PART I: PROJECT INFORMATION

<table>
<thead>
<tr>
<th>Project Title:</th>
<th>Achieving Biodiversity Conservation through Creation, Effective Management and Spatial Designation of Protected Areas and Capacity Building</th>
</tr>
</thead>
<tbody>
<tr>
<td>Country(ies):</td>
<td>Bosnia and Herzegovina</td>
</tr>
<tr>
<td>GEF Agency(ies):</td>
<td>UNEP (select) (select)</td>
</tr>
<tr>
<td>Other Executing Partner(s):</td>
<td>Federal Ministry of Environment and Tourism Ministry of Spatial Planning, Construction and Ecology of Republika Srpska</td>
</tr>
<tr>
<td>GEF Focal Area(s):</td>
<td>Biodiversity</td>
</tr>
<tr>
<td>Integrated Approach Pilot:</td>
<td>IAP-Cities [ ] IAP-Commodities [ ] IAP-Food Security [ ] Corporate Program: SGP [ ]</td>
</tr>
<tr>
<td>Name of parent program:</td>
<td>[if applicable]</td>
</tr>
</tbody>
</table>

A. INDICATIVE FOCAL AREA STRATEGY FRAMEWORK AND OTHER PROGRAM STRATEGIES

<table>
<thead>
<tr>
<th>Objectives/Programs (Focal Areas, Integrated Approach Pilot, Corporate Programs)</th>
<th>Trust Fund (in $)</th>
<th>GEF Project Financing</th>
<th>Co-financing</th>
</tr>
</thead>
<tbody>
<tr>
<td>BD-1 Programme 2: Nature’s Last Stand: Expanding the Reach of the Global Protected Area Estate</td>
<td>GEFTF 1,397,260</td>
<td>7,190,000</td>
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<tr>
<td>Total Project Cost</td>
<td>1,397,260</td>
<td>7,190,000</td>
<td></td>
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</tbody>
</table>

B. INDICATIVE PROJECT DESCRIPTION SUMMARY

<table>
<thead>
<tr>
<th>Project Objective:</th>
<th>To support the expansion of the Protected Areas (PA) system in Bosnia and Herzegovina and build capacities for effective management of biodiversity (SEPAS/BCEMB Bosnia&amp;Herzegovina)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project Components</td>
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<tr>
<td>Financing Type³</td>
<td></td>
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<tr>
<td>Project Outcomes</td>
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<tr>
<td>Project Outputs</td>
<td></td>
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<tr>
<td>Trust Fund</td>
<td></td>
</tr>
<tr>
<td>GEF Project Financing</td>
<td></td>
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<tr>
<td>Co-financing</td>
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</tr>
</tbody>
</table>

1 Project ID number will be assigned by GEFSEC and to be entered by Agency in subsequent document submissions.

2 When completing Table A, refer to the excerpts on GEF 6 Results Frameworks for GETF, LDCF and SCCF.

3 Financing type can be either investment or technical assistance.
### 1.1.2 At least two existing protected areas re-classified (Hutovo Blato Nature Park; Vjetrenica cave system)

| 2. Management Effectiveness of the National PA system | TA | 2.1 Improved management capacity for effectiveness of protected areas and biodiversity conservation | 2.1.1 Reports of participative review of planning and management options for the PA system in BiH elaborated
2.1.2 An enhanced PA financial mechanism developed and resource mobilization capacity of the main actors in the PA system is strengthened
2.1.3 Capacity building activities on advocacy and communication of natural values and benefits of PAs to PA staff and conservation authorities is conducted and public awareness on nature conservation is increased | GEFT F | 331,639 | 2,903,000 |

| 3. Biodiversity Monitoring | TA | 3.1 Operational biodiversity monitoring system in Bosnia and Herzegovina | 3.1.1. Biodiversity indicator framework and related legislation developed and adopted by the government
3.1.2 An information platform for biodiversity monitoring in the country is | GEFT F | 202,018 | 1,017,000 |
established 3.1.3 Red List Index for Bosnia and Herzegovina revised and established as a main biodiversity monitoring tool

<table>
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<tr>
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</tbody>
</table>

Subtotal 1,270,237 7,190,000

Project Management Cost (PMC) GEF7 127,023

Total Project Cost 1,397,260 7,190,000

For multi-trust fund projects, provide the total amount of PMC in Table B, and indicate the split of PMC among the different trust funds here: 

C. INDICATIVE SOURCES OF CO-FINANCING FOR THE PROJECT BY NAME AND BY TYPE, IF AVAILABLE

<table>
<thead>
<tr>
<th>Sources of Co-financing</th>
<th>Name of Co-financer</th>
<th>Type of Co-financing</th>
<th>Amount ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recipient Government</td>
<td>Federal Ministry of Environment and Tourism</td>
<td>In-kind</td>
<td>1,500,000</td>
</tr>
<tr>
<td>Recipient Government</td>
<td>Ministry of Spatial Planning, Construction and Ecology of Republika Srpska</td>
<td>In-kind</td>
<td>1,000,000</td>
</tr>
<tr>
<td>Recipient Government</td>
<td>Ministry of Foreign Trade and Economic Relations of Bosnia and Herzegovina</td>
<td>In-kind</td>
<td>1,000,000</td>
</tr>
<tr>
<td>Recipient Government</td>
<td>Federal Fund for Environmental Protection</td>
<td>In-kind</td>
<td>500,000</td>
</tr>
<tr>
<td>Recipient Government</td>
<td>Fund for Environmental Protection and Energy Efficiency of Republika Srpska</td>
<td>In-kind</td>
<td>500,000</td>
</tr>
<tr>
<td>Recipient Government</td>
<td>Federal Ministry of Environment and Tourism</td>
<td>Grants</td>
<td>600,000</td>
</tr>
<tr>
<td>Recipient Government</td>
<td>Institute for Protection of Cultural, Historical and Natural Heritage of Republika Srpska</td>
<td>Grant</td>
<td>90,000</td>
</tr>
<tr>
<td>Multilateral</td>
<td>European Union Delegation to Bosnia and Herzegovina</td>
<td>In-kind</td>
<td>1,200,000</td>
</tr>
<tr>
<td>CSO</td>
<td>IUCN</td>
<td>In-kind</td>
<td>50,000</td>
</tr>
<tr>
<td>CSO</td>
<td>NGO CENER21</td>
<td>In-kind</td>
<td>50,000</td>
</tr>
<tr>
<td>CSO</td>
<td>NGO fea</td>
<td>In-kind</td>
<td>50,000</td>
</tr>
<tr>
<td>GEF Agency</td>
<td>UNEP ROE/DEPI/WCMC</td>
<td>In-kind</td>
<td>650,000</td>
</tr>
<tr>
<td><strong>Total Co-financing</strong></td>
<td></td>
<td></td>
<td>7,190,000</td>
</tr>
</tbody>
</table>

D. INDICATIVE TRUST FUND RESOURCES REQUESTED BY AGENCY(IES), COUNTRY(IES) AND THE PROGRAMMING OF FUNDS

<table>
<thead>
<tr>
<th>GEF Agency</th>
<th>Trust Fund</th>
<th>Country/Regional/Global</th>
<th>Focal Area</th>
<th>Programming of Funds</th>
<th>(in $)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>GEF Project Financing</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Agency Fee (b)^b</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Total (c)=a+b</td>
<td></td>
</tr>
</tbody>
</table>

^b For GEF Project Financing up to $2 million, PMC could be up to 10% of the subtotal; above $2 million, PMC could be up to 5% of the subtotal. PMC should be charged proportionately to focal areas based on focal area project financing amount in Table D below.
### E. PROJECT PREPARATION GRANT (PPG)\(^5\)

Is Project Preparation Grant requested? Yes ☑ No ☐ If no, skip item E.

#### PPG AMOUNT REQUESTED BY AGENCY(IES), TRUST FUND, COUNTRY(IES) AND THE PROGRAMMING OF FUNDS

<table>
<thead>
<tr>
<th>GEF Agency</th>
<th>Trust Fund</th>
<th>Country/Regional/Global</th>
<th>Focal Area</th>
<th>Programming of Funds</th>
<th>(in $)</th>
<th>PPG Agency Fee:</th>
</tr>
</thead>
<tbody>
<tr>
<td>UNEP</td>
<td>GEF TF</td>
<td>Bosnia and Herzegovina</td>
<td>Biodiversity (Using Flexible Modality)</td>
<td>(select as applicable)</td>
<td>45,662</td>
<td>4,338</td>
</tr>
<tr>
<td>(select)</td>
<td>(select)</td>
<td>(select)</td>
<td>(select as applicable)</td>
<td>0</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>(select)</td>
<td>(select)</td>
<td>(select)</td>
<td>(select as applicable)</td>
<td>0</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>(select)</td>
<td>(select)</td>
<td>(select)</td>
<td>(select as applicable)</td>
<td>0</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td><strong>Total PPG Amount</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td><strong>45,662</strong></td>
<td><strong>4,338</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>PPG (a)</th>
<th>Agency Fee (b)</th>
<th>Total (c = a + b)</th>
</tr>
</thead>
<tbody>
<tr>
<td>45,662</td>
<td>4,338</td>
<td>50,000</td>
</tr>
</tbody>
</table>

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\(^5\) PPG requested amount is determined by the size of the GEF Project Financing (PF) as follows: Up to $50k for PF up to $2m (for MSP); up to $100k for PF up to $3m; $150k for PF up to $6m; $200k for PF up to $10m; and $300k for PF above $10m. On an exceptional basis, PPG amount may differ upon detailed discussion and justification with the GEFSEC.

\(^6\) PPG fee percentage follows the percentage of the Agency fee over the GEF Project Financing amount requested.
F. Project’s Target Contributions to Global Environmental Benefits

Provide the expected project targets as appropriate.

<table>
<thead>
<tr>
<th>Corporate Results</th>
<th>Replenishment Targets</th>
<th>Project Targets</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Maintain globally significant biodiversity and the ecosystem goods and services that it provides to society</td>
<td>Improved management of landscapes and seascapes covering 300 million hectares</td>
<td>300,000 Hectares</td>
</tr>
<tr>
<td>2. Sustainable land management in production systems (agriculture, rangelands, and forest landscapes)</td>
<td>120 million hectares under sustainable land management</td>
<td>Hectares</td>
</tr>
<tr>
<td>3. Promotion of collective management of transboundary water systems and implementation of the full range of policy, legal, and institutional reforms and investments contributing to sustainable use and maintenance of ecosystem services</td>
<td>Water-food-ecosystems security and conjunctive management of surface and groundwater in at least 10 freshwater basins; 20% of globally over-exploited fisheries (by volume) moved to more sustainable levels</td>
<td>Number of freshwater basins, Percent of fisheries, by volume</td>
</tr>
<tr>
<td>4. Support to transformational shifts towards a low-emission and resilient development path</td>
<td>750 million tons of CO$_2$e mitigated (include both direct and indirect)</td>
<td>metric tons</td>
</tr>
<tr>
<td>5. Increase in phase-out, disposal and reduction of releases of POPs, ODS, mercury and other chemicals of global concern</td>
<td>Disposal of 80,000 tons of POPs (PCB, obsolete pesticides)</td>
<td>metric tons</td>
</tr>
<tr>
<td></td>
<td>Reduction of 1000 tons of Mercury</td>
<td>metric tons</td>
</tr>
<tr>
<td></td>
<td>Phase-out of 303.44 tons of ODP (HCFC)</td>
<td>ODP tons</td>
</tr>
<tr>
<td>6. Enhance capacity of countries to implement MEAs (multilateral environmental agreements) and mainstream into national and sub-national policy, planning financial and legal frameworks</td>
<td>Development and sectoral planning frameworks integrate measurable targets drawn from the MEAs in at least 10 countries</td>
<td>Number of Countries:</td>
</tr>
<tr>
<td></td>
<td>Functional environmental information systems are established to support decision-making in at least 10 countries</td>
<td>Number of Countries:</td>
</tr>
</tbody>
</table>

PART II: PROJECT JUSTIFICATION

1. Project Description. Briefly describe: 1) the global environmental and/or adaptation problems, root causes and barriers that need to be addressed; 2) the baseline scenario or any associated baseline projects, 3) the proposed alternative scenario, GEF focal area strategies, with a brief description of expected outcomes and components of the project, 4) incremental/additional cost reasoning and expected contributions from the baseline, the GEF, LDCF, SCCF, and co-financing; 5) global environmental benefits (GEFTF) and/or adaptation benefits (LDCF/SCCF); and 6) innovation, sustainability and potential for scaling up.

A.1.1 The global environmental problems, root causes and barriers

1. Bosnia and Herzegovina (BiH) is a country of 51,209 km$^2$ located on the Balkan Peninsula in South Eastern Europe, bordering with Serbia, Montenegro and Croatia. According to the 2013 census, the population of Bosnia and Herzegovina is nearly 3.8 million. Bosnia and Herzegovina is primarily a

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7 Provide those indicator values in this table to the extent applicable to your proposed project. Progress in programming against these targets for the projects per the Corporate Results Framework in the GEF-6 Programming Directions, will be aggregated and reported during mid-term and at the conclusion of the replenishment period. There is no need to complete this table for climate adaptation projects financed solely through LDCF and/or SCCF.

8 For biodiversity projects, in addition to explaining the project’s consistency with the biodiversity focal area strategy, objectives and programs, please also describe which Aichi Target(s) the project will directly contribute to achieving.
mountainous country covered in forests (more than 50% of country coverage), rich in water resources of high value and with access to the Adriatic Sea.

2. Although a small country, BiH has many variations of the three main climates thanks to its diversified topography, flora and geographic location. Notable variability of wildlife and high degree of biological diversity (among top five countries in Europe with regards to biodiversity) at the species, genetic and ecosystem level in BiH is a result of this ecological heterogeneity of space, geomorphologic and hydrological diversity and climate diversity. High level of floristic diversity is based upon diversity of cyanophyta, algae and vascular plants. The fact that vascular flora accounts for about 5,000 confirmed taxa of species and sub-species places Bosnia and Herzegovina among the most diverse countries in Europe. There are 1,859 species of 217 genera within the group of cyanophyta and algae. On average, 74% of fungi species from the International Union for the Conservation of Nature (IUCN) Red List for Europe can be found in BiH forest ecosystems. The country also has significant percentages of endangered plants (19%) compared to other European countries. Some of the internationally significant species listed in the IUCN Red List of Threatened Species that can be found in Bosnia and Herzegovina include a Balkan Snow Vole - Dinaromys bogdanovi (Classified in the global list as Vulnerable), a Serbian spruce - Picea omorika (Endangered), a Mediterranean Horseshoe Bat - Rhinolophus Euryale (Near Threatened), a long fingered bat - Myotis capaccinii (Vulnerable), a Eurasian otter - Lutra lutra (Near Threatened), a ray-finned fish species - Phoxinellus alepidotus (Endangered) and most prominently an Olm – Proteus anguinus, a vulnerable species found in caves of Bosnia and Herzegovina. The country’s mountainous terrain is home to the brown bear, gray wolf, lynx and golden jackal. Bosnia and Herzegovina’s proximity to the Adriatic Sea also makes it home to a variety of sharks, including the great white. The country is home to a number of endemic species and habitats as well as a series of relict ecosystems. Bosnia and Herzegovina belongs to the Mediterranean Basin Biodiversity Hotspot, which is well known for its globally important biodiversity. For example, the Vjetrenica cave system of the Popovo Polje Key Biodiversity Area with its very rich cave fauna with over 30 species of invertebrates found nowhere else is recognized as one of the world's most important caves for biodiversity. Among Vjetrenica's unique species are a ground beetle (Scotoplanetes arenstorffianus), a round fungus beetle (Nauticella stygivaga), a hydra (Velkovrhiha enigmatica), and a leech (Dina absoloni). Other invertebrates known solely from Bosnia and Herzegovina include a click beetle (Athous hercegovinensis), a round fungus beetles (Hadesia lakotai), the ground beetles (Punctoduvalius orlovacensis and Acheroniotes golovranicensis), the weevils (Paratryphlophorus zoufali and Brachysomus dubius), a caddisfly (Potamophylax haidukorum), a springtail (Galeriella liciniana), a centipede (Lithobius matulicii), a land snail (Cochlostoma mostarense), a cave-dwelling mussel (Congeria mulaomerovici), and several amphipod crustaceans: Echinogammarus thoni, Niphargus lunaris, Niphargus hercegovinensis, Niphargus trullipes, and Niphargus balcanicus. There are two vertebrate species unique to Bosnia and Herzegovina: the minnows (Phoxinellus pseudalepidotus) and Telestes dabar. As much as 3% of the total endemic flora of the Balkans (1,800 species) is contained within the flora of Bosnia and Herzegovina. Endemic plants include the Herzegovinian Bellflower - Campanula hercegovina, Campanula hofmannii, a pink Dianthus freynii, a spurge Euphorbia gregersenii, the Prenja Crazyweed (Oxytropis prenja), Alyssum moellendorfianum, the White Rockbell (Edraianthus niveus), Edraianthus sutjeskai, Seseli hercegovinum, Melampyrum trichocalicum, Barbarea bosniaca, Centaurea murbeckii, a violet Viola prenja, a sandwort Minuartia handelii, and a woodruff Asperula hercegovina. The country is also home to 41 species of endemic spiders. Among the nation’s most important ecoregions for endemic species is the Dinaric Mountains Mixed Forests. Refugia and habitats of relict species represent the most unique element of Bosnia and Herzegovina’s environment. These types of habitats, where numerous tertiary relict species of plants and animals can be found, are of the greatest importance for both national and global biodiversity. Tertiary relict ecosystems of Bosnia and Herzegovina are located mainly in canyons, cliffs and on the steep slopes of...
mountains in the basins of the Una, Vrbas, Bosna, Drina and Neretva rivers. For instance, the
ichthyofauna of Bosnia and Herzegovina represent a unique European biological resource in terms of
both abundance and presence of numerous interesting endemic forms (138 subspecies in 69 genera and
27 families). The rich landscape and biological diversity of Bosnia and Herzegovina is well illustrated
in the short film produced for the South-Eastern European side event at the the twelfth meeting of the
Conference of the Parties to the Convention on Biological Diversity (CBD COP12) available here:
http://vimeo.com/108993772

3. However, due to the conflicts in the XX century and transitional difficulties, the living world in BiH
still remains defectively understood and conserved. Data on biodiversity in BiH are scarce, fragmented
and often outdated. In spite of rich biodiversity, international obligations of the country and growing
anthropogenic pressures, nature conservation efforts remain insufficient. The country does not have an
institution tasked to monitor the state of biodiversity, while the Entities lack capacities to establish their
own monitoring systems. Unsustainable use of land and forests, habitat conversion, vegetation
succession and invasive alien species, overexploitation of natural resources, waste mismanagement,
inadequate fire protection, illegal hunting and fishing, and climate change are the major threats to
biodiversity in BiH. These can adversely impact the overall socio-economic situation in the country, as
proven by the severe floods that affected over a third of countries territory in 2014, and influence the
decline of human wellbeing in a country that is already struggling with post-conflict issues and
economic weakness.

A.1.2. The baseline scenario and associated projects and barriers to success

4. The complex political organization of the country is one of the main reasons for a lack of coordination
and delivery among the institutions dealing with nature conservation in BiH, since the country has a
highly decentralized political and administrative structure containing of:
   a) The State Government of Bosnia and Herzegovina
   b) Two Entities, with their own governments:
      - Federacija Bosne i Hercegovine (FBiH); and
      - Republika Srpska (RS);
   c) The Brčko District, a small self-governing administrative unit.

On the state level, there is no central institution dealing with the environment (including conservation
of biodiversity). The Ministry of Foreign Trade and Economic Relations of Bosnia and Herzegovina
(MoFTER) is tasked merely to harmonize plans of the Entity environmental authorities and manage the
international level obligations of the country. All constitutional competencies in the matters of
environmental protection and nature conservation lie within the Entities. In the FBiH, the Ministry of
Environment and Tourism is in charge of strategy and policy, air protection, water and soil
conservation, and environmental standards. Further, the Ministry of Spatial Planning and the Ministry
of Agriculture, Water Management and Forestry have some environmental competences, including
spatial planning of protected areas. Although envisioned in the newly adopted Law on Nature
Protection of the Federation of BiH, the federal institute for nature protection has not been established
yet. In the RS, the Ministry for Spatial Planning, Construction and Ecology is tasked with
environmental protection (land, air and water) and waste management. The Ministry of Agriculture,
Forestry and Water Management addresses related strategies, policies, standards and regulations. The
RS hosts the only government expert institution dealing with nature conservation in the country, the
Institute for the Protection of cultural, historical and natural heritage of the RS, operating under the
Ministry of Education and covering nature of only one Entity.
5. Given the institutional obstacles and a noted lack in human, financial and capacities in expertise, the progress in conserving the rich biodiversity of Bosnia and Herzegovina has been slow, although threats to biodiversity are rapidly intensifying. The main threats to the country's biodiversity, as described in the Fourth and Fifth Report to the CBD and these include conversion of habitats, over-exploitation of resources, pollution, climate change and invasive species. In the group of ecosystems undergoing intensive processes of conversion of habitats, the majority of ecosystems belong to the areas specific for BiH, such as: meadows on karst fields, sub-Mediterranean rocky grasslands and karst areas, sub-Mediterranean rocky grasslands and karst areas, marshes and wetlands, fresh waters, predominant refugial communities, and endemic pine forests. Overexploitation of resources is prevailing in the most productive ecosystems of BiH, which are situated in easily accessible areas, such as: ecosystems of oak forests in continental areas, Pannonian oak forests, upland beech-fir tree forests, upland deciduous forests, arable land, fresh waters, etc. For both these threats, habitat conversion and over-exploitation of resources, the primary driver is the forestry sector and the timber processing industry. Forests cover 50% of the total national territory (mostly high forests with deciduous trees) and their exploitation has been a traditionally important sector for the country’s economy, which is highly dependent on its natural assets. Since 80% of forests are in public ownership, the current forest management practice mostly lies within authority of several levels of governance in Bosnia and Herzegovina. Institutional confusion and conflicting constitutional competencies of these levels led for example to suspending the Federal Law on Forestry in 2008 by the Constitutional Court of the FBiH. The new Law has since not been introduced. While some of the forests have appropriate forest management plans prepared by responsible public companies, no comprehensive National Forestry Programme nor Forest Strategy is in place. The unregulated sector leads to a number of management shortfalls, deforestation and declining forest health. Combined with rural poverty and lack of economic alternatives, lack of monitoring also leads to illegal logging and inefficient timber processing, all of which cause serious pressures on above mentioned ecosystems. Further on, pollution of air and water is a predominant type of pressure in landscapes and ecosystems in the immediate vicinity of bigger towns and smaller residential settlements. Most affected ecosystems are: hygrophilous forests with alder, mesophilous meadows in continental valleys, of hygrophilous meadows within Pannonian landscapes, of brackish waters, of sub-Mediterranean rocky grasslands and karstic areas, of littoral sea belt, of fresh waters, of ecosystems in urban and rural areas. The most important drivers of air and water pollution in Bosnia and Herzegovina are the energy sector and road transport. The main domestic sources of energy in the country are coal and hydro potential, while natural gas and oil are imported. In the structure of primary energy consumption, fossil fuels come first with 92.59% (out of which domestically mined coal takes some 65%). BiH is the only country in South Eastern Europe which exports electricity and it is perceived as one of the drivers of country’s development. With significant hydro potential of the country’s rivers, there has been a sharp rise in construction of small-scale hydro power plants in both entities, sometimes in areas with high natural values. As for road transport, over 90% of air pollution in cities in BiH is attributed to vehicle emissions brought about by high number of older vehicles coupled with poor vehicle maintenance, inadequate infrastructure and low fuel quality. With regard to the threats related to climate change, notably an increased number of forest fires, severe floods and the harsh drought, the most affected areas are Alpine-Nordic and Mediterranean areas of the country. The Dinaric Arc, as an extremely important area in the Balkans rich in endemic species and sensitive habitats, is particularly affected by climate change, since this mountain chain has its own specific biological and geo-morphological values. Rivers on karst fields and ecosystems that evolved along the rivers are also severely affected. Deforestation has serious effect on ecosystems already impacted by climate change, since it provokes landslides that accompany every major flooding in Bosnia and Herzegovina and cause both human losses and degradation of ecosystems. There is also a number of indirect drivers and root causes of biodiversity loss in BiH. The most significant ones are a lack of economic alternatives and poverty. Bosnia and Herzegovina has the lowest Gross Domestic Product,
GDP, per capita and the lowest Actual Individual Consumption, AIC, of 37 European countries, according to a 2013 report by the EU statistics agency Eurostat. The rate of poverty according to the general poverty line is around 21%, and poverty is more widespread in rural areas. All of this leads to severe threats to ecosystems, presented in illegal logging and hunting, since the poor have a stronger influence on and control over natural resources in rural areas. This is "assisted" by the lack of regulatory mechanisms and nature inspection/monitoring measures, and unsuccessful resource allocation for solving these problems. The link between poverty and a poor economic state and degradation of the environment in BiH is also reflected in an inadequate discharge and treatment of waste waters and air pollution from old vehicle traffic and industrial plants which use outdated technological processes.

6. One of the underlying causes of biodiversity loss in BiH is a very small percentage of territory under protection. Protected areas in the country are currently covering only 2.7% of the national territory (1,367 km²), which puts BiH on the very bottom of the European protected area chart. The MDG Progress Report 2013 for Bosnia and Herzegovina states that “the amount of territories designated as protected areas in BiH is… extremely low in terms of the percentage of protected territory compared to the total territory of BiH, far below the European standard. The management of existing protected areas is also a matter of considerable concern. These areas are not properly monitored and management remains understaffed and insufficiently supported by the responsible levels of governance, which has resulted in the degradation of these sites and a potential loss of the biological basis for their conservation status. The complexity of biodiversity in BiH requires a new approach to the management of protected areas with an increased use of scientific monitoring. Pressures from the energy sector also pose a threat to the pristine ecosystems of the country.” As for the existing protected area network in BiH, there are three National Parks: “Kozara”, “Sutjeska” (both established in the 1960s) and “Una” (established in 2008), while the rest of some 20 protected areas in the country are categorized as Special Nature Reserves, Nature Parks, Natural Monuments and Protected Landscapes. Some of the important sites for biodiversity conservation in BiH are: Hutovo Blato (Ramsar and Important Bird Area Site, UNESCO Site), Livanjsko Polje (Ramsar Site), Baradača (Ramsar and Important Bird Area Site) and Boračko jezero (Important Bird Site).

7. It is however encouraging that biodiversity conservation and protected areas are being increasingly recognized as one of the top national priorities in the updated national environmental legislation and several recent national strategic documents, such as the State of Environment Report 2012, National Environmental Action Plan, Environmental Performance Reviews, Environmental Protection Strategies of the two entities, and National Biodiversity Strategy and Action Plan until 2020 (currently under revision). Specifically, biodiversity conservation through creation of protected areas has been identified as a priority in the National Environmental Action Plan (NEAP), Environmental Performance Review as well as the National Biodiversity Strategy and Action Plan (NBSAP). NEAP has foreseen the total area of protected to reach 15-20% of the national territory and the existing NBSAP identifies specific actions necessary to significantly conserve biodiversity by 2018, identifying increase of protected areas, mainstreaming of biodiversity into other sectorial plans, and mapping of biodiversity rich areas. According to the Environmental Performance Reviews, a key priority for BiH is to significantly increase the area of its territory under protection via the establishment of new protected areas or the re-designation of previously existing ones (this problem has its roots in the change of laws after the break-up of Yugoslavia). One of the main suggestions reported in the document “Protected Area Management Effectiveness in Bosnia and Herzegovina; RAPPAM – analysis” (2009) refers to the conservation of species and natural habitats, improvement of existing protected area management effectiveness as well as improvement of traditional land use practices.
8. Both the revised NBSAP (see Section B.1) and the Fifth National Report to the CBD (2014) specifically mention the need for an enhanced biodiversity management in Bosnia and Herzegovina. The Fifth Report, for example, praise initial attempts of the conservation authorities in Bosnia and Herzegovina to list endangered plant and animal species and emphasises “the importance of spatial protection of valuable ecosystems and sites and finding the most appropriate regimen of protection”. One of the proposed national biodiversity targets in the revised NBSAP is specifically focused on enhancing the protected area network of the country, stating "By 2016, specific biological diversity of BiH (canyon, upland, high-mountain, and marshland ecosystems, kart fields and alluvial plains) mapped and protected in accordance with the spatial documents in effect" (with an aim to achieve Aichi target 11 - expansion of protected area networks and effective management). The spatial documents mentioned herewith are the updated spatial plans of the two entities of Bosnia and Herzegovina (Federation of BiH and Republika Srpska). The Spatial Plan of the Federation of BiH (2008-2028) incorporates a provision about protecting a total of 18.06% of the entity’s territory by 2028, while the Spatial Plan of Republika Srpska sets 15.51% of protected areas in this entity as the target for 2025.

9. There is an apparent gap in conservation capacity development and financing projects in Bosnia and Herzegovina. Apart from GEF-funded national reporting projects such as Revision of the NBSAPs and Development of Fifth National Report to the CBD and Alignment of National Action Programme to the UNCCD 10 Years Strategy and Preparation of the Fifth Reporting and Review process, both implemented with support of UNEP, very few other internationally funded projects have tackled the issue of biodiversity management and nature conservation in the country so far. Those are:
   - “Support to the Implementation of the Birds and Habitats Directive in Bosnia and Herzegovina”, a project which is funded by the Government of Sweden and managed by the EU Delegation to BiH and is focusing on implementing the two Directives in BiH and establishing the database of habitats and endangered species to be included in the Natura2000 network.
   - "Sustainable forests and landscape management in BiH" is an ongoing WB/GEF project notable for direct support to protected areas in the country and local population living in PAs.
   - "Mainstreaming karst peatlands conservation into key economic sectors – KARST" is a UNDP/GEF project concluded in 2013 that set good basis for biodiversity considerations mainstreaming and ecosystem services mainstreaming into spatial planning of lower levels of governance in BiH.
   - "Towards strengthened conservation planning in South-Eastern Europe" is a MAVA funded project implemented by IUCN for an establishment of a regional platform for an improved nature conservation planning.

10. A positive institutional development in recent years is establishment of the two funds for environmental protection and energy efficiency in both entities (see paragraph 4 for outline of the administrative structure of the country). The Funds perform tasks related to fund raising, as well as funding preparation, implementation and development of programs, projects and similar activities in the field of sustainable use, protection and improvement of the environment. Assets of the Funds, obtained from polluters’ fees, are used for financing of the following activities:
   a) improving the quality of air, water, land and forests, as well as mitigating climate change and protection of the ozone layer,
   b) waste management, encouraging the reduction of waste, reuse and recycling,
   c) encouraging the introduction of technological processes that reduce or eliminate negative environmental impacts,
   d) the protection and conservation of biodiversity and geodiversity,
   e) promoting sustainable use of protected areas,
   f) promoting sustainable development of rural areas,
g) encouraging energy efficiency improvements,
h) encouraging the implementation of energy efficiency and renewable energy sources in the public sector,
i) fostering the use and research of renewable energy sources and their use in order to increase energy efficiency,
j) encouraging cleaner transport,
k) encouraging education and research studies, programs and projects in the field of environmental protection,
l) environmental education and public awareness on issues of environmental protection and sustainable development.

UNEP in Bosnia and Herzegovina has been cooperating with both entity Funds for Environmental Protection and Energy Efficiency since their establishment several years ago, both through involving them in implementation and steering of the GEF financed national projects, and through improving their capacities to play an active role in the overall environmental management in the country. At the moment, the Funds are mostly supporting projects focused on energy efficiency (based on the principle that air polluters’ fees are to be spent for improving air quality only, and despite the clear legal mandate of the Funds to finance also activities in nature conservation). Herewith proposed intervention, however, has received positive attention from both Funds, based on the interest of responsible ministries to work on the PA network expansion, and rising requirements from the EU and other donors to see more investment in this area. Having these commitments of the Funds in mind, it is safe to say that the proposed GEF project will be a start of an active involvement of Environmental Funds in the country in biodiversity protection and monitoring, which is at the moment heavily underfinanced.

11. The proposed GEF project will continue to build on the experiences and work already done in the area of biodiversity conservation by filling in the gaps and building stronger pillars for sustainable biodiversity conservation and management. Given the complex administrative setting of the country and weak socio-economic position, barriers to success of many similar initiatives were found in the lack of financial and human resources for the implementation of PA management plans and existing strategic for an improved biodiversity management, lack of expert conservation institutions and fragmentation of biodiversity research and insufficient recognition of the importance of ecosystem services and development opportunities arising from good management practices in protected areas.

A.1.3. The proposed alternative scenario and GEF Focal Area (which Aichi targets the project will directly contribute to achieving)

12. In spite of numerous socio-economic obstacles to viable nature conservation in Bosnia and Herzegovina and growing anthropogenic pressures on its rich biodiversity, the legal framework for nature protection and expert involvement in its implementation are constantly improving and attracting more attention from various stakeholders. The existing protected areas of Bosnia and Herzegovina, although small in proportion to the national territory, have proven to be best sanctuary for the targeted species, features and processes of high conservation value when empowered with at least basic institutional and financial support; for example, flagship species such as brown bear are being regularly monitored in national parks, vulnerable cave ecosystems are being thoroughly researched when put under national protection, and some have even reached financial self-sustainability through a visitation increase. Despite pressures from the energy sector for hydro-power utilization in the near proximity of protected areas, no such plans have been implemented so far due to the strong opposition of civil society and conservationists, including PA managers. Whereas the production sectors often fail to appropriately regulate use of natural resources in many areas of the country, the few protected areas offer bright examples of sustainable use of ecosystem services through proper implementation of their management plans and transparent operations of their managing authorities, although the conservation
sector has been receiving very little support so far from both national and international financing institutions. Strengthening the PA network in the country can detain main divers of biodiversity loss in the country, such as described unsustainable practices in forestry and energy sectors. Providing enabling environment for the PA network growth and involvement of local communities in its day to day work could be a right incentive for the sustainable development of this small country rich in biodiversity and natural resources. Changing the paradigm from the grassroots level is an alternative scenario this project is aiming at, given the great potential for utilizing best practices in nature conservation through an improved network of protected areas in the country. The proposed project calls for scaling up of successes of existing protected areas in BiH and addressing the described shortcomings in biodiversity management in BiH. This will be done by reassessing the PA network in BiH through establishment of new protected areas that will cover more vulnerable ecosystems with high natural values and through extension/improvement of existing ones to better address growing pressures on biodiversity. The project will hence contribute to the conservation of endemic, threatened and relict species of Bosnia and Herzegovina, as living resources that provide sustainability and equitably of ecosystem services. This is in line with the UNEP Medium Term Strategy for Ecosystem Management Sub Programme (2014 – 2017) and national biodiversity targets. As part of the project, a serious effort will be made for a wider recognition of possibilities for sustainable development of communities through conservation and participative management of protected areas, to target the often voiced need for an improved community involvement in establishment and management of protected areas. Institutional commitment to this project, combined with community involvement and a clear aim of the project to ensure a more enabling policy environment and public engagement to target the main drivers of biodiversity loss through the PA system of Bosnia and Herzegovina – such as strengthening anti-poaching and illegal logging measures in PAs, communication of distinct natural values of the areas to be protected and providing guidance for sustainable livelihoods and a whole range of emerging PA financing mechanisms – will ensure a long term impact of the proposed project on advancing the overall nature conservation system of the country.

13. Both the revised NBSAP (see Section B.1) and the Fifth National Report to the CBD (2014) specifically mention the need for an enhanced biodiversity management in Bosnia and Herzegovina. The Fifth Report, for example, praises initial attempts of the conservation authorities in Bosnia and Herzegovina to list endangered plant and animal species and emphasises “the importance of spatial protection of valuable ecosystems and sites and finding the most appropriate regimen of protection”. One of the proposed national biodiversity targets in the revised NBSAP is specifically focused on enhancing the protected area network of the country, stating "By 2016, specific biological diversity of BiH (canyon, upland, high-mountain, and marshland ecosystems, kart fields and alluvial plains) mapped and protected in accordance with the spatial documents in effect" (with an aim to achieve Aichi target 11 - expansion of protected area networks and effective management). The spatial documents mentioned herewith are the updated spatial plans of the two entities of Bosnia and Herzegovina (Federation of BiH and Republika Srpska). The Spatial Plan of the Federation of BiH (2008-2028) incorporates a provision about protecting a total of 18.06% of the entities’ territory by 2028, while the Spatial Plan of Republika Srpska sets 15.51% of protected areas in this entity as the target for 2025.

14. The proposed long-term solution for biodiversity conservation in Bosnia and Herzegovina is a reconfigured system of protected areas that is designed to protect biodiversity while optimizing its ecological service functions - under an effective management regime that responds to the needs of local communities and targets main drivers of biodiversity loss in the country. Therefore, the proposal aims to create or support the enabling conditions and stocktaking to address the above mentioned national environmental priorities and biodiversity targets through three components:
Component 1: Establishment and effective management of protected areas and biological diversity

With less than 3% of its surface area adequately covered by protected areas, Bosnia and Herzegovina – with its central role in connecting biodiversity between the north and south Dinaric Arc – is in urgent need of a strengthened and widened PA system, thus setting the first project outcome: Increased national protected area network.

Although a number of biologically important ecosystems outside the extent of the current protected area network of Bosnia and Herzegovina are currently threatened and are under-represented in the existing PA system, limitations in capacities and resources available for the proposed intervention call for a more focused selection of ecosystems to be tackled by the project. Therefore, responsible counterparts have agreed that the proposed action is to concentrate on achieving national-level protection of several selected freshwater Key Biodiversity Areas (KBAs) identified in Bosnia and Herzegovina by international conservation organizations. National partners to the project recognized that KBAs, as globally significant areas for the persistence of biodiversity, can and should guide the selection of new protected areas or the expansion of existing site networks.

![Key Biodiversity Areas of Bosnia and Herzegovina](https://www.ibat-alliance.org/)

**Figure 1.** Key Biodiversity Areas of Bosnia and Herzegovina ([https://www.ibat-alliance.org/](https://www.ibat-alliance.org/), 2015)

Since the Mediterranean Basin Biodiversity Hotspot is well known for its globally important biodiversity and the freshwater biodiversity in the Hotspot is confirmed to be unusually diverse and
highly threatened, with many species endemic to individual rivers, streams, springs, wetlands and lakes across its Balkans subregion, freshwater KBAs have been identified as areas contributing significantly to the global persistence of biodiversity based on published information on species conservation status and distributions. A 2014 IUCN publication which has identified, mapped and validated all freshwater KBAs in the Mediterranean Basin Hotspot, outlining the Dinaric karstic plains of Bosnia and Herzegovina as areas with some of the highest number of KBA trigger species in the entire Hotspot. Out of 167 validated freshwater KBAs of the Hotspot, almost half are in the Balkans and a total of nine is in Bosnia and Herzegovina. While only Greece has a larger number of identified freshwater KBAs than Bosnia and Herzegovina in the Balkans subregion of the Hotspot, BiH also has the largest gap between validated freshwater KBAs and formally protected areas or other sites recognized for their biological importance as KBAs. This fact corresponds well to the findings of a recent PA gap analysis for the Dinaric Arc ecoregion conducted by WWF, which compared the distribution of biodiversity with the distribution of protected areas and identified the localities where species and ecosystems are left unprotected or under-protected. Target species and habitats that are not adequately represented in the existing network of PAs constitute conservation “gaps”. The study has found Bosnia and Herzegovina has the most significant number of gaps in the region. Gaps occur evenly in all analysed groups of biodiversity targets species and habitats (111 targets out of 157 analysed identified as gaps), but more specifically the study again outlines karstic plains, which are widely distributed in the country as areas most prominently missing from the PA network. Internationally, the karst landscape has great significance on a number of levels – most important is its role as a water resource, however, the hydrology of karst areas is important for a number of other relationships, including biodiversity. As well as containing mineral resources, it is also a sensitive habitat with unique and specialized fauna. Additionally, it is an aquifer and has special values to humans, both from a practical as well as a cultural and spiritual perspective. In Bosnia and Herzegovina, these extremely important habitats and characteristic landscape features are a key for the proper protection of significant number of bird populations. Together with the Sava wetlands, it is the most important wintering, migration, and breeding site for waterbirds and raptors in the country and a key site of the Central European Flyway. Dinaric karst has high cave biodiversity comparing to other European regions (South-eastern Europe having lower glaciation level in combination with much moderate climate, diversified geomorphology, and hydrology during the Pleistocene have resulted in a remarkable range of different underground habitats) but the study indicated that despite its critical importance it still hasn’t been sufficiently protected. Based on the above findings and taking into consideration the number of validated KBAs in the country, herewith proposed project intervention is to focus on the following outputs:

1.1.1 At least three new protected areas established
While national authorities responsible for conservation in spatial context showed interest and readiness to utilize resources from the proposed intervention to expand the country’s protected areas coverage by at some 5% of the total national territory, tripling of the existing area under protection to about 300 000 hectares, the intervention will primarily focus on national protection of validated freshwater Key Biodiversity Areas. The project will support Bosnia and Herzegovina to expand its national protected areas network to include at least three freshwater KBAs. The sites in need for a most urgent protection are two existing Ramsar sites and Important Bird Areas that still have not received any national-level protection: **Livanjsko Polje and Barđača** (both validated freshwater KBAs).

The Livanjsko Polje is not only the largest wetland in the country but also the largest periodically flooded karst field in the world. Over centuries, in complex processes of dissolution, water has eaten into the limestone rock of the Dinaric Alps and formed a huge karstic plain (polje) of 400 square km. The diversity of its fauna and flora, as well as the size of the wetlands habitats are
exceptional for the Dinarides and even the nearest (30-40 km) eastern Adriatic. The position of Livanjsko Polje, as the largest peatland in the Balkans, is remarkable as well. Dry grasslands, peatland pastures, marshes, wet meadows and alluvial forest (!) form, on the basis of the water gradient, the characteristic karstic landscape. The woodlands of Livanjsko Polje are the largest karst alluvial forests. About one fifth of field is covered in old-growth forests of alder, pedunculate oak and ash in which rare predators such as the lesser spotted eagle and short-toed snake eagle breed. The grasslands around a part of the Livanjsko Polje named Zdralovac are home to the largest distribution of the corncrake (LC) in Southern Europe. This natural water reservoir and its marsh vegetation offer resting and breeding sites for waders and water birds such as the bittern and the montagu's harrier, the crane and other migratory birds on the Adriatic Flyway. The Bardača Wetlands (3500 ha) is a lake and marshes complex in northern Bosnia and Herzegovina. It is home to globally threatened bird species such as Aythya nyroca and Crex crex, which breed at the site. Ciconia ciconia and the globally near-threatened Haliaeetus albicilla feed, and possibly breed, at the site. The area is also very important for passage migrants. A total of 202 bird species, 316 plant species and 33 fish species can be found in Bardača. The site is under serious threats from intensified agriculture and has been pending national designation for years now, although it has been included in the spatial planning documents as an area proposed for protection since 2008.

The third proposed new PA is the Bilećko Lake KBA that has been identified among the ones with the highest number of trigger species (21) in the Mediterranean Basin Hotspot (a trigger species is defined as a species that meets one or more of the KBA criteria thereby triggering the catchment/s to potentially qualify as a KBA) and still has no national-level protection. Some of the trigger species are: freshwater fish Squalius svallize (CR), molluscs Iglica bagliviaeformis (EN) and Saxurinator labiatus (CR). The lake on the sinking river Trebišnjica is the biggest artificial accumulation in the Balkans. At largest, the surface area of the Bilećko Lake is about 3300 ha, depending on the water level.

All three proposed new PAs have been included in the main spatial planning documents of the country (The Spatial Plan of the Federation of BiH 2008-2028 and the Spatial Plan of Republika Srpska until 2025) which provides sufficient legal basis for PA proclamation in national terms.

1.1.2 At least two existing protected areas re-classified

Apart from expanding the PA network with new areas, the national authorities proposed the project intervention to also take into consideration that several existing protected areas may require an improved protection status (by raising it protection status in relation to IUCN categories but also to expand its area coverage) due to their rich biodiversity and increased pressures the areas have been facing in the last decade.

The Hutovo Blato Nature Park (7411 ha, Ramsar and IBA site, cat. V – Protected Landscape) is the first area proposed for an increased protection status. Hutovo Blato, a unique sub-Mediterranean wetland comprising swamps, lakes, wet meadows, and riverine forest, is situated in the south of Herzegovina and is part of the Lower and Middle Neretva freshwater KBA. Since the Park shelters more than 600 vascular plant species, 165 bird species from 39 families and 44 fish species (29 of which are indigenous and 15 allochthonous), it is considered an important biodiversity hotspot and is interesting for its ornitho-ichthyological, scientific, ecological and touristic aspects. Hutovo blato is considered one of the biggest wintering places for birds in Europe since it is located on one of the four migratory routes from Northern and Central Europe to Asia and Africa. Areas of open water with extensive stands of emergent vegetation (Phragmites, Scirpus), wet meadows, riverine and water-edge forests (Salix, Populus, Alnus), and degraded Quercus and Carpinus woodland on high ground. Human activities include fishing and hunting. Two species of global conservation concern breed at the site (Aythya nyroca – NT, Microcarbo pygmaeus – LC). Other breeding species
include *Phalacrocorax carbo*, *Botaurus stellaris*, *Ardeola ralloides*, *Nycticorax nycticorax*, *Egretta garzetta* and *Ardea purpurea*.

Historically, this area was a source of significant human use resource, mainly through fishery and hunting. The drastic reduction of wetland area through melioration and hydrological intervention by construction of storage reservoir lake led to shrinkage from 6000 ha prior to 1900s to less than 600 ha at present. These two remarkable changes significantly affected wetland biodiversity, both biologically and economically. Urbanization, growing tourism, agricultural intensification and especially the planned hydrological operations in the upper drainage areas represent the potential threats to the preservation of the Park biodiversity. The last decade has seen a increase in ecotourism and fishing activities, as well as the use of illegal fishing and hunting practices, both having severe pressure on the wetland biodiversity. Proclamation of the Park have changed the circumstances under which local people use this area. The villagers are disenfranchised by only passively participation in the management and show misunderstanding on the conservation importance. Of particular concern has been the absence of legal tenure, weak governance and lack of enforcement of rules and regulations, which have led to widespread exploitation of the site. All mentioned demonstrates the difficulties in finding a balance between conservation and sustainability of local livelihoods and underscores the importance of sufficient level of participation of villagers for the success of protected area. Due to its position in the sub-Mediterranean Dinaric Arc, the area is highly vulnerable to climate change and has experienced an increase in wildfire frequency and intensity. These pressures, administrative problems of the Park administration and lack of appropriate financing of the area are a direct consequence of the low protection status of this important biodiversity hotspot. The proposed intervention is aimed at increasing the protection status of the area, revision of the existing conservation practices and support of the local livelihoods and participation of local communities in the site management.

The second area proposed for an increase of the protection status is the **Vjetrenica cave system** (4770 ha, cat. V – Protected Landscape). Vjetrenica is part of the Popovo Polje and Trebišnjica freshwater KBA. This KBA is one of the largest poljes (karstic plains) in Bosnia and Herzegovina, famous for the sinking Trebišnjica River which flows through the polje recharging the underground waters, as well as the Vjetrenica cave system with its rich cave fauna. The cave has a unique morphology and micro-meteorology and one of the greatest examples of subterranean biodiversity in the world. It is one of the most important global examples of natural heritage in a karst area. This cave with its 60 cave-limited species is the second such cave in the world, rivalled only by Postojna-Planina Cave System in Slovenia, which has 84 such species. The most up-to-date inventory of fauna in the Vjetrenica cave system indicate 128 species, including 85 troglobionts and possible stigobionts. Among them, there are 45 terrestrial troglobionts, and 40 aquatic stigobionts. More than nine species have been found in Vjetrenica alone, among them two monotypes - snail *Zavalia vjetrenicae* (Endangered) and mysid shrimp *Troglomysis vjetrenicensis*. The fauna of Vjetrenica includes also the only European subterranean vertebrate čovječja ribica (*Proteus anguinus* - Vulnerable), the only cave clam *Congeria kusceri* (Vulnerable), the only cave serpulid worm *Marifugia cavatica*, etc. A rich ecological diversity within the cave includes some very unusual habitats, most especially the cave hygropetric which harbors high specialized coleopterans species. It is the largest cave in Bosnia and Herzegovina. The cave system has been so far explored and described to a total of 7,013 meters in length; of this the main canal is about 2,47 thousand meters long (from the edge of Popovo polje to the south). There are several permanent and occasional streams, and lakes, with the largest one being 168 m long. There are many stalactites, flowstone, draperies, cascades and others calcite forms in the cave, as well as examples of 10,000-year old cave art. Apart from the Vjetrenica cave, this KBA has following focal areas (areas of particular importance for one or more of the KBA trigger species): Doljasnica cave, Ponikva cave, Lisac cave and Crnulja cave, none of which have been protected by national law so far.
Concerns by the major conservation groups regarding neglect of the proper protection and conservation of the Vjetrenica cave system and this entire KBA region have been voiced since more than a decade now. Development of the cave for tourism purposes is being conducted without the expertise that such a complex and important site demands. Together with inappropriate extraction of water from the system, improper use of agricultural chemicals and extremely poor practice in quarrying this is greatly degrading the natural values of the site. Plains such as Popovo Polje are also heavily impacted by ongoing alterations to the associated hydrology for purposes such as hydropower development, and their vulnerability calls for swift conservation action. Recognizing the burning need for a serious intervention in the Popovo Polje and Trebišnjica freshwater KBA, the government is interested in an intervention that would include re-classification of the PA Vjetrenica and the expansion of the protected area to encompass other biodiversity focal areas of the KBA.

For each new or re-classified PA in the network, a comprehensive set of guiding documents will be developed in the scope of the project (to match the assigned PA category and ensure management effectiveness), such as assessments of biodiversity elements, current and proposed land uses and threats and pressures on biodiversity within the planning domain, identification of institutional and co-operative governance arrangements and developing a stakeholder engagement programme. The latter is particularly important to prevent or reverse public resistance to the expansion of the protected area estate as PAs in Bosnia and Herzegovina are sometimes perceived to impede more "economically viable" forms of land and resource use.

Component 2: Management and Effectiveness of the National PA System

Institutional and individual weaknesses of conservation authorities and PA managements serve as a major barrier to the future expansion and effective management of the protected area network, notably in the local municipalities. The proposed project will address these weaknesses through Outcome 2.1: Improved management capacity for effectiveness of protected areas and biodiversity conservation. The proposed outputs under this component are the following:

2.1.1 Reports of a participative review of planning and management options for the PA system in BiH elaborated, which includes:
- Producing a participative assessment of institutional and legal framework of biodiversity/natural resources management and recommendation and a roadmap of coordination and cooperation between institutions on different vertical and horizontal levels of governance; assessment of staffing needs and budgetary constrains and the gap analysis in specialised protected area technical, operational and management skills and compliance capability.
- Participative review of management and governance options for PA system (including sustainable funding opportunities and utilizing new PA financing mechanisms). There is currently a significant space for improvement and integration of protected area planning and management with direct targeting of main threats and pressures on biodiversity, local socio-economic development priorities, tourism enterprise development and poverty reduction strategies
- Identification of general PA planning and management need to include many more stakeholders than the current practice which shows the need to consult Civil society and expert of government institutions such as forestry authorities and land-use managers.

2.1.2 An enhanced PA financial mechanism developed and resource mobilization capacity of the main actors in the PA system strengthened. This includes:
- Addressing systemic barrier of inadequate systems for financial management and resource mobilization that hinders the effective management of PAs in Bosnia and Herzegovina. Engagement of the two Environmental Funds (objectives of which are described in Para.10) in conservation planning needs to be enhanced, since their role in sustainable financing of the PA network until now has not been sufficiently active. The Funds will work with responsible entity ministries on developing comprehensive sustainable financing programmes for the PA network in their respective entities, as part of the governments’ commitment for supporting the newly established PAs.
- Identification at local protected area level the medium-term expenditure requirements and program the roll-out of the appropriate financing mechanisms to generate the income streams needed to meet these anticipated costs
- A system-level financial needs assessment, including basic and optimal financing scenarios. The assessment will consider the requirements of an expanded PA system.
- Economic valuation studies at the three new PAs to highlight the cost to society of inaction (i.e., baseline scenario) and to generate values to inform conservation interventions in support of financial sustainability of the new conservation areas, e.g., setting of user fees, payment levels for PES, etc. The experience of UNEP in undertaking economic valuation of resources will be utilized here.

2.1.3 Capacity building activities on financing, advocacy and communication of the natural values and benefits of PAs to PA staff and conservation authorities is conducted and public awareness on nature conservation is increased, which includes:
- Capacity building activity to educate conservationists in project preparation and management. Currently the opportunities for PA financing from different extra-budgetary sources are not been sufficiently utilized so far by any of the PA managements in the country. The capacity building will include specific mechanisms required to enhance the financial sustainability of the national PA system, e.g. enhanced user fee systems, aid coordination mechanisms, tax breaks for conservation efforts, etc., will be developed and implemented.
- Increasing the public understanding of the contribution of PAs to the well-being of society to limit the main drivers of biodiversity loss and promote development of sustainable livelihoods in and around protected areas, and empowerment of PA staff and conservation authorities to better present and communicate the values and benefits of nature conservation, as a key measure for a viable and inclusive protection of key species and habitats.
- Communications, education and information program will be developed and launched in order to strengthen the commitment of stakeholders at all levels. This effort will be prepared in close partnership with national and local NGOs, and other agencies and will be harmonized with the information campaign on the CBD and other initiatives. Key audiences will be identified, and realistic targets in terms of changes in knowledge, attitudes, and practices will be established.

Component 3: Biodiversity Monitoring

Currently, the biodiversity monitoring system in BiH, although well elaborated in the Laws on Nature Protection, hardly exists and is reduced to individual efforts of PA managements, academia and CSOs. The third outcome of the project: “Operational Biodiversity monitoring system in Bosnia and Herzegovina” is aimed at addressing this important obstacle in nature conservation efforts in the country. This proposal aims at building an officially recognized, inclusive and functional biodiversity monitoring system in Bosnia and Herzegovina as a basis of nature conservation through three main outputs:
3.1.1 Biodiversity indicator framework and related legislation developed and adopted by the government
As it needs to document the state of biodiversity at regular intervals, a biodiversity indicator framework needs to be established and adopted by key institutions, and regularly monitored through an officially endorsed web-based platform, such as the currently functioning national CBD Clearing House Mechanism.

3.1.2 An information platform for biodiversity monitoring in BiH is established
Effectiveness and cost-efficiency of the monitoring system would be ensured through developing a regulatory framework for its operation, maintenance and updating, agreed and adopted by all key stakeholders, including ministries of environment, foresters, civil society and academia. Moreover, this outcome is well founded in the already developed distribution map of habitats in Bosnia and Herzegovina developed under an EU-implemented project described in paragraph 15 below. The monitoring system envisioned by this project will aim at interconnecting and building upon existing databases and information on biodiversity in BiH and will serve as an information source on the status of biodiversity in the country for researchers, conservationists, local decision making and meeting international reporting obligations on biodiversity.

3.1.3 Red List Index for BiH is revised and established as a main biodiversity monitoring tool
Having been internationally recognized as one of the main indicator indices of the species status, the Red List Index for Bosnia and Herzegovina will be revised under this project to serve as one of main biodiversity monitoring tools. Currently there are two Red List in BiH (one for each of the entities), which have been developed and officially adopted between 2012 and 2014. However they were developed and adopted without prior categorization of species based on their threat status in the wild and the appropriate IUCN criteria/methodology were not utilized for its compilation. In order to build a viable system for monitoring the state of biodiversity and the PA management effectiveness in Bosnia and Herzegovina, it will be necessary to build the overall institutional capacity of responsible institutions, including the provision of one comprehensive and reliable Red List encompassing the entire PA network of the country.

A.1.4 The incremental cost reasoning and expected baseline contributions

15. GEF funds will build on the country’s regular legal, institutional and budgeting baseline for nature conservation and spatial planning. Apart from being the foundation of the financial sustainability of the project outputs, these will serve as a catalyst to further development, fine-tuning and application of a coherent and coordinated approach to the conservation of key species, and implementation of best international practices when it comes to integration of ecosystem services approach into sectoral planning. New protected areas will be established and the current one empowered to better conserve flagship species, involve local communities and secure their sustainability through using the GEF funds and national cofinancing for a viable implementation of country strategies for biodiversity and related sectors. GEF support will enhance the prospects of the country to triple its protected area network and improve the overall nature conservation system, including the development of a viable biodiversity monitoring system, as described in national goals set in spatial and strategic documents.

16. UNEP will bring in-kind assistance through coordination and technical advice from its divisions and regional and national offices. Local presence of UNEP in the country and a portfolio of successfully implemented national GEF projects will ensure good cooperation with national governments and experts. UNEP will also seek to involve a range of other national and international actors and resources in the project to build partnerships and continue the good practice of networking and bringing additional value into every environmental action in the country.
A.1.5.1 Global environmental benefits

17. Justification for the GEF grant is based on the clear and substantial global benefits arising directly from the project outcomes. These outcomes would either not occur, or would occur substantially more slowly, in the absence of the GEF grant. They include:

- **Expansion of the national PA system:** At least three additional PAs will be established (Livanjsko Polje, Bardača, Popovo Polje) covering some 300,000 hectares of identified freshwater Key Biodiversity Areas (KBAs), with potential for further expansion. This will raise the percentage coverage of KBAs within the national PA system to 5% of the country’s territory. In biogeographic terms, the expansion process will increase representation within the national PA system of KBAs covering important biogeographical zones (karstic plains). It will lead to a larger and more representative PA system incorporating diverse ecosystems, including the ones that have been internationally recognized (such as IBAs) but not nationally designated. Without the GEF support, expansion of the national PA system would be a slow process, each one taking years for the supportive legislation to be passed. As a result, there would continue to be uneven representation of biogeographic areas in the PA system, with huge gaps in protection of important habitats and freshwater catchments. The main threats to biodiversity of karstic plains, such as increasing severity of droughts, hydrological alterations following construction of dams, over-abstraction of surface and ground waters, water pollution, and invasive species would harm their ecosystems beyond repair. The opportunity for local communities to actively take part in conservation efforts would not be realized as the existing approach only provide for a government-led protected area management bodies.

- **Improved conservation effectiveness:** The project will aim at improved capacity to support the national PA system through up-to-date policies, technical assistance, procedures and tools for effective management; and effective monitoring and evaluation. At the same time, local management bodies will have developed sufficient capacity to ensure there is on the ground conservation of important habitats. PA management plans will be aligned with local government management plans; thereby ensuring that stakeholder actions are consistent with the protected area conservation objectives. Without GEF support, management of the national PA system will remain inadequate to support the requirements of local communities; and conservation authorities will continue to have weak capacity to effectively govern and manage the threats to biodiversity in protected areas. The outcome would be continued degradation of identified KBAs.

- **Enhanced financial sustainability:** There will be improved capacity to manage financing of the national PA system; including the requirements of an expanded system which covers new conservation areas. This capacity will transcend to individual sites, as tools and methods are developed and promoted, through lessons sharing, development of learning guides, and training. At least three sites would have demonstrated the use of these tools, including the development of business plans. Without GEF support, funding will continue to be a big constraint to the effective management of the PA system; and local conservation efforts.

- **Global benefits arising from the above outcomes will consist of the enhanced viability of globally threatened species and ecosystems found within the areas newly protected as a result of the GEF support and in several existing protected areas where management effectiveness is being increased. In species terms, the exceptional endemism of many species of the country means that the expansion process engendered by the project will generate a significant increase in the range of protected habitat for most of the species in question, a benefit which is entirely absent under the baseline scenario. The project outcomes will operate in synergy to achieve the desired global benefits. Thus, while necessary, gazettement of new PAs under Outcome 1.1 will not alone be sufficient to achieve the desired global benefits, i.e., to substantially raise the survival prospects of endangered species and associated ecosystem types. This result can only be obtained by**
simultaneously and substantially raising the management and conservation effectiveness of the areas in question. For this reason, outcomes 1.2 and 1.3, i.e., improved conservation effectiveness through enhanced systemic, institutional and individual capacities and enhanced financial sustainability of the PA system, will be essential for achieving the desired benefits. The fact that these outcomes would either not occur, or would occur substantially more slowly, in the absence of the GEF grant, means that the global benefits described above would also not take place. At the level of national environmental management system, this project would also bring global environmental benefit by introducing biodiversity data collection and sharing among different national and international institutions (i.e. European Environment Agency and SCBD).

A.1.6.1 Innovation, sustainability and potential for scaling up

18. The project's innovativeness is founded in the establishment of a protected area system in Bosnia and Herzegovina that is effective and addresses the identified country needs in managing its biodiversity in a manner that has not been used before, including and incorporating spatial/land use aspects, systematic approach to biodiversity monitoring, which is at the moment almost non-existent, and ecosystem services to boost local development. While this may not be considered innovative in the developed Europe, the specific national context of Bosnia has so far missed an opportunity to build a healthy nature conservation system. Involvement of the whole range of stakeholders including local communities and decision makers from other sectors, although undeniably relevant and necessary for any successful biodiversity action, has often been overlooked or under practiced. This project offers a comprehensive and inclusive approach to biodiversity planning and PA management and will thus bring innovativeness to the national level actions. Developing an effective system for capturing biodiversity data will contribute to the identified need for better integrated national management of nature, which in itself is innovative and clearly needed in the fragmented policy context of Bosnia and Herzegovina.

19. The project's design seeks to optimize prospects for achieving the sustainability of the PA network in all four key areas: environmental, institutional, social and financial.

a) Environmental sustainability will be promoted in the project through the design of a protected area system for BiH that would more effectively conserve key species, habitats and ecological processes. The project will also support the collation and collection of a more rigorous biodiversity monitoring system to underpin and support future environmental decision-making processes in protected area planning and management. If successful, these interventions could incrementally contribute to the overall environmental sustainability of the protected area system.

b) Institutional sustainability will be enhanced in the project through the design of the most effective institutional arrangements for protected area planning and management. This will include: identifying the most cost-efficient (social-environmental-financial) institution/s to manage the operations of the different categories of new protected areas; building capacities of the responsible conservation and PA institutions in BiH to provide a more enabling environment for the planning, management and monitoring of the national protected area system; describing the cooperative governance arrangements for both the protected area system, and different categories of protected areas; and identifying opportunities and institutional mechanisms for comanagement of, and partnerships in, protected areas.

c) Social sustainability will be enhanced through the implementation of a number of individual stakeholder engagement processes developed for each of the project activities in both the protected
area system planning and the protected area re-validation processes. Stakeholder engagement plans for the respective project activities will be drafted to direct broad-based stakeholder involvement in all aspects of protected area system planning and development. The project will further identify mechanisms for the ongoing constructive engagement of communities and the NGO sector in protected area planning, development and operations, notably through partnerships, co-management and co-operative governance. Mechanisms for optimizing the beneficiation of local communities will be identified for the newly established PAs.

d) Financial sustainability will be strengthened through the twinning of this project with other ongoing nature conservation projects in the country and current government efforts to meet the national biodiversity targets through the support for the PA system development and strengthening. There are two key elements of securing financial sustainability within the project and of the overall national PA network: First, to secure the commitment of the government, including the two entities’ Funds for Environment to increase its annual resource allocation to the management of its protected area system, and to identify alternative sources of co-financing for project activities, and second, to identify, strengthen and promote alternative, self-generated sources and mechanisms of PA funding. Given that the government is legally responsible to finance at least first 5 years of operation of each new protected area, or until it reaches financial sustainability, and the commitment of government to support the extension of the national PA network based on national strategic documents and the high motivation in supporting the proposed project, an increase in total budget allocations for the extended PA network can undoubtedly be expected as the result of this project. There is also a newly adopted approach of involving a broader set of government stakeholders in managing the PAs, such as forestry authorities and land-use institutes. These expert government agencies have regular extra-budgetary revenues, a part of which will be utilized for an improved management of the PA network. At a local protected area level, the project will provide resources to more explicitly identify the medium-term expenditure requirements and program the roll-out of the appropriate financing mechanisms to generate the income streams needed to meet these anticipated costs. Those will encompass the entire range of PA financing mechanisms: market-based charges for PA goods and services (resource use fees, bioprospecting fees, payments for ecosystem services, carbon offsets, tourism charges, leases and concessions), generating funding to encourage conservation activities and target main drivers of biodiversity loss (cost-sharing, investment, credit and enterprise funds, environmental funds, local benefit-sharing/revenue sharing, fiscal instruments, promotion of alternative sources of income for population that relies on natural resources) and attracting and administering external flows (private donations, volunteer actions, grants and government and donor budgets, such as the EU pre-accession funds).

20. The project also bears good potential for scaling up and replication as it responds to the often voiced need for harmonized nature conservation and strengthening capacities for including environmental concerns into policy planning, resource management and service delivery. Replication will be achieved through the direct replication of selected project elements and practices and methods, as well as the scaling up of experiences throughout the duration of the Entities’ Spatial Plans implementation in terms of conservation in a spatial context.

A.2. Stakeholders. Will project design include the participation of relevant stakeholders from civil society and indigenous people? (yes /no) If yes, identify key stakeholders and briefly describe how they will be engaged in project design/preparation:

21. The proposal takes into account roles, responsibilities, and needs of various key ministries, institutions, and agencies in Bosnia and Herzegovina. Ministry of Foreign Trade and Economic Relations of Bosnia
and Herzegovina (MoFTER); Ministry for Spatial Planning, Construction and Ecology of Republika Srpska, Ministry of Spatial Planning of the Federation of Bosnia and Herzegovina and Ministry of Environment and Tourism of the Federation of Bosnia and Herzegovina are the main stakeholders from the Government guiding the project implementation (see A.1.2 for a full description of each ministry’s competencies).

22. Relevant national and local CSOs such as the Centre for Environment from Banja Luka, Nase Poice (Our birds) and Zeleni Neretva (Green Neretva River) will be encouraged to take active role in designing and implementing project activities, notably in the involvement of the local communities in PAs. National and local CSOs will actively participate in the stakeholder engagement processes for all project activities. Partner civil society organizations will also be invited to provide expertise in biodiversity information management and sharing experiences in participative protected area management.

A.3. Gender Considerations. Are gender considerations taken into account? (yes ☑/no ☐). If yes, briefly describe how gender considerations will be mainstreamed into project preparation, taken into account the differences, needs, roles and priorities of men and women.

23. Adaptive collaborative management will be used as an approach to engage stakeholders as collaborators in the design and implementation of project activities that take into account consequences arising from policy interventions, as well as gender issues to ensure equal participation by women and men in all activities and project structures. Wherever possible, during the project preparation, gender-disaggregated indicators will be included in the project’s monitoring and evaluation plans. Gender perspective will be explored and incorporated in all project activities concerning biodiversity loss, reducing poverty and improving human wellbeing.

A.4 Risk. Indicate risks, including climate change, potential social and environmental risks that might prevent the project objectives from being achieved, and, if possible, propose measures that address these risks to be further developed during the project design (table format acceptable):

24. Risks

Governance challenges: Medium Risk
The complex political structures in Bosnia and Herzegovina’s Entities and the division of roles and responsibilities for the environment into various ministries and agencies can cause coordination challenges to the project. This risk will be mitigated through close collaboration with relevant stakeholders from the outset and by determining collaborative strategies and focal points in each of the key institutions; and equally through the improvement of institutional frameworks for biodiversity management, and the coordination and clarification of mandates.

Lack of community support for local-level interventions: Low Risk
There have been cases of local communities showing resistance towards protection of areas traditionally used for supporting livelihoods. The key factor to mitigating this risk is to have the full participation of local governments and CSOs with community level buy-in of the proposed level of protection for new protected areas. Main local stakeholders will be included in the project design activities from the start to further mitigate this risk. Also, Component 2 of this GEF project is foreseen to contain activities to strengthen capacities of local communities for the grassroots level management of biodiversity, and thus fully involve them in the project implementation.

Climate change as a direct driver of biodiversity loss in Bosnia and Herzegovina: High Risk
The country is severely affected by climate change, and is one of the most vulnerable to the consequences of climate change in Europe. Recent devastated floods that hit Bosnia and Herzegovina in May 2014 and numerous wildfires that hit pristine natural areas of the country in previous years call for urgent implementation of adaptation measures. Climate change vulnerability will be an integral part of the capacity building activities of this project and awareness raising will be given a full priority. The project will focus on assessing the biodiversity loss related to climate change and incorporating adaptation measures into the PAs management plans.

A.5. Coordination. Outline the coordination with other relevant GEF-financed and other initiatives:

25. The project will be closely coordinated with the various GEF-funded national reporting projects in Bosnia and Herzegovina, such as the Third National Communication to the UNFCCC, Revision of the NBSAPs and Development of Fifth National Report to the CBD and Alignment of National Action Programme to the UNCCD 10 Years Strategy and Preparation of the the Fifth Reporting and Review process. UNEP as the IA for most of these EA, will be in good position to ensure such coordination. Further opportunities for collaboration and co-financing arise with the EU Instrument for Pre-Accession Assistance (IPA), having a focus on strengthening BiH's environmental institutions. “Support to the Implementation of the Birds and Habitats Directive in Bosnia and Herzegovina” is a project which is funded by the Government of Sweden and managed by the EU Delegation to BiH. Several outcomes of this ongoing EU project on implementing the two Directives in BiH could be of importance to this project, mainly the database of identified habitats and endangered species which is currently under development and several legal gap analyses produced by the project. Main beneficiary of the project is the state Ministry of Foreign Trade and Economic Relations. The full description of related initiatives in the country and possible correlation of this project with their results can be found in paragraphs 15 and 16 above.

26. Most of the current initiatives are either sites or sector specific with isolated coordination bodies. The proposed project will facilitate horizontal and vertical integration of institutions and cross sectoral bodies either through thematic areas or approaches which experts and resources together to ensure synergy, complementarity and sectoral involvement. Key government partners will be playing a leading role in project coordination and implementation mechanisms.

A.6. Consistency with National Priorities. Is the project consistent with the National strategies and plans or reports and assessments under relevant conventions? (yes ☑/no ☐). If yes, which ones and how: NAPAs, NAPs, ASGM NAPs, MIAs, NBSAPs, NCs, TNAs, NCSAs, NIPs, PRSPs, NPFE, BURs, etc.:

27. The revised NBSAP of Bosnia and Herzegovina (2015-2020) proposes several national biodiversity targets that are relevant for this project and can contribute to biodiversity conservation, as follows:

a) By 2020, biological diversity incorporated into national, entity, and local development strategies and strategic plans (with an aim to achieve Aichi target 2 – integrate biodiversity and development);

b) By 2016, specific biological diversity of BiH (canyon, upland, high-mountain, and marshland ecosystems, kart fields and alluvial plains) mapped and protected in accordance with the spatial documents in effect (with an aim to achieve Aichi target 11 - expansion of protected area networks and effective management);

c) By 2020, Red Lists of plants, animals and fungi prepared, and action plans for protection of the most endangered taxa adopted (with an aim to achieve Aichi target 12 - prevent extinctions and improve status of threatened species);
d) By 2020, an inventory of i) flora, fauna and fungi; ii) ecosystems and types of habitats has been completed (with an aim to achieve Aichi target 12 - prevent extinctions and improve status of threatened species).

28. The National Capacity-Self Assessment (NCSA) project for Bosnia and Herzegovina identified a number of common weaknesses in the national implementation of the Rio Conventions, including insufficient support to the implementation of NBSAP, lack of capacities in responsible institutions, institutional gaps when it comes to nature conservation and slow alignment of national legislation with international obligations. For more detailed information on the status of the CBD implementation in BiH, please refer to the NCSA report pages 65-79.

29. The new UNDAF for Bosnia and Herzegovina (2015-19) has been adopted in May 2015. The outcomes of this project proposal are well aligned with the results matrix of the new UNDAF, since it has strong reference to environmental strategies for biodiversity and highlights the need to better integrate environmental efforts of different levels and improve MEA reporting. The project will contribute to One programme Focus Area 2. “Sustainable and equitable development and employment” and associated Outcome 5: “By 2019, legal and strategic frameworks enhanced and operationalized to ensure sustainable management of natural, cultural and energy resources”.

A.7. Knowledge Management. Outline the knowledge management approach for the project, including, if any, plans for the project to learn from other relevant projects and initiatives, to assess and document in a user-friendly form, and share these experiences and expertise with relevant stakeholders.

30. The project will coordinate activities and build on experiences and outcomes of several past and ongoing projects dealing with nature protection in a wider sense. The EU managed project “Support to the Implementation of the Birds and Habitats Directive in Bosnia and Herzegovina” has an aim to support the BiH institutions in approximation of the EU Birds and Habitats Directives and to initiate development of a (BiH wide) Natura 2000 network and its corresponding implementing strategy and management plans. By the end of 2014, the project will produce a number of nature conservation measures targeted mainly at establishing the Natura 2000 network in the country. The proposed UNEP/GEF project will use several of its results as baseline activities and in, agreement with main government beneficiaries and the EU Delegation in BiH, can ensure their sustainability. Namely, the established Natura2000 information system could easily be upgraded to represent the country's overall biodiversity monitoring system if appropriate government action and funding is applied. Also, the EU project produced a map of Natura 2000 habitats which will be used together with spatial documents to ensure ecosystem representativeness and integrity of the improved PA system in BiH (Outcome 1). The three management plans for selected potential Natura2000 sites produced in the framework of the EU project will be combined with a feasibility study for a new national park produced under the WB/GEF project "Forests and Mountain Protected Areas Project for Bosnia and Herzegovina" which was closed in 2013 to best assess the PA management effectiveness for this proposal’s Outcome 2. The WB/GEF project also introduced the Protected Areas Management Effectiveness (PAME) Tracking Tool to the country's conservation authorities and this proposal aims at additionally promote its use. The third outcome of the proposed project will benefit from the results of the ongoing IUNC project "Towards Strengthened Conservation Planning in South-Eastern Europe" which will prepare a set of national nature conservation priorities, possibly suitable as a basis for development of the national biodiversity indicators framework. IUCN's guidance will also be utilized for the revision of the existing entity Red Lists in line with the guidelines for application of IUCN Red List criteria at national level, and their integration into a single, verified and internationally recognized national red list.
31. Other baseline and related activities conducted by the authorities in the country are regular nature protection activities foreseen in the entity Law on Nature Protection and individual laws that need to follow each national park establishment in the country. Those include spatial planning of the PA system based on expert reviews and habitat maps, a task completed by both entities by including the PA system in the new spatial plans until 2025/28 (see paragraph 8), regular financing of the protected areas managements (for five years since the establishment or until the PA is fully self-sustainable) and coordination with lower levels of governance and local communities when new PAs are proposed. The proposed project will keep an inclusive and participative approach in each segment of its implementation. The project will serve as a catalyst to develop a coherent and coordinated approach to biodiversity conservation as a way of enhancing the ecosystem based approach that can provide sustainability of ecosystem services, in line with the comparative advantage of UNEP in Ecosystem Management.

32. The project will develop and use a knowledge management system to ensure the effective collation and dissemination of experiences and information gained in the course of the project’s implementation. This knowledge management system will be designed to ensure that information and data formats and flows are directed at the most relevant stakeholder groups to support decision-making processes. International and national organizations, including academic institutions and research institutions working in the area of nature conservation, will contribute to raising funds and awareness and provide the project with appropriate guidance on knowledge management and capacity building for nature conservation. Namely, IUCN will be the key partner in establishing the biodiversity monitoring system and revision of the existing Red Lists, proving technical support and expertise. This task will be supported also by the academic staff of the Natural Science Faculties of Banja Luka and Sarajevo Universities, who have already been involved in development of red lists and expert review for the PA spatial planning documentation. WWF will support the integration and alignment of the new PAs with the Dinaric Arc Ecoregion initiative. The EU Delegation and the BiH Directorate for European Integration will play a key role in the project through supporting the transposition of outcomes of EU-funded projects on nature conservation to this proposal’s design and working together with UNEP on stakeholder engagement and ensuring government engagement.

PART III: APPROVAL/ENDORSEMENT BY GEF OPERATIONAL FOCAL POINT(S) AND GEF AGENCY(IES)

A. RECORD OF ENDORSEMENT9 OF GEF OPERATIONAL FOCAL POINT (S) ON BEHALF OF THE GOVERNMENT(S):

(Please attach the Operational Focal Point endorsement letter(s) with this template. For SGP, use this SGP OFP endorsement letter).

<table>
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<tr>
<td>Senad Oprasic</td>
<td>GEF OFP, Head of the Environmental Protection Department</td>
<td>MINISTRY OF FOREIGN TRADE AND ECONOMIC RELATIONS OF BOSNIA AND HERZEGOVINA</td>
<td>07/25/2014</td>
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9 For regional and/or global projects in which participating countries are identified, OFP endorsement letters from these countries are required even though there may not be a STAR allocation associated with the project.
B. GEF AGENCY(IES) CERTIFICATION

This request has been prepared in accordance with GEF policies\textsuperscript{10} and procedures and meets the GEF criteria for project identification and preparation under GEF-6.

<table>
<thead>
<tr>
<th>Agency Coordinator, Agency name</th>
<th>Signature</th>
<th>Date (MM/dd/yyyy)</th>
<th>Project Contact Person</th>
<th>Telephone</th>
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<tr>
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C. ADDITIONAL GEF PROJECT AGENCY CERTIFICATION (APPLICABLE ONLY TO NEWLY ACCREDITED GEF PROJECT AGENCIES)

For newly accredited GEF Project Agencies, please download and fill up the required GEF Project Agency Certification of Ceiling Information Template to be attached as an annex to the PIF.

\textsuperscript{10} GEFPolicies encompass all managed trust funds, namely: GEFTF, LDCF, and SCCF