achieving the set goals of environmental protection of the protected area. In accordance with the internal acts of the Public Company, professional services perform the following tasks: monitoring in the field of nature protection, terrain control, prevention and reporting of illegal activities, reporting of all physical changes in the park, work at checkpoints and other activities for protection and preservation space. Within the PE "National Parks", continuous work is being done to strengthen the capacity of the professional service, to better protect, preserve and improve the natural and cultural values of national parks, so the implementation of this project will significantly affect capacity building and quality of physical and professional protection, reporting all physical changes in the park, work at checkpoints and other activities in the function of protection and preservation of space. Within the PE "National Parks", continuous work is being done to strengthen the capacity of the professional service, to better protect, preserve and improve the natural and cultural values of national parks, so the implementation of this project will significantly affect capacity building and quality of physical and professional protection, reporting all physical changes in the park, work at checkpoints and other activities in the function of protection and preservation of space.

*Expected project results:*

- Procurement of vehicles for the needs of the physical and professional protection service;
- Establishment of continuous and improved monitoring of flora and fauna;
- Establishment of an effective system of physical protection of the

protected area.

Implementing bodies: Environmental Protection Fund and PE "National

Parks" Project budget: 127,028.82 €

*Amount of project subsidy:* € 107,974.50

The amount of the subsidy that will be awarded by the Eco-fund for the realization of this project is 85% of the investment.

*Project time frame:* from II to IV quarter

### **3.1.2. Improvement of communal infrastructure in NP "Skadar Lake"**

*Subject and goal of the project:* The main activity of the management of PE "National Parks" is the protection and preservation of original natural values (geological, hydrological, biological), environmental diversity, ensuring the smooth flow of natural processes, and monitoring the implementation of conditions and protection measures in protected areas. In the context of water protection from pollution and prevention of negative impact on water quality, NP "Skadar Lake" initiated and implemented projects for the installation of devices for biological treatment of wastewater from facilities and accompanying facilities in the protected

natural area. Surface and groundwater of Skadar Lake are affected by organic pollution from untreated wastewater from villages and towns around the lake, but also by chemical pollution from industrial plants in Montenegro.

The unresolved sewage and wastewater system in the protected area is a threat, so it is necessary to establish biological treatment of wastewater in protected natural areas in order to protect and preserve the original natural values. The project provided financial support to the management of the Skadar Lake National Park for the rehabilitation and reconstruction of biopurifiers (biopits) in order to reduce the pressure on the aquatic environment.

*Expected project results:*

- Rehabilitation and reconstruction of biopurifiers (bio wells) through the installation of separators and pipes;
- Reduction of water pollution and degradation of Skadar Lake biodiversity.

*Implementing bodies:* Environmental Protection Fund and PE "National Parks"

*Project budget:* 17,647.05€

*Amount of project subsidy:* € 15,000.00

The amount of the subsidy that will be awarded by the Eco-fund for the implementation of this project is 85% of the investment.

*Time frame of the project:* from II to IV quarter

**3.1.3. Improving the cadastre of environmental pollutants and integration in Environmental information system**

*Subject and goal of the project:* Issues of environmental pollution, determining the level of pollution is a complicated and at the same time important process. The Cadastre of Environmental Polluters is a set of systematized information and data on the sources of environmental pollution, it represents a register of all activities that may have a negative impact on the quality of the environment. The Cadastre is part of the information system of the Environmental Information System of Montenegro, which is maintained in accordance with the Law on Environment in the Environmental Protection Agency. The basic function of the cadastre is to collect and process data, maintain and update a number of databases related to industrial and municipal pollution. The primary goal of establishing and maintaining such a cadastre (register) is the systematic monitoring of activities that may have a negative impact on the environment. The goals of establishing the cadastre derive from the need for quality and timely information on environmental pollution from companies that emit pollutants into the environment as a necessary prerequisite for establishing an efficient and effective environmental protection system. The main goal of the project is to further improve the cadastre of pollutants established in accordance with the law, including improving the process of collection, verification and reporting, and compliance with local cadastres in Montenegro.

*Expected project results:*

- Identification of contaminants
- Determining the quantities and monitoring the trends of emissions of specific pollutants in order to reduce the level of risk of their negative impact;
- Improving the availability of information to the public, as well as its inclusion in the decision-making process on environmental issues;
- An efficient mechanism for collecting eco-fees has been established; enabling operators to meet most regulatory requirements;
- Cadastre Use Manual for Taxpayers;
- Strengthening the capacity of the Environmental Protection Agency in order to improve the collection, verification and reporting, education of operators;
- establishing a portal of the Registry of Environmental Pollutants, including GIS components, through the development of web portals in order to ensure data quality standards and data availability to the public;

*Implementing bodies:* Environmental Protection Fund and Environmental Protection Agency

*Project budget:* 117,647.05€

*Amount of project subsidy:* € 100,000.00

The amount of the subsidy that will be awarded by the Eco-fund for the implementation of this project is 85% of the investment.

*Time frame of the project:* from II to IV quarter

### **3.1.4. Improving the efficiency of water supply by replacing asbestos-cement pipes**

*Subject and goal of the project:* NGO Association for Improvement of Water Supply, Treatment and Drainage of Wastewater of Montenegro with the financial support of UNDP and hiring experts from Bosnia and Herzegovina implemented the project "Replacement of asbestos-cement pipes in water supply networks of Montenegro" through which project tasks for 21 municipalities and collected data on the amount of km of asbestos pipes laid in the city water supply system, which is about 614.21 km. The next step that was to follow was the development of the Main Project for the replacement of asbestos-cement pipes in water supply networks and the provision of financial resources for the implementation of the project. The required financial resources amount to around € 150 million, for:

- The first phase, which involves 20% of the total length of the AC network  
**(estimated € 30,000,000.00);**
- The second phase involves 40% of the total length of the AC network  
**(approximate estimate € 60,000,000.00);**
- The third phase involves 40% of the total length of the AC network  
**(approximate estimate € 60,000,000.00).**

AC pipeline replacement technology will include the following activities:

- laying of a new pipeline should be performed next to the existing AC pipeline if possible,
- with the replacement of pipelines, replace of household connections with accompanying equipment, fasteners, etc.,
- in locations where the existing AC pipeline passes through private plots, provide relocation to public areas, in locations where it is not possible to report relocation, drill or pass the so-called "rocket", together with the replacement of the pipeline replace windows, hydrants, mud and air outlets, etc.

The realization of this project has the ultimate goal of improving the quality of life of the local population and collectively raising awareness of the importance of quality water supply in Montenegro.

*Expected project results:*

- reduction of water losses in water supply systems (implementation of the project would reduce losses on the network, which, according to the Regulatory Agency, are around € 42 million annually),
- increasing the security of water supply (modernization and establishment of a comprehensive and functional water supply system),
- provide health protection of the population (construction materials containing asbestos after removal are waste),
- enable a significant increase in the economics of water companies (contributes to the financial stability of water companies),
- fulfillment of final criteria within Chapter 27 - environment and climate change (final criterion 7, activity 7.21 - Implementation of the project of reconstruction of asbestos-cement pipes).

*Implementing bodies:* Environmental Protection Fund, Union of Municipalities of Montenegro, NGO Association of Waterworks, Local Self-Government

*Project budget:* € 300,000.00 for the development of the Main Project for the replacement of asbestos-cement pipes.

*Time frame of the project:* from II to IV quarter

### ***3.1.5. Construction of leachate treatment plant in the regional Možura landfill***

*Subject and goal of the project:* Numerous pollutants are generated at municipal waste landfills and are released into the environment through: leachate (such as heavy metals Cd<sup>2+</sup>, Cr<sup>3+</sup>, Cu<sup>2+</sup>, Pb<sup>2+</sup>, Ni<sup>2+</sup>, Zn<sup>2+</sup>, aromatic hydrocarbons, phenols, etc.) or landfill gas (CO<sub>2</sub>, CH<sub>4</sub>, CO, H<sub>2</sub>S, etc.), and therefore pose a great danger to the environment and human health. The intensity of pollution released from the landfill depends on several factors, and most of all on the orderliness of the landfill (pollution control measures), the amount and composition of landfilled waste and the intensity of precipitation. Leachate of atmospheric origin, as well as water generated in the body of the landfill during the process of decomposition of the deposited material, forms highly polluted filtrate waters that should not be evacuated to natural recipients.

System for solving collective waste management activities, and especially the treatment of polluted landfill water is a very complex, multidimensional physico-chemical process. The real composition of leachate is very difficult to predict, because it depends on a number of variable factors such as: waste composition, temperature and moisture content, external and internal parameters, fluid migration, landfill body thickness, waste decomposition phase, possible self-treatment processes, interfacial possibilities layers to adsorb / absorb and minimize pollution, the quality of water infiltrating the landfill and other factors.

During the construction of the sanitary landfill "Možura", a system was installed in the body of the landfill under the filter layer of gravel material fraction 16 - 32 mm which drains leachate to the equalization-compensation basin - lagoon  $V = 1000 \text{ m}^3$ . Leachate is drained by perforated pipes with a diameter of  $\text{Ø}200 \text{ mm}$  and  $\text{Ø}350 \text{ mm}$ . Gravitational and with the help of pumps, the water from the lagoon is drained into a system of three pools in which sludge stabilization, aeration and sedimentation are performed, and after that, with the help of pumps, recirculation is performed to the landfill body.

As the landfill "Možura" is significantly away from the sewerage network, the problem of purification and final disposal of leachate (leachate) from the landfill was solved by choosing a system of returning collected raw leachate back to the landfill body, which proved more acceptable from the technical and technological side than on the economic side of the sustainability of the landfill and leachate treatment plant. Due to the characteristics of leachate, evaporation creates a very unpleasant odor which, under the influence of wind, can occasionally expand to the surrounding residential buildings, which during the summer months can have a negative impact on tourism. Also, in extreme cases of heavy atmospheric precipitation, water may overflow from the lagoon and / or from the sanitary tubs because the water is returned to the bathtub by recirculation.

The implementation of this project aims to improve the existing system for leachate treatment through the application of reverse osmosis (RO) as the best technology for leachate treatment at the landfill "Možura" according to the feasibility study. The advantages of the reverse osmosis system, with pretreatment and recirculation of concentrate to the landfill are as follows: 90-99% of impurities are removed, through reduction of color, ammonia nitrogen, heavy metal content, BOD and HPK values and allows easy capacity expansion and module addition, and flexibility in the process of establishing different qualitative and quantitative parameters of the plant. The main goal of the project is to address the issue of wastewater disposal at the solid waste landfill "Možura", in an environmentally friendly way.

*Expected project results:*

- Long-term stable leachate collection and continuous, economically sustainable treatment will be ensured;
- Environmental protection and population health.

*Implementing bodies:* Environmental Protection Fund and LLC for Management of Sanitary Landfill "Možura".

*Budget:* The total value of the investment is € 1,000,000.00. The Eco-Fund will finance the preparation of the Main Project in the amount of € 30,000.00 and the Audit of the Main Project in the amount of € 10,000.00.

*Time frame of the project:* from II to IV quarter

**3.1.6. Support for the construction of new sanitary baths at the "Možura" landfill**

*Subject and goal of the project:* The service life of the landfill has been seriously shortened, considering that waste at this landfill is disposed of by all coastal municipalities, and since the beginning of the landfill's operation, over 600,000 tons have been deposited, which represents more than half of the planned capacity. It is to be expected that the total capacities will be filled in 4-5 years if the dynamics of waste delivery is at the level of previous years. The urban project of the landfill covers a much larger area than the landfill body itself, and it would be natural to build new sanitary tubs on free areas in order to extend the life of the landfill, which is also foreseen by the National Waste Management Plan. It is also possible to expand the urban project in order to reduce the costs of building new sanitary tubs.

In 2020, a conceptual solution was made for the construction of new sanitary baths, geodetic and geomechanical study in the scope of the Urban Project. This study also provided an estimate of total costs, as well as construction technology with a projected method of collecting leachate and landfill gas evacuation. The new bathtubs would be leaning from the southwest side on the existing ones, with the construction of a 32m high retaining wall. The project of the retaining wall envisages the use of flexible geogrids made of polyvinyl alcohol (PVA) in the carrier and polypropylene (PP) in the transverse direction, produced by knitting from low-flow fibers, resistant to chemical and mechanical influences, and filling from stone aggregate.

*Expected project results:*

- Long-term establishment of a sustainable waste management system in a way that has minimal harmful impact on the environment and human health, with rational use of resources and respect for modern principles of waste management;
- A sustainable way of waste management that will meet the required EU standards in terms of environmental protection and economic sustainability.

*Implementing bodies:* Environmental Protection Fund and LLC for Management of Sanitary Landfill "Možura".

*Budget:* The total value of the investment is € 4,000,000.00. The Eco-Fund will finance the preparation of the Main Project in the amount of € 60,000.00 and the Audit of the Main Project in the amount of € 10,000.00.

*Time frame of the project:* from II to IV quarter

***3.1.7. Support for the construction of a landfill gas collection system and its use in a cogeneration plant for the production of heat and electricity***

*Subject and goal:* The plant for energy utilization of municipal waste and landfill gas is of cogeneration type and is intended for the production of electricity and heat from municipal waste and landfill gas generated from the body of the municipal waste landfill "Možura". The produced thermal energy will be used for the district heating system in the existing system, while the electricity will be delivered to the existing electricity distribution system.

Landfill biogas produced at a landfill containing 50% -CH methane<sub>4</sub> by burning 1Nm<sup>3</sup> gives 4.30 kW on the torch. By using 1Nm<sup>3</sup> in the cogenerator, it is possible to get 2.10 kWh of electricity and 2.15 kWh of heat energy, which at the maximum projected gas production of 495.2 Nm<sup>3</sup> / h is 1,040 MWh of electricity and 1,065 Mwh of heat energy. These quantities clearly indicate the justification for the construction of a cogeneration plant for the production of heat and electricity in order to valorize the energy produced by the decomposition of waste. To this end, the management of "Možura" Ltd. has already begun activities on the preparation of this type of project whose estimated value of the investment is about 2,000,000.00 €.

*Expected project results:*

By using waste and landfill gas for energy production under regulated conditions and with the use of adequate flue gas purification equipment, uncontrolled emissions of harmful substances from the existing landfill would be eliminated, and the energy produced would be CO<sub>2</sub> neutral. Therefore, this project has:

- Positive effect on human health and environmental quality;
- It affects the reduction of the amount of waste that is permanently disposed of;
- Affects the reduction of the required land area for waste disposal;
- Affects the increase in the utilization of useful materials from municipal waste;
- It affects the reduction of emissions of harmful substances into natural recipients, etc.

*Implementing bodies:* Environmental Protection Fund and LLC for Management of Sanitary Landfill "Možura".

*Budget:* The total value of the investment is € 1,500,000.00. The Eco-Fund will finance the preparation of the Main Project in the amount of € 50,000.00 and the Audit of the Main Project in the amount of € 10,000.00.

*Time frame of the project:* from II to IV quarter



### **3.1.8. Public call for co-financing the implementation of illegal prevention projects waste disposal in 2022**

*Subject and goal of the project:* Subject of this public competition is the allocation of funds to local self-government units to co-finance the implementation of projects for the prevention of illegal waste disposal and removal in 2022, which include activities related to supporting local self-government units in preventing illegal waste disposal and preventing new illegal landfills. local waste management action plans.

The waste management system must be guided by the principle of waste management hierarchy, which is the order of priorities in waste management practice: waste prevention, waste reduction, waste reuse, recycling, energy recovery and, finally, disposal at sanitary landfills. This hierarchy determines that waste disposal is the last step in waste management, and that it should be done only when other options are not possible due to certain restrictions. A big problem of all local governments is the creation of unregulated ("wild") landfills where waste disposal is mostly carried out uncontrolled, ie measures are not implemented to reduce its harmful impact on the environment and human health. Therefore, as a specific goal in the field of waste selection,

Waste management has an impact on all components of the environment, the economy, the amount of resources available, climate change, human health, biota and sociological aspects. Caring for the environment, as well as controlling environmental pollution, is one of the key contributions to preserving and improving human health.

*Expected project results:*

- Remediation of “wild disposal sites”;
- Protection of all segments of the environment, and prevention of negative impact on human health and the environment;
- Raising public awareness on the establishment of a sustainable waste management system and its constant improvement.

*Implementing bodies:* Environmental Protection Fund and local self-government units.

*Budget:* Funds allocated under this Public call by the Eco-Fund is € 170,000.00.

*Time frame of the project:* II quarter

### **3.1.9. Public call for co-financing the procurement of municipal waste management equipment**

*Subject and goal:* In order to achieve the goals and measures prescribed by the National Waste Management Plan of Montenegro and in accordance with the Law on Waste, and in order to establish a comprehensive waste management system, the Environmental Protection Fund (hereinafter Eco-Fund) will co-finance the procurement of municipal waste management equipment.

The purpose of this Public Call is a better, more sustainable and economically efficient municipal waste management system in accordance with the principles of sustainable development, environmental protection and protection of public interest and encouraging the improvement of separate waste collection systems within local communities.

The aim of this Public Call is to procure municipal equipment that would improve the system of separate waste collection, which includes special categories of waste, and thus reduce the share of biodegradable municipal waste in the generated mixed municipal waste. The specific objectives of the public competition are to improve the quality and efficiency of providing services for the collection and transport of municipal waste, to develop a system of primary waste selection in local governments, the implementation of local waste management plans.

The project includes investments in improving the overall waste management system in terms of primary waste separation and using its valuable properties to reduce landfills, support the strengthening of recycling activities, and establish a system for recording quantities of waste received at landfills and monitoring. Priority projects are those related to: a) procurement and installation of scales at the entrance to landfills with accompanying software; b) formation of green islands in order to encourage waste selection at the place of origin; c) design, construction and / or equipping of recycling yards; d) co-financing the final disposal of hazardous waste; e) co-financing the development of recycling activities; f) dedicated, environmentally friendly, vehicles for separate collection and transport of selected waste; h) co-financing the production of energy from waste.

*Expected project results:*

- The success of primary selection depends primarily on infrastructure (bins, containers, waste collection and transport vehicles, recycling yards). If the infrastructure is provided, the responsibility for success lies with the awareness of the population and economic entities about the importance and benefits that primary waste selection brings to society and individuals, but also on the entire waste management system in the field of waste collection and treatment.

*Implementing bodies:* Environmental Protection Fund and Utilities.

*Budget:* The funds that will be allocated by the Eco-Fund by public invitation, intended for financing and co-financing of projects for the procurement of equipment for the collection and transport of municipal waste, amount to € 177,025.50.

*Time frame of the project:* II quarter

### **3.1.10. Public Call for the civil sector to co-finance environmental protection**

*Subject and goal of the project.* The subject of the public call is the co-financing of projects of civil society organizations in the field of environmental protection and improvement, as follows:

- Environmental entrepreneurship (waste prevention and reuse - circular economy);

## DOO ENVIRONMENTAL PROTECTION

- Ecological activism through the organization of ecological actions of cleaning (submarines, river banks, urban areas, speleological objects, protected areas, etc.) and marking important ecological dates;
- Organizing various thematic workshops to ensure effective management of protected areas, such as workshops to prepare financial management plans, to monitor biodiversity in these areas, development of sustainable tourism, workshops to define operational control and supervision, permitted activities within the protected area, etc.;
- Raising public awareness of the importance of protecting all segments of the environment, adapting to climate change and producing informational and educational materials;
- Development of plans, programs, studies and project documentation in the field of environmental protection, which create preconditions for: assistance in the implementation of strategic national documents, application and encouragement of funding programs based on agreements and grants from domestic and international funds, as well as preconditions for favorable credit lines;
- Improving the state of the environment and space of urban and rural areas and protected areas, preserving and improving the quality of air, land, water and sea, and mitigating climate change (reducing greenhouse gases) and protecting the ozone layer.

### *Expected project results:*

- Increased public awareness and involvement of citizens in environmental reform processes, which greatly contributes to more efficient environmental protection;
- Better planning and management of environmental protection with constant involvement of stakeholders;
- Conducting environmental campaigns;
- Greater visibility and impact of civil society organizations dealing with the environment.

*Implementing bodies:* Environmental Protection Fund and Civil Sector.

*Budget:* The total amount of funds that will be allocated under this Public Invitation is € 60,000.00.

*Time frame of the project:* III quarter

### **3.1.11. Public Call for funding a TV campaign**

*Subject and goal of the Public Call is financing:*

- projects / programs that contribute to the development of environmental awareness and dissemination of knowledge about the need for environmental protection,
- projects / programs that aim to contribute to solving a specific environmental problem

through one-time actions and campaigns.

*Expected project results:*

- Raising public awareness and involving citizens in environmental reform processes what contributes greatly to more efficient environmental protection;
- Better planning and management of environmental protection with constant involvement of stakeholders;
- Conducting environmental campaigns;
- Greater visibility and influence of institutions and organizations dealing with the environment.

*Implementing bodies:* Environmental Protection Fund and Public Service.

*Budget:* The total amount of funds that will be allocated under this Public Call is € 60,000.00.

*Time frame of the project:* from III to IV quarter

### **3.2. ENERGY EFFICIENCY AND RENEWABLE SOURCES OF ENERGY PROJECTS**

Montenegro, as a member of the Energy Community and a candidate for membership in the European Union, has committed itself to meeting the goals of the Energy Community and the European Union in the field of renewable energy sources, energy efficiency and greenhouse gas reduction. As a member of the UN, by signing the Paris Agreement, she pledged to join the rest of the international community and reduce greenhouse gas emissions.

Accelerating action on climate change adaptation and mitigation is crucial. Montenegro's contribution to the international community's efforts in the fight against climate change is expressed through the intended nationally determined contribution to reducing greenhouse gas emissions, at least 30% in the period up to 2030 compared to 1990 baseline emissions.

In order to meet these obligations and achieve the set goals, Montenegro is waiting for further harmonization of energy and climate policy. Integrating environmental issues into ambitious development and energy policies and strategies is one of the biggest challenges.

Pursuant to Montenegro's commitments based on membership in the Energy Community, the Ministry of Capital Investments has an obligation to harmonize the strategic and planning framework in the field of energy with EU practice, which includes significant intervention in the current approach. , which aims to cover the five dimensions of the Energy Union: energy security, the internal energy market, energy efficiency, decarbonization of the economy and research, innovation and competitiveness. Completion of this key document is expected during 2022.

As defined by the National Strategy for Climate Change until 2030, the reduction should be achieved through a general increase in energy efficiency, improvement of industrial technologies, increased participation of renewable energy sources and modernization in the

energy production sector.

The National Air Quality Management Strategy also identifies five key areas that directly affect climate change and GHG emissions, such as: energy, industry, transport, agriculture and forestry.

The Energy Efficiency Action Plan provides an elaboration of the manner of fulfilling the key obligations from the relevant EU directives in the field of energy efficiency, which are divided by sectors, as follows:

- Horizontal EE measures,
- EE measures in buildings,
- EE measures for households,
- EE measures for the public sector,
- EE measures for the commercial services sector and the industry sector,
- EE measures for the transport sector,
- EE measures on the energy supply side (transformation, transmission and distribution).

The transport sector is currently responsible for 20% of national greenhouse gas emissions, which are projected to grow further, accounting for up to 30% of national emissions by 2030. To slow down and ultimately reverse this trend, electrification and e-mobility solutions are key factors that will contribute to reducing GHG emissions in the sector.

In the field of transport, the measures defined by the national plans for improving air quality relate to reducing traffic intensity, choosing cleaner and sustainable alternatives for the transport sector, with a long-term vision of reducing carbon dioxide emissions in transport.

The use of cars causes the emission of harmful gases that disrupt air quality in cities and have a constant negative impact on the ozone layer and climate change. Sustainable mobility plans are aimed at a more attractive and high-quality urban environment, improving security, reducing air pollution and reducing noise, reducing greenhouse gas emissions and, ultimately, reducing energy consumption.

The goal is to reduce the share of road traffic in total national greenhouse gas emissions, which will be achieved by creating a sustainable, inclusive transport system while achieving a balanced representation and wider use of electric and hybrid vehicles.

In 2022, in order to meet strategic measures and policies in the fight against climate change, the Eco-Fund will focus financial support on promoting and encouraging the procurement of sustainable transport solutions and e-mobility in the public sector, as well as encouraging energy efficiency and renewable energy sources. individual residential and commercial buildings.

***3.2.1. Project support for the purchase and installation of photovoltaic panels up to 10kW for households and photovoltaic panels up to 30kW for legal entities - Solari 3000+ and Solari 500+ project***

The project will be implemented in accordance with the signed Agreement on joint financing and implementation of the project "Solari 3000+" and "Solari 500+" between Elektroprivreda Crne Gore (EPCG) and Eco Fund, signed in accordance with the adopted information on the project and Government conclusions 04- 4365/2 dated 23 September 2021. years.

The project holder is EPCG, and the estimated total value of the Project is € 30,000,000.00. For the implementation of this project, a feasibility study and technical solution was prepared.

The positive effects of the project are multiple, both from the financial aspect for households, the economy and EPCG, and from the aspect of the expectations of the international community in order to reduce emissions and increase the use of renewable energy sources.

The project beneficiary is given the opportunity to install an appropriate photovoltaic system, repaying it in equal monthly amounts in the amount of his average monthly bill for consumed electricity. The repayment period of the investment for the user ranges from 5 to 8 years, depending on the amount of the installment and the strength of the associated installed system.

The subsidy that the Eco-Fund provides through this project to the users amounts to 20% of the value of the photovoltaic system. In relation to the total estimated value of the project, the total value of subsidies would amount to € 6,000,000.00.

Project value: € 6,000,000.00

Note: Pursuant to the Financial Plan for 2022, € 2,965,572.50 was allocated for the implementation of the project in question.

***3.2.2. Incentives for the procurement of energy efficient vehicles for government agencies and state administration bodies***

The public sector has an important role in promoting e-mobility, and the allocation of funds from the Eco-Fund enables it to create a financially justified investment and thus actively contribute to the concept and promotion of e-mobility in its early stages of development. Public sector users need to be provided with financial support for the purchase of one or more electric and / or hybrid vehicles (max. Up to 4 vehicles). It is proposed that incentives for e-mobility in the public sector do not exceed 50% of eligible costs.

For public sector users to allocate: 180,300.00 €

Maximum amount of subsidy: up to 50%

Per user maximum: up to 4 vehicles

Total number of vehicles: about 15 vehicles

***3.2.3. Incentives for the purchase of energy efficient vehicles for individuals***

The allocation of incentive funds in the form of subsidies by the Eco-Fund for Individuals will continue in 2022, as well as investments that actively contribute to the concept of e-mobility. It is necessary to enable natural persons to purchase one electric or hybrid vehicle, with a defined maximum amount of co-financing (share in eligible costs, ie maximum amount of subsidy per user). It is proposed that incentives do not exceed € 7,500.00 per vehicle.

Allocate: € 200,000.00

Maximum amount of subsidy: up to 5,000.00 € or 7,500.00 € per vehicle Per user maximum: 1 vehicle

Total: minimum 40 vehicles

***3.1.12. Incentives for the procurement of energy efficient vehicles for the economy***

The allocation of incentive funds in the form of subsidies by the Eco-Fund for Economy will continue in 2022, as well as investments that actively contribute to the concept of e-mobility. It is necessary to enable businessmen to purchase a maximum of 4 electric or hybrid vehicles, with a defined maximum amount of co-financing (share in eligible costs, ie the maximum amount of subsidy per user). It is proposed that incentives do not exceed € 7,500.00 per vehicle. Namely, greening the vehicle fleet in the private sector will also contribute to the development of e-mobility.

Allocate € 200,000.00

Maximum amount of subsidy: up to € 5,000.00 or € 7,500.00 per vehicle Maximum per user: 4 vehicles

Total: minimum 40 vehicles

### ***3.1.13. Investment incentives for the procurement of infrastructure for charging electricity vehicles***

In addition to incentive<sup>8</sup> for electric vehicles, the Eco-Fund will also encourage the development of infrastructure for charging electric vehicles. Incentives are intended for legal entities from the public (public institutions and local self-government) and private sector. Directive 2014/94 / EU on the creation of infrastructure for alternative fuels prescribes the basic guidelines for the creation of publicly available infrastructure for charging electric vehicles. In this context, Montenegro should establish a common framework of measures whose results will be reflected in a sufficient number of publicly available fast chargers. Therefore, it is proposed that the incentives be initially directed precisely towards such infrastructure (chargers with a power of more than 22 kW). It is suggested that the item of work does not represent a justifiable cost. Incentives up to 60% of eligible costs for public institutions and local governments and 40% for the economy.

Allocate: € 150,000.00

Maximum amount of subsidy: up to € 10,000.00 per beneficiary. Total filling stations: 15

### ***3.1.14. Energy efficiency for residential buildings-households***

Energy efficiency is recognized as an economical and fast way to increase security of energy supply and to reduce greenhouse gas emissions responsible for climate change. In that sense, it is planned to announce a public competition for subsidies to individuals, ie owners and co-owners of family individual housing facilities, which aims to reduce heating costs and increase comfort in households, achieve significant reductions in CO<sub>2</sub> emissions and develop a market for efficient heating systems. and refrigeration in Montenegro.

The grant project involves the allocation of subsidies to citizens in order to implement energy efficiency measures in households, which relate to:

- procurement and installation of heating systems on modern forms of biomass (pellets, briquettes);
- procurement and installation of high-efficiency heat pumps for heating the facility;
- procurement and installation of multi-split system for heating / cooling the building;
- installation of thermal insulation on the facade of a residential building;
- installation of energy efficient facade joinery;
- procurement and installation of solar water heating systems;
- procurement and installation of photovoltaic systems with exchange at the point of connection.

The amount of the subsidy would be up to 35% of the eligible investment costs. Project value: € 700,000.00. The maximum amount per user is: € 3,500.00

Number of objects: 200



Note: Depending on the additional available funds and the budget for 2022, the value of the project will change, and thus the percentage of co-financing by the Eco-Fund.

### ***3.1.15. Energy efficiency for business facilities intended for the economy***

As well as natural persons, incentives should be provided to legal entities from the private business sector. The grant project involves the allocation of subsidies to the economy in order to apply energy efficiency measures in business facilities owned by them, which relate to:

- procurement and installation of heating systems on modern forms of biomass (pellets, briquettes);
- procurement and installation of high-efficiency heat pumps for heating the facility;
- procurement and installation of multi-split system for heating / cooling the building;
- installation of thermal insulation on the facade of a residential building;
- installation of energy efficient facade joinery;
- procurement and installation of solar water heating systems;
- procurement and installation of photovoltaic systems with exchange at the point of connection.

The amount of the subsidy would be up to 35% of the eligible investment costs.

Project value: € 300,000.00

Maximum amount per object: 3.500,00 €

Number of objects: about 85

Note: Depending on the additional available funds and the budget for 2022, the value of the project will change, and thus the percentage of co-financing by the Eco-Fund.

### ***3.1.16. Energy efficient home for socially vulnerable categories***

The grant project involves the allocation of subsidies for the purpose of implementing energy efficiency measures with the aim of building new housing for persons belonging to the category of socially vulnerable, and the implementation relates to:

- construction of new housing units;
- procurement and installation of heating systems on modern forms of biomass (pellets, briquettes);
- procurement and installation of high-efficiency heat pumps for heating the facility;
- procurement and installation of multi-split system for heating / cooling the building;
- installation of thermal insulation on the facade of a residential building;
- installation of energy efficient facade joinery;
- procurement and installation of solar water heating systems;
- procurement and installation of power supply systems with exchange at the point of connection.

The amount of the subsidy would be up to 85% of the eligible investment costs.

Project value: € 300,000.00

Maximum amount per object: 25.000,00 €

Number of objects: minimum 10

Implementing bodies: Environmental Protection Fund, EPCG and Municipalities

The project will be implemented in cooperation with Elektroprivreda Crne Gore, which will co-finance the implementation of the project in the amount of up to 15% of eligible investment costs. The project will be implemented with the support of the Municipality, which will provide a location for the construction of facilities as well as the necessary documentation that requires the consent of the local government.

Note: Depending on the additional available funds and the budget for 2022, the value of the project will change, and thus the percentage of co-financing by the Eco-Fund.

### • CONCLUSION

Achieved goals and all those planned for the future, the Company achieves through significant financial investments, which are mostly provided from its own resources. The Eco-Fund will function and its business in 2022 will be based primarily on the principle of self-sustainability. It is also important to point out that during 2022, additional sources of funding are expected from foreign international institutions and organizations so that the Eco-Fund can fulfill its mission and vision for which it was founded.

It can be said that the Eco-Fund has taken a significant position in the Montenegrin market of financing environmental projects, projects that contribute to environmental protection and rational use of natural resources and promote energy efficiency and the use of renewable energy sources. The following data best supports the above: a co-financing scheme has been implemented and developed through energy efficiency projects that also contribute to environmental protection, contacts have been established with international financial institutions (Green Climate Fund), support from the Ministry of Slovenia has been provided.

We emphasize that the role of the Eco-Fund is to further support the development of Montenegro as an ecological state, and especially to help implement the commitments made by Montenegro's accession to the European Union, by providing financial and other support aimed at developing a sustainable society as a whole. The Eco-Fund does not see its role and work independently of other state institutions, which suggests that it will implement its support programs in accordance with national strategic and planning documents; cooperation with international institutions in the context of attracting funds for further financing of various projects. The government will continue to play a role in the operation of the Eco-Fund in terms of management, as well as providing continuous support, where through joint efforts is necessary to identify those sectors whose business operations are supported by the Eco-Fund in order to achieve maximum influence in terms of economic growth and in order to support more balanced regional development with the aim to support sustainable projects so as to ensure long-term sustainability and stability of the Company.

The future business strategy of the Eco-Fund will be based on a clear definition of the Company's role in the Montenegrin financial system, as well as on considering the direction of its future development through the process of transformation as a legal entity with public authority. It is necessary to work to alleviate and improve the current shortcomings in the provision of stable sources of financing by changing the existing legislative framework, following the example of funds in the region. Special attention in the period to come will be

paid to defining clear goals and priorities that the Eco-Fund should adopt, in order to adequately implement its future activities. First of all, it is necessary to make internal structural changes that could correspond to the successful execution of future activities of the company. Through defining priority projects, programs and activities for co-financing, the Eco-Fund will rely on current national strategies and plans adopted at the state level and activities on their implementation, as well as international obligations undertaken through Montenegro's accession to numerous conventions and agreements. Through the development of the communication strategy, work will be done on improving and developing the position of the Eco-Fund on the domestic and international market and creating the visual identity of the company, primarily through the development of the marketing sector and distribution channels of the Eco-Fund. Through the development of the communication strategy, work will be done on improving and developing the position of the Eco-Fund on the domestic and international market and creating the visual identity of the company, primarily through the development of the marketing sector and distribution channels of the Eco-Fund. In order to meet the set of goals, the emphasis will be on the continuous development of human resources and continuous review of the financial structure and control.

Financial measures to support specific target groups that are considered to be a priority in terms of providing favorable financial resources are a central activity of the Eco-Fund. One of the basic tasks of the Eco-Fund in the coming period is to, following the example of similar institutions in the region, position itself in the financial market of Montenegro. It is also important to note that in order to implement financial support measures, cooperation will be established with local governments and local business centers, as well as the civil and non-governmental sector. The scope of financial support measures and the number of their beneficiaries will depend on the amount of funds to be provided based on the "polluter pays" principle, interest in this type of service, technical and professional capacities of the Eco-Fund, as well as establishing cooperation with international financial institutions and organizations as an additional means of finances.

The Eco-Fund will pay special attention to providing various forms of support to sectors that coincide with the activities of the Eco-Fund: environmental protection and improvement projects, waste management projects, infrastructure development projects necessary to meet Chapter 27 obligations, support for energy efficiency and renewable energy projects. energy sources and projects to protect against the negative effects of climate change. Based on the above, it is concluded that separate programs should be developed to meet the needs of these sectors, which should be based on the development of those types of products and services that should have the greatest positive impact on the environment.

Given that Eko-fond is a young company that currently deals with simpler models of support, based on one-time subsidies for purchases according to a certain specification, while other types of funding, such as loans that involve and require more complex schemes Eko-fond will develop in some future period. The award of subsidies or grants is an attractive incentive measure for the economy, public sector and households to finance activities or projects that result in measurable indicators that positively affect environmental protection, encourage energy efficiency and the use of renewable energy sources, and on the other hand, have positive impact on raising the quality of living standards and achieving economic benefits for users of funds. Subsidies can relate to subsidizing the interest rate on loans from commercial banks, to investments and to closing the financial structure of investments. The subject of the subsidy

can also be investments in tangible (construction facilities, equipment, devices and small inventory) and intangible assets (product or service development, patents, licenses, franchises, etc.).

In the coming period, the Eco-Fund will work on improving the mechanism of calculation and collection of receivables based on eco-fees and try to solve collection problems in cooperation with the competent institutions, and where that does not yield results, use all available legal means of collection.

Special attention will be paid to monitoring the implementation of concluded agreements with the users of funds realized on the basis of announced public calls. The degree of fulfillment of contractual obligations by the beneficiaries will be monitored through the supervisory body.

In human resources planning, the basic starting point will be goals and business plans, in order to provide the necessary staff structure that meets the needs of society. The following elements will be taken into account when planning human resources: the existing structure of staff according to quality and number, the need for additional staff due to increased workload, the need for additional staff for which qualifications are required that are not provided by the existing act on job systematization. The Human Resources Plan will be formed in such a way as to give the Eco-Fund management a clear picture of what measures should be taken to provide the required number and structure of staff for the next period, as well as for professional development of employees and monitoring their personal engagement and contribution in achieving mission and vision of the Eco-Fund.

The Work program for 2022 provides an overview of the costs of implementation of planned activities, as well as an overview of the Company's operating costs, which shows a high degree of implementation of all planned items which will ensure business stability, management efficiency and decision making. Furthermore, the Work program of the Eco-Fund defines program activities that should, through their implementation, create preconditions for the efficient functioning of the Company. Accordingly, the Work Program for 2022 is based on: institutional strengthening of the Eco-Fund, implementation of financial resources through projects in the field of environmental protection and energy efficiency and renewable energy sources, activities to adopt the necessary legislation to generate additional revenues for the Eco-Fund, activities in cooperation with competent institutions in the country and abroad, as well as scientific institutions, civil sector, cooperation with the media in order to promote the work of the Eco-Fund.

• **TABLE OVERVIEW OF ACTIVITIES AND PROJECTS PROVIDED BY THE WORK PROGRAM FOR 2022**

• ENVIRONMENTAL PROTECTION PROJECTS						
Project name	Activity	Implementing bodies	Value in €	Deadline for implementation	Indicator	Responsibility
3.1.1. Protection and preservation of national parks natural resources through the improvement of the protection service	<ul style="list-style-type: none"> <li>• Signing an agreement on joint project financing</li> <li>• Procurement of vehicles for the needs of the physical and professional protection service</li> <li>• Conducted trainings for the needs of professional and physical protection</li> <li>• Establishment of continuous and improved monitoring of flora and fauna</li> </ul>	Eco-fund PE "National parks "	107,974.50	II to IV quarter	<ul style="list-style-type: none"> <li>• Joint financing agreement signed</li> <li>• Procurement of vehicles</li> <li>• Number of conducted trainings for the needs of the physical and professional protection service</li> <li>• Number and species of flora and fauna</li> </ul>	Department for Environmental Protection and Climate Change Projects
3.1.2. Improvement of communal infrastructure in the NP "Skadar Lake"	<ul style="list-style-type: none"> <li>• common project financing Agreement</li> <li>• Rehabilitation reconstruction biopurifier (biopit) installation of separators and pipes (NP Skadar Lake);</li> <li>• Reduction of aquatic pollution and biodiversity degradation Skadar Lake</li> </ul>	Eco-fund PE "National parks "	15,000.00	II to IV quarter	<ul style="list-style-type: none"> <li>• Agreement on joint financing of the project signed</li> <li>• functional biopurifier</li> <li>• Reduced pollution</li> </ul>	Department for Environmental Protection and Climate Change Projects

DOO ENVIRONMENTAL PROTECTION

<p>3.1.3. Improving the environmental information system through the establishment of an integrated cadastre of environmental pollutants</p>	<ul style="list-style-type: none"> <li>• Common project financing Agreement</li> <li>• Improved and operational cadastre of pollutants</li> <li>• Meeting with operators with the support of the Chamber of Commerce</li> <li>• Cadastre Use Manual</li> </ul>	<p>Eco-fund Environmental Protection Agency</p>	<p>100,000.00</p>	<p>II to IV quarter</p>	<ul style="list-style-type: none"> <li>• Joint financing agreement signed</li> <li>• Established and operational cadastre of pollutants in accordance with the law</li> </ul>	<p>Department for Environmental Protection and Climate Change Projects</p>
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DOO ENVIRONMENTAL PROTECTION

Project name	Activity	Implementing bodies	Value in €	Deadline for implementation	Indicator	Responsibility
3.1.4. Improving the efficiency of water supply by replacing asbestos-cement pipes	<ul style="list-style-type: none"> <li>Development of the Main Project for the replacement of asbestos-cement pipes in the territory of Montenegro in the total length of approx. 614.21 km of water pipes.</li> </ul>	Eco-fund Community municipality of Montenegro NGO plumbing association Local governments	300,000.00	II to IV quarter	<ul style="list-style-type: none"> <li>Contract signed for the Main Project for the replacement of asbestos-cement pipes</li> </ul>	Department for Environmental Protection and Climate Change Projects
3.1.5. Construction of leachate treatment plant at the regional disposal site "Možura"	<ul style="list-style-type: none"> <li>Financing the drafting of the main project and revision of the Main Project</li> </ul>	Eco-fund LLC sanitary landfill "Možura"	40,000.00	II to IV quarter	<ul style="list-style-type: none"> <li>Main project done</li> </ul>	Department for Environmental Protection and Climate Change Projects
3.1.6. Support for the construction of new sanitary baths at the "Možura" landfill	<ul style="list-style-type: none"> <li>Financing production of the main project and revision of the Main Project</li> </ul>	Eco-fund LLC sanitary landfill "Možura"	70,000.00	II to IV quarter	<ul style="list-style-type: none"> <li>Main project done</li> </ul>	Department for Environmental Protection and Climate Change Projects

DOO ENVIRONMENTAL PROTECTION

<p>3.1.7. Support for the construction of a landfill gas collection system and its use in a cogeneration plant for the production of heat and electricity</p>	<ul style="list-style-type: none"> <li>• Financing production of the main project and revision of the Main Project</li> </ul>	<p>Eco-fund LLC sanitary landfill "Možura"</p>	<p>60,000.00</p>	<p>II to IV quarter</p>	<ul style="list-style-type: none"> <li>• Main project done</li> </ul>	<p>Department for Environmental Protection and Climate Change Projects</p>
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DOO ENVIRONMENTAL PROTECTION

Project name	Activity	Implementing bodies	Value in €	Deadline for implementation	Indicator	Responsibility
3.1.8. Public call for co-financing the implementation of projects for the prevention of illegal waste disposal in 2022	<ul style="list-style-type: none"> <li>Allocation of financial resources to local self-government units for co-financing the implementation of projects for the prevention of illegal waste disposal and removal in 2022, which include activities related to supporting local self-government units in preventing illegal waste disposal and preventing new illegal landfills, ie meeting local action plans management waste.</li> </ul>	<p>Eco-fund</p> <p>Local governments units</p>	170,000.00	II quarter	<ul style="list-style-type: none"> <li>Number of rehabilitated landfills</li> <li>Fulfillment of obligations from the Local Waste Management Action Plan</li> </ul>	Department for environmental protection and climate change projects

DOO ENVIRONMENTAL PROTECTION

<p>3.1.9. Public call for co-financing the procurement of municipal waste management equipment</p>	<ul style="list-style-type: none"> <li>• Co-financing the procurement of municipal equipment that would improve the system of separate waste collection, which includes special categories of waste.</li> </ul>	<p>Eco-fund local government units Utility companies</p>	<p>177,025.50</p>	<p>II quarter</p>	<ul style="list-style-type: none"> <li>• Procurement and installation of scales at the entrance to landfills with accompanying software;</li> <li>• Formation of green islands to encourage waste selection at the site of origin;</li> <li>• Design, construction and / or equipping of recycling yards;</li> <li>• Co-financing final hazardous waste disposal;</li> <li>• Co-financing development recycling activities;</li> <li>• Dedicated, environmentally friendly acceptable, vehicles for separate collection and transport of selected waste;</li> <li>• Construction of the plant for composting of organic and bio waste;</li> <li>• Co-financing the production</li> </ul>	<p>Department for environmental protection and climate change projects</p>
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DOO ENVIRONMENTAL PROTECTION

Project name	Activity	Implementing bodies	Value in €	Deadline for implementation	Indicator	Responsibility
3.1.10. Public call for the civil sector to co-finance environmental projects	<ul style="list-style-type: none"> <li>• Co-financing projects civil society organizations in the field of environmental protection, as follows:</li> <li>• Ecological entrepreneurship (waste prevention and control) again use-circular economy);</li> <li>• Ecologically active through the organization of ecological cleaning actions (submarines, river banks, urban areas, speleological objects, protected areas, etc.) and marking important ecological dates;</li> <li>• Organizing various thematic workshops to ensure effective management of protected areas, such as workshops to prepare financial management plans, to monitor biodiversity in these areas, development of sustainable tourism, workshops to define operational control and supervision, permitted activities within the protected area, etc.;</li> <li>• Raising public awareness of importance protect all segments environmental, protection and climate change making educational materials;</li> </ul>	Eco-fund	60,000.00	III quarter	<ul style="list-style-type: none"> <li>• Number of implemented environmental protection projects</li> </ul>	Department for environmental protection and climate change projects

DOO ENVIRONMENTAL PROTECTION

Project name	Activity	Implementing bodies	Value in €	Deadline for implementation	Indicator	Responsibility
	<ul style="list-style-type: none"> <li>• Development of plans, programs, studies and project documentation in the field of environmental protection, which create the preconditions for: assistance in implementation strategic national documents, applying for and encouraging financing programs based on agreements and grants from domestic and international funds, as well as a precondition for favorable credit lines.</li> <li>• Improving the state of the environment and space in urban and rural areas and protected areas, preserving and improving the quality of air, land, water and sea, and mitigating climate change (reducing greenhouse gases) and protecting ozone layer.</li> </ul>					

DOO ENVIRONMENTAL PROTECTION

<p>3.1.11. Public call for financing an environmental TV campaign</p>	<p>Financing:</p> <ul style="list-style-type: none"> <li>• projects / programs that contribute to the development of environmental awareness and dissemination of knowledge about the need for environmental protection,</li> <li>• projects / programs that aim to contribute to solving a specific environmental problem through one-time actions and campaigns.</li> </ul>	<p>Eco-fund</p>	<p>60,000.00</p>	<p>III to IV quarter</p>	<ul style="list-style-type: none"> <li>• Enumerated environmental show</li> </ul>	<p>Department for environmental protection and climate change projects</p>
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DOO ENVIRONMENTAL PROTECTION

• ENERGY EFFICIENCY AND RENEWABLE ENERGY PROJECTS						
Project name	Activity	Implementing bodies	Value in €	Deadline for implementation	Indicator	Responsibility
3.2.1. Support project for the purchase and installation of photovoltaic panels up to 10kW for households and photovoltaic panels up to 30kW for legal entities - Solari 3000+ and Solari 500+ project	<ul style="list-style-type: none"> <li>Award of 20% subsidy for shopping photovoltaic panels with exchange at the point of connection for households and legal entities.</li> </ul>	Ministry of ecology, spatial planning and urbanism  Electric power industry Montenegro  CEDIS  Eco-fund	6,000,000.00  (2,965,572.50 is planned for the year 2022)	IV quarter	<ul style="list-style-type: none"> <li>Quarterly reports on intended use funds from countries Elektroprivrede CG</li> <li>Semi-annual reports on Fr.segments realization project</li> </ul>	Department for Implementation and Development of International and Partnership Projects
3.2.2. Incentives for the procurement of energy efficient vehicles for state and state administration bodies	<ul style="list-style-type: none"> <li>Preparation and implementation of a public tender for the award of subsidies for the procurement of energy efficient vehicles for state and state administration bodies</li> </ul>	Eco-fund	180,300.00	Until all funds are spent	<ul style="list-style-type: none"> <li>Co-financed procurement minimum 15 vehicles</li> </ul>	Department for Energy Efficiency and Renewable Energy Projects
3.2.3. Incentives for the procurement of energy efficient vehicles for individuals	<ul style="list-style-type: none"> <li>Preparation and implementation of a public tender for the award of subsidies for the purchase of energy efficient vehicles for individuals</li> </ul>	Eco-fund	200,000.00	Until all funds are spent	<ul style="list-style-type: none"> <li>Co-financed procurement of 40 vehicles minimum</li> </ul>	Department for Energy Efficiency and Renewable Energy Projects

DOO ENVIRONMENTAL PROTECTION

<p>3.2.4. Incentives for the procurement of energy efficient vehicles for the economy</p>	<ul style="list-style-type: none"> <li>Preparation and implementation of a public tender for the award of subsidies for the purchase of energy efficient vehicles for the economy</li> </ul>	<p>Eco-fund</p>	<p>200,000.00</p>	<p>Until all funds are spent</p>	<ul style="list-style-type: none"> <li>Co-financed procurement of 40 vehicles minimum</li> </ul>	<p>Department for Energy Efficiency and Renewable Energy Projects</p>
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DOO ENVIRONMENTAL PROTECTION

Project name	Activity	Implementing bodies	Value in €	Dead line for implementation	Indicator	Responsibility
3.2.5. Investment incentives for the procurement of infrastructure for charging electric vehicles	<ul style="list-style-type: none"> <li>Preparation and implementation of a public tender for co-financing the procurement of filling stations for the private and public sectors</li> </ul>	Eco-fund	150,000.00	Until all funds are spent	<ul style="list-style-type: none"> <li>Co-financed procurement of 15 bottling plants</li> </ul>	Department for Energy Efficiency and Renewable Energy Projects



DOO ENVIRONMENTAL PROTECTION

<p>3.2.6. Energy efficiency for residential-households</p>	<ul style="list-style-type: none"> <li>• Preparation and implementation of a public competition for encouragement and co-financing of citizens in order to implement energy efficiency measures in households, which relate to: <ul style="list-style-type: none"> <li>• procurement and installation of heating systems on modern forms of biomass (pellets, briquettes);</li> <li>• procurement and installation of high-efficiency heat pumps for heating the building,</li> <li>• procurement and installation of multi-split system for heating / cooling the building,</li> <li>• installation of thermal insulation on the facade of a residential building,</li> <li>• installation of energy efficient facade joinery.</li> <li>• procurement and installation of solar water heating systems</li> <li>• procurement and installation of photovoltaic systems</li> </ul> </li> </ul>	<p>Eco-fund</p>	<p>700,000.00</p>	<p>II to IV quarter</p>	<ul style="list-style-type: none"> <li>• Energy efficiency measures implemented in approx. 200 households</li> </ul>	<p>Department for Energy Efficiency and Renewable Energy Projects</p>
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DOO ENVIRONMENTAL PROTECTION

Project name	Activity	Implementing bodies	Value in €	Deadline for implementation	Indicator	Responsibility
3.2.7. Energy efficiency for business facilities for the economy	<ul style="list-style-type: none"> <li>Preparation and implementation of a public tender to encourage and co-finance the implementation of energy efficiency measures for the private sector</li> </ul>	Eco-fund	300,000.00	II to IV quarter	<ul style="list-style-type: none"> <li>Energy efficiency measures implemented at approx. 85 business entities</li> </ul>	Department for Energy Efficiency and Renewable Energy Projects
3.2.8. Energy efficiency for vulnerable social categories	<ul style="list-style-type: none"> <li>Co-financing the implementation of energy efficiency measures for socially vulnerable categories</li> </ul>	Eco-fund  Ministry of ecology, spatial planning and urbanism  Electric power industry Montenegro  local government units	300,000.00	IV quarter	<ul style="list-style-type: none"> <li>Energy efficiency measures implemented at approx. 10 households</li> </ul>	Department for Energy Efficiency and Renewable Energy Projects

DOO ENVIRONMENTAL PROTECTION

• PROJECT IN THE FRAMEWORK OF COOPERATION FOR THE GREEN CLIMATE FUND

Project name	Activity	Implementing bodies	Value in €	Deadline for implementation	Indicator	Responsibility
Improvement of the capacity of the National Contact Point (NFP) in Montenegro for the arrangement with the SCF and strengthening of strategic project plans in support of the implementation of the updated National Specific Contribution NDC2	<ul style="list-style-type: none"> <li>• Institutional capacities of the NDA and the Coordination Mechanism (CM), the Working Group of the National Council for Sustainable Development, Climate Change and Integrated Governance coastal area (NCSDDCCICZM) for mitigation and adjustment climate changes, and sustainable knowledge, created systems for continuous learning on climate finance programming and engagement with ZKF</li> <li>• Investment planning support for NDC2;</li> <li>• Strengthening the CP of Montenegro for engagement with ZKF in accordance with NDC 2</li> <li>• Support the development and implementation of NDC 2 through capacity building of the Eco-Fund</li> </ul>	Ministry of ecology, spatial planning and urbanism  Eco -fund  Green climate fund	300,056.00 USD	12-18 months	• Strengthening the institutional and human resources	Department for Implementation and Development of International and Partnership Projects

ACTIVITIES ON INSTITUTIONAL-ADMINISTRATIVE STRENGTHENING OF ECO-FUND

Project name	Activity	Bodies in charge	Value in €	Deadline for	Indicator	Responsibility
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DOO ENVIRONMENTAL PROTECTION

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Strategic planning of the Eco-fund development	<ul style="list-style-type: none"> <li>Develop a roadmap for the development of the Eco-Fund for the long term.</li> </ul>	UNDP Eco-fund		Q3	<ul style="list-style-type: none"> <li>Prepared Map times development of the Eco-Fund</li> </ul>	All Departments
Eco-Fund Human resources improvement	<ul style="list-style-type: none"> <li>Employments provided by systematization in accordance with the needs of the Company.</li> </ul>	Eco-fund		During the year	<ul style="list-style-type: none"> <li>Employment contract concluded with a minimum of 5 new employees</li> </ul>	Legal and General Affairs Department

DOO ENVIRONMENTAL PROTECTION

Project name	Activity	Implementing bodies	Value in €	Implementation deadline	Indicator	Responsibility
Education of employees in the Eco-Fund	<ul style="list-style-type: none"> <li>• Mapping the needs of employees and drafting the Annual Education Plan.</li> </ul>			During the year	<ul style="list-style-type: none"> <li>• Prepared education plan</li> </ul>	Legal and General Affairs Department
	<ul style="list-style-type: none"> <li>• Participation of employees in professional seminars, workshops, trainings and study visits.</li> <li>• Using international cooperation programs with the aim of exchanging experiences and knowledge.</li> </ul>			During the year	<ul style="list-style-type: none"> <li>• Attendance of employees at a minimum of 5 workshops of an educational nature</li> </ul>	All Departments
Technical equipment	<ul style="list-style-type: none"> <li>• Procurement of ICT equipment, according to the needs due to the expansion of human resources.</li> <li>• Procurement of official vehicle</li> </ul>	Eco-fund		Q3	<ul style="list-style-type: none"> <li>• Procurement of one server for the needs of the Eco-fund</li> <li>• Procurement of at least 3 printers</li> <li>• Procurement of computers</li> </ul>	Finance and Accounting Department
Visualization and media promotion of planned projects	<ul style="list-style-type: none"> <li>• PR - promotion in the media, on social networks, press-clipping</li> </ul>	Eco-fund		During the year	<ul style="list-style-type: none"> <li>• Minimum 10 promotional articles in newspapers as well as 3 media campaigns portals</li> </ul>	Legal and General Affairs Department

