



**CNVP**

**Building a Greener Economic Environment**

**Annual Report**

**1 January – 31 December 2022**

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## Abbreviations

APFO:	Association of Private Forest Owners
ADA:	Austrian Development Agency
BD:	Business Development
CSOs:	Civil Society Organisations
CNVP:	Connecting Natural Values & People
EB:	Executive Board
EC:	Employee Council
EU:	European Union
HR:	Human Resources
IFM:	Integrated Forest Management
IPA :	EU Instrument for Pre-Accession
JFM:	Joint Forest Management
LCB:	Local Capacity Builder
LED:	Local Economic Development
LLE:	Local Legal Entity
MAFRD:	Ministry of Agriculture, Forestry and Rural Development
MAPs:	Medicinal Aromatic Plants
MOVING:	Mountain Valorisation through Interconnectedness and Green Growth
MOU:	Memorandum of Understanding
MSD:	Market System Development
MT:	Management Team
NAPFO:	National Association of Private Forest Owners
MFA:	Ministry of Foreign Affairs
NBT:	Nature Based Tourism
NTFPs	Non-timber forest products
PONT:	Prespa Ohrid Nature Trust
SB:	Supervisory Board
SFM:	Sustainable Forest Management
SIDA:	Swedish International Development Cooperation Agency
SSPDF:	Strengthening Sustainable Private and Decentralised Forest Development
SUNREED:	Sustainable Use of Natural Resources for Environment and Economic Development

## Report of the Supervisory Board

Dear reader,

In December 2022 CNVP celebrated its 10<sup>th</sup> anniversary in Pristina (Kos) with a gathering of many partners, (international) donors and beneficiaries of its work. What started as a demerger in the Balkan from SNV Netherlands Development Organization, CNVP is now a vibrant independent international non-governmental organization with a large network, developing its work along with its partners and beneficiaries and with a perspective on the larger developments in the region and world.

Different from 10 years ago, the need of contributing to a greener economy and environment has become obvious and is on everyone's agenda as a top priority. CNVP's expertise and experience to further these strategic priorities with practical and sustainable results has become more and more valuable. And last year's geopolitical developments have unfortunately increased the attention for the area.

CNVP has streamlined its working methods over the past few years; what worked for a major organization like SNV had to be adapted, simplified, or made more effective to match the needs of an organization that only operates in a few Balkan countries.. New processes had to be implemented or given more priority, like business development. To be sustainable a diversifying of funds was needed, and a glance at the guest list of the Pristina 10<sup>th</sup> year celebration showed that this has progressed tremendously.

The demerger of SNV prompted the need for a fresh identity. CNVP - "Connecting Natural Values & People," was happily selected, a choice made to leverage on the organization's valuable prior experience. The demerger of SNV asked for a new name. CNVP was the one that was chosen, Connecting Natural Values & People.

It expresses an essential element of the CNVP approach and the team values: working with people. Helping to build a green economy in the Balkan can easily focus too much on the forestry, economic or biological aspects of the work. By adding People to the name, it is clear to all that CNVP works with people and tries to strengthen their competences, position and (financial) sustainability. CNVP supports them and also wants to give them the spotlights.

Yet at the same time we as Supervisory Board have always seen the great dedication and drive of the team and its associates. Willing to learn and develop themselves, thus leading by example, the many bumps in the road of these past 10 years have been overcome.

And they give us confidence that another 10 year (at least) will follow.

On behalf of the Supervisory Board

Maarten Bremer - chairperson

## Part A: 2022 Annual Report

### **1. Introduction**

CNVP Foundation is a not-for-profit organization. It designs, implements and manages projects financed by international donors and other sources of finance. Its work is currently focused in the Balkans with registered branches active in North Macedonia, Albania, Kosovo & Montenegro.

CNVP is delighted to highlight that 2022 was a highly successful year, exceeding its anticipated targets both financially and content wise. This year, CNVP entered into agreements for the implementation of new projects through its Balkan country offices. Through this, the organization exceeded the goals on contracted projects, going from the 2 million euros that had been originally targeted to the 3.5 million euros contracted.

For the following five years, 2022-2027, the organization has established a new strategy. The process of developing the strategic vision, goals, and objectives until 2027 has undergone extensive consultation within CNVP organization and its partners, donors, and collaborators. The new CNVP strategy is in line with the EU's new funding cycle (IPA III), the EU Green Agenda, COP26, SIDA's new strategy, and the other strategic donors and partners CNVP works with throughout the Balkans. At a gathering event in Pristina on December 16, 2022, the strategy was unveiled in front of hundreds of partners, stakeholders, donors, beneficiaries, and local and national officials from the Balkans. In the section titled "Strategic Framework 2022–2027," further information on the event and the strategy is available. The link to the strategy document is by clicking at [Strategy Framework](#)

CNVP's reputation as a leading and result oriented organization at the regional level is growing among the donor community as well as local communities. This is also demonstrated in the increasing number of its employees during 2022, and closely working with experts, consultants, and local actors, engaged for successful implementation of different projects.

In addition, CNVP projects contributed to implementation of most of Sustainable Development Goals (SDG) in the Balkans region.

CNVP has undertaken a number of measures for improving different processes through the implementation of its projects. It has improved its marketing and the quality of the implemented project activities, it has enhanced networking opportunities, enabled business development activities, and has proactively communicated with the strategic donor community.

After a successful year on business development and signing new projects, CNVP in 2022 has increased the number of staff in different projects, and the team is working regionally on cross-cutting projects and topics.

CNVP continued to be highly committed toward achieving the new strategic goals of allocating sufficient resources and submitting qualitative and demand-oriented project proposals to the respective donors.

At the end of 2022, CNVP celebrated its 10th anniversary with key partners from the donor community, central and local institutions from the region, the private sector, and civil society. The organization has played a key role in working in the development area jointly with local and regional stakeholders in integrated forest management, sustainable management of natural resources, climate change mitigation, biodiversity conservation, and capacity building of local actors contributing to sustainable development in respective countries and the region. More details on the 10-year CNVP anniversary are presented below.

## 2. Business development and networking

CNVP has successfully managed to strengthen partnerships with its key strategic partners, such as Sida, PONT, ADA-ICEP, Euronature etc. 2022 was very successful in terms of business development and resource mobilization.

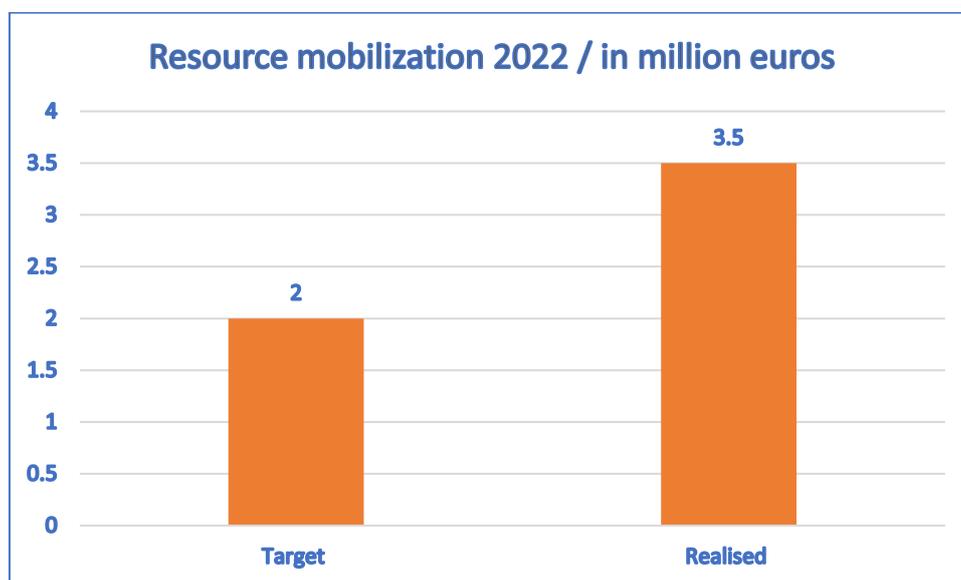


Figure 1 Resource mobilization during 2022

Resource mobilization in the total value of 3.5 million euros marks a successful year for CNVP, exceeding its target of 2 million euros. The new funding is linked to strategy objectives 1 and 2, respectively, "quality project delivery impacting rural living" and "joint action and networking with stakeholders for greater value to communities".

With these new resources, two regional projects commenced in 2022, in the field of the environment and biodiversity. The first regional project is funded by PONT: "*Sustainable use of natural resources for transboundary socio-economic development of protected areas in North Macedonia, Albania, and Kosovo*". This project will contribute to environmental protection and climate change. The second regional project is funded by ADA/ICEP: "*Integrated Forest Management along Drin River Basin*," which will contribute to integrated forest management, biomass production for renewable energy, and rural and green economic development.

The main priority for 2022 was consolidating and building a sustainable financial portfolio for the organization, which is linked to its strategy 2022-2027 and the third objective of "enhanced cost effectiveness". During the year, CNVP looked for new opportunities linked to the Paris and Glasgow Agreement for climate change and biodiversity

protection, as well as the EU Green Agenda, by improving the availability and use of business information overall as well as at the regional and country levels.

CNVP continued to strengthen networks with international organizations, such as partnerships with the International Land Coalition (ILC), the Partnership for Rural Europe (PREPARE), the International Union for Conservation of Nature (IUCN), CEE web for biodiversity network, Coalition 27, the European Green Belt Initiative, EUROCASTANEA (European Chestnut Network) and others.

The same dynamic will continue in 2023, while the main guidance for CNVP is linked to its strategy 2022-2027 and priority areas. Its regional focus will be the main approach, while strengthening relationships with new local, regional, and international partner organizations and networks will continue. CNVP will continue to diversify project activities in line with its strategy, changing market demands and the availability of funding opportunities, e.g. climate change, biodiversity protection, water and ecosystem management, renewable energy, the green economy, and women's economic empowerment and rural entrepreneurship.

CNVP's objective is, through its actions, to create conditions for improving the livelihoods of all stakeholders and partners; to strengthen their capacities in creating conditions to achieve sustainable development through the development of relevant policies, programs, and projects at the national, cross-border, and regional levels.

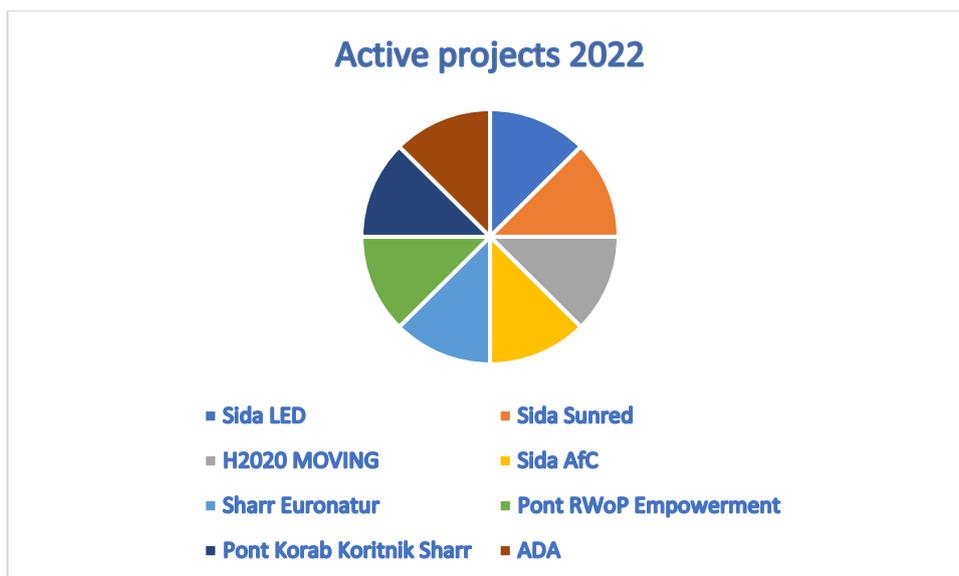
CNVP's main business development activities according to its strategy in 2023 will include:

Using more intensively, efficiently on a decentralized basis available contact in the countries, regionally and internationally, more specifically at EU level, focusing on the EU green agenda, Paris and Glasgow COP agreements, by identifying new funding and project opportunities in the respective Balkan countries.

Supporting and encouraging CNVP's staff to identify and develop new project opportunities, re-cycle earlier project documentation, and increase staff productivity, e.g. through learning why project proposals have been rejected. In each country, there is opportunity for the staff to contribute to business development in-country, regionally, and on a cross-border basis. The organization will try to maximize support from the contacts of the 30 Associate Experts on CNVP's database to provide additional technical skills to those offered by internal CNVP staff.

### ***3. Main projects and results in 2022***

CNVP is a unique organization with offices across the Balkans, and its regional structures and approach, enable cross-office activities in implementation and knowledge sharing, adding particular value to the organization.



*Figure 2 Active projects under implementation during 2022*

During 2022, eight active projects were under implementation in the Balkans. The figure shows the main projects under implementation.

The regional project funded by PONT: "Sustainable use of natural resources for transboundary socio-economic development of protected areas in North Macedonia, Albania, and Kosovo", continued its implementation successfully. This project has a total value of 2.6 million euros (including CNVP's self-contribution) and will be implemented from mid-2022 until 2025. This project will contribute to biodiversity and environmental protection and climate change, as well as to the socio-economic conditions of rural communities.

The other regional project funded by ADA – ICEP "Integrated Forest Management in the Drin River Basin" with a total value of 1.5 million euros, has started its implementation along the Drin river basin, covering Albania, Kosovo, North Macedonia, and Montenegro. This project contributes to integrated forest management and economic benefits for communities along the Drin River basin.

In addition to the above-mentioned projects, CNVP continued the implementation of the ongoing regional (cross border) projects such as "Sustainable Future for Sharr/Korab-Koritnik," which started to be implemented in April 2021 and will continue until October 2023. This project is financially supported by the DBU, Jensen-Funds, and EURONATURA. Another cross-country project is "Empowering women for NTFPs development of Prespa" funded by PONT in the region of Prespa in both Albania and North Macedonia. This project contributed to the increase of the internal capacities of the RWoP organization (Rural Women of Prespa) to use the bioproducts and NFTP from the region of Prespa for catering activities.

CNVP in Albania continued implementation of the LED 2 project funded by the Swedish Embassy, which started in October 2020. LED project aims to improve the performance of the MAPs sector in Albania through the design and implementation of a variety of interventions that aim to address key constraints impacting the growth and development

of the sector. The project uses the Market System Development (MSD) approach, working through MAPs private enterprises.

CNVP in Albania was also implementing the ADA-Lenzing project in the Shkoder and Diber regions. The project ended in mid-2022, achieving very good outcomes in afforestation and erosion control measures.

CNVP in Kosovo has started the implementation of a new project "Sustainable Use of Natural Resources for Environment and Economic Development (SUNREED)", funded by the Embassy of Sweden/Sida in Prishtina at the beginning of this year. This project will be implemented for the next 5 years with a project budget of 3.36 million euros. Last year, the private forest conditions were evaluated and the potential to increase the forest value business opportunity for PFOs was identified. This project is strongly contributing to market system development in three sectors: Non-wood forestry products (NWFPs) and MAPs; wood biomass (energy wood), and Wood-based products (wood for material use such as in furniture).

CNVP in North Macedonia continued the implementation of the Sida project "CSO Action for Climate". The total project budget is 1.3 million euros. This project contributed to the creation of a strong and vibrant civil society that plays a meaningful role in the process of decarbonization, transformation, and renewal of society, resulting in a clean environment, green economies, and healthy citizens in North Macedonia.

The MOVING project (Mountain Valorization Through Interconnectedness and Green Growth) funded by the European Commission, Horizon 2020, is another project being implemented in North Macedonia. This project is contributing to building capacities and co-developing policy frameworks for the establishment of new value chains in mountain areas. During 2022, the project contributed to rural tourism from an environmental point of view.

It is worth mentioning that during 2022, CNVP branch offices were strengthened with the activation of two local organizations under the CNVP umbrella, in North Macedonia and Kosovo, to implement regional projects. These local organizations were also equipped with adequate staff.

#### **4. Lessons learned**

In 2022, there was an increasing demand and focus from the donor community for the implementation of regional projects that cover multiple countries, providing support to communities in different areas. In response to this trend, CNVP successfully negotiated two new regional projects with PONT and ICEP-ADA. CNVP will continue to be highly committed toward reaching the new strategic goals to allocate sufficient resources, to submit qualitative and demand-driven project proposals to the respective partner donors.

- During 2022, regional projects have been developed through a cross country team work. Several joint meetings are organised, and a wide consultation process with key stakeholders has been ensured. PONT regional project involved teams from

North Macedonia, Albania and Kosovo, while protected areas from three countries were also closely consulted to ensure their needs and expectations are streamlined in the project document. In addition, the ADA project was also prepared through cross country teams inputs, and with involvement of local and regional stakeholders along the Drin river in four countries (N.Macedonia, Kosovo, Albania and Montenegro) where the project will be implemented. The long-term impact is to contribute to climate change mitigation and sustainable development along the Drin River, through strengthened IFM (Integrated Forest Management).

- Supporting marginalized groups such as youth and women can have a high impact in the Balkans. Hence, some of the outcomes toward these groups are presented as following;
- Implementing projects (LED and SUNREED) using Market System Development (MSD) approach is maximizing pro-poor impact and effecting positive changes and improvements in the functioning of the market systems. Implementing 15 partnership agreements (LED project) with a broad range of actors - private businesses, public agencies and civil society organisations – is bringing changes in the behaviour of the stakeholders which will result in improvements for more than 2000 MAPs producers (mainly women) to access reliable information, resources and technologies they need to increase the income derived from MAPs production.
- On December 12, 2022, in the city of Berovo, Maleshevo Region, the CNVP team, implementing the MOVING Project, organized a workshop with young people from the municipalities of Berovo and Pehchevo. The opinions of young people living in mountainous rural regions are very important because they ensure the sustainability of the mountain areas and value chains of these regions. 2022 is the European Year of Youth. The goal was to define the long term vision of young people for sustainable mountain development. There were gathered views from 22 young people, ages 15 to 18, pertaining to the vulnerability and resilience perspectives of the region. Taking into consideration the high percentage of emigration and youth leaving the region, the aging of the population, the effects of climate change, etc., it was discussed what can be improved by 2040 so they can see their future in their communities. Youth requested to be more involved in strategic development processes on local and national levels. The vision of the youth from this exercise is to achieve a green community, where nature and technology are used to modernize the offer and living standards of young people.
- 16 days of activism against gender-based violence took place during November and December 2022, aiming for the elimination of all forms of violence. One of the main underlying causes of violence against women is lack of economic empowerment, and CNVP Foundation is committed to making its contribution toward eliminating violence against women by mainstreaming gender equality and integrating women's economic empowerment into all its projects and activities.
- In Albania, through the Sida-funded LED project, 300 women in six regions in rural areas have been supported to increase their incomes by cultivating the most market demanded medicinal and aromatic plants, secure their market by entering into contract farming agreements with MAP companies, and increase their

knowledge on good agriculture practices through business-driven extension services. Furthermore, supporting farmers for cultivation of MAPs has a good impact to their income generation as well as on environment aspects as soil protection and conservation and carbon sequestration.

- In Kosovo, 15 Women and Youth Producers Groups were established with the support of CNVP, leading to more opportunities for jobs and incomes. In addition, in the framework of the SUNREED project funded by Sweden, CNVP is also organizing a series of trainings for rural women in human rights perspectives and in enhancing cultivation, harvesting, post-harvesting, and certification of non-wood forest products.
- CNVP in North Macedonia, together with PONT, recognized the potential of Rural Women of Prespa. Working with joint forces, these organizations contributed to the Prespa region, through catering activities, to promote Prespa's traditional food and achieve higher profits. At the same time, with the plantation of mountain tea, which is treated as an endangered species, in addition to achieving higher profits, they emerged as leaders in improving life in their community as well as preserving biodiversity.
- Next to the above lessons, environment and heating-systems are wide topics to learn from. The perception of using biomass (firewood) for heat energy production seems to be that promoting the burning of wood will promote further illegal harvesting and deforestation. Therefore, the SUNREED project in Kosovo, has supported the development of an evidence-based demonstration that sustainably and locally sourced forestry biomass used to make modern wood-based fuels (wood chips and pellets) burned in efficient stoves and boilers can have multiple benefits for local communities (source of energy, income, etc.) and ultimately lead to more investment in the management of local forests. During 2022, CNVP project SUNREED developed a roadmap for wood biomass production, marketing, and use whose purpose is to promote the development of a sustainable wood biomass production market, which will help reduce illegal logging and carbon emissions and contribute to a more environmentally sustainable energy future.

## **5. Strategic framework 2022-2027**

As mentioned above, the new CNVP strategy for 2022–2027 has been approved and presented to the stakeholders, making it the most important document the organization will follow in the coming period. This document defines the strategic priorities that will guide the work and actions of CNVP in the Western Balkans region. The goals and objectives set out in this strategic framework are based on the core values of the organization, its specific capacities, and its expertise.

The Strategic Plan for 2022-2027 derives as a result of a comprehensive organizational and situational analysis, made throughout 2022 in which all the CNVPs employees, the Executive Board and Supervisory Board and a considerable number of stakeholders among which strategic donors, experts and local organizations contributed to the analysis

through questionnaires, interviews, and specific workshops which were carried out by an external consultant. In that regard, CNVP would like to extend its gratitude to everyone who has taken part in this process for their dedication and invaluable contribution in the development of the organization's new Strategic Framework.

The 2022-2027 Strategy sets clear priorities for the future development of the organization which will enable CNVP to grow its potential and expand its influence in the process of achieving long-term and sustainable change in provision of quality services in rural development, environment, forestry and biomass for renewable energy resulting in increased capacities of local actors.

The vision of the new strategy which was created with wide inclusiveness sounds: "Green sustainable livelihoods in the Western Balkans, in harmony with nature and free from poverty". In addition, its mission is: "Providing high-quality efforts for environmental protection, combating climate change, managing natural resources, forestry, developing organisational capacity, and sustaining green economic growth to improve the quality of life for rural populations"

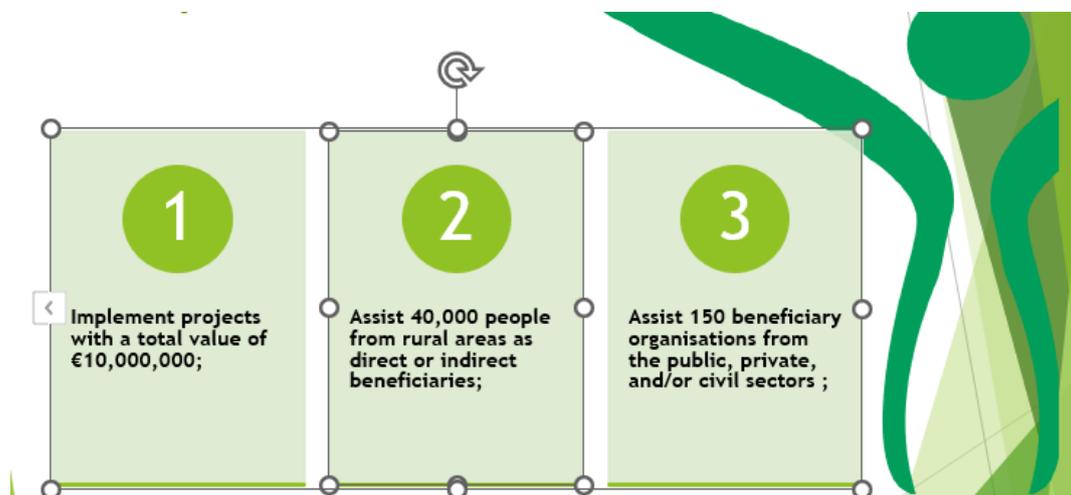


Figure 3 CNVP contribution 2022-2027

As envisaged in the new strategy, CNVP expects to contribute in the Balkans, over the next five years (2022-2027), through:

- Implementing projects with a total value of €10,000,000.
- Assisting 40,000 people from rural areas as direct or indirect beneficiaries.
- Assisting 150 beneficiary organizations from the public, private, and/or civil sectors;

All these figures will be achieved meeting the four main objectives of the strategy which are:

- Quality project delivery of high impact for society;
- The mobilization of organizational resources enhanced;
- Enhanced cost effectiveness;
- Promotion, branding, and visibility increased;

Given the above, CNVP will continue to implement projects and achieve the desired outcome in the topics of its expertise such as: environmental protection and climate changes, IFM (Integrated Forest Management), Biomass production for renewable energy, rural and green economic development, SME promotion, community mobilization and governance support.

The complete Strategic Plan (2022-2027), can be found at the [following link Strategy Framework](#).

## **6. Marking 10-th anniversary of CNVP**

In the end of 2022, a big event was organised in Pristina to mark the 10<sup>th</sup> CNVP anniversary, bringing together all staff from the Balkans, as well as the donor community, beneficiaries, and other regional and local stakeholders.

Established 10 years ago, Connecting Natural Values & People (CNVP) has coordinated regional efforts in the Western Balkans and contributed to a sustainable greener socio-economic environment for improving livelihoods of rural communities.

During the event, the Chair of the Supervisory Board of CNVP, the Executive Board and the main partners, donors and beneficiaries from Albania, Kosovo, North Macedonia and Montenegro, addressed speeches highlighting CNVP's contribution in the Western Balkans throughout a decade. Certificates of gratitude were awarded to the Embassy of Sweden in Tirana, Embassy of Sweden in Pristina and Prespa Ohrid Nature Trust (PONT) for their outstanding contribution in supporting CNVP to achieve its mission in building a greener economic environment and improving the livelihoods of rural communities.



*Figure 4 CNVP celebrating 10-th anniversary.*

At this critical time, when the world is challenged with the climate change, environmental degradation and energy crisis, CNVP in front of all stakeholders, committed to bring innovations and apply sustainable approaches to preserve our environment, sustainably use the natural resources, and contribute to poverty reduction.

Participants in the anniversary event witnessed the coherence, consistency, and reliability of the implemented projects through the years. Stakeholders admired and appreciated CNVP's contribution to improving livelihoods in the Balkans.

## ***7. Uncertainties, risks, and mitigation measures***

Given the organization's strategy 2022-2027, one of the CNVP's objective is to create financial stability in the mid-term. However, uncertainties exist due to complete/partial lack of information, insight or knowledge about unexpected events, consequences or the probability that such events will occur. CNVP continues to review its potential risks and risk management, as well as assess the potential impact of the main risks identified.

The following main risks and associated mitigation measures have been taken into consideration during programme activities in 2022.

Risks to the organization, particularly financial, and their mitigation are kept under continuous review by the CNVP Executive Board Members. This includes assessing alternative financial, project and manpower scenarios for the organization as a whole and each of the countries where CNVP is active.

1. Strategy: risks and uncertainties (often with an external orientation) that may: (a) hamper the achievement of the organisation's strategic and/or business plans; and (b) impact the long-term objectives (e.g. with respect to the strategy or governance, technological or social developments and sustainability aspects);
2. Operational activities: risks and uncertainties that impact the effectiveness and efficiency of operational activities. These especially relate to the organisation's processes, and may impact the short-term objectives (e.g., internal organisation and administration, the implementation of new information systems and remuneration policies);
3. Financial position: risks and uncertainties with respect to the financial position (e.g., foreign exchange risk, currency risk, interest rate risk and uncertainties in acquiring financing);
4. Financial reporting: risks and uncertainties that may impact the reliability of internal and external financial reporting (e.g., uncertainties with respect to complex allocation issues, the degree of subjectivity in valuations, and risks regarding the design of financial reporting systems);
5. Pandemic situation: risks and uncertainties with respect to pandemic which might worsen all the above-mentioned categories.
6. Other Global crises, e.g. war in Ukraine might worsen all the above-mentioned categories

Risk	High	M	Low	Trend	Mitigation measures
<p><b>BD dynamics (Internal)</b> Business development is being very intensive. and competitive from different angles during the recent years. Poor and passive business development (BD) might lead to a narrow project portfolio and limited donor revenue streams. Not winning new large projects/lack of long- term funding threatened CNVP's lack of financial sustainability, viability and performance.</p>		X		The risk is getting lower from the previous year	CNVP entered 2022 with four new projects SUNRED-Sida, AfC-Sida, and PONT-NMK and PONT regional projects. This gives the organisation a sustainable position. Efforts are continuing to make a diversified portfolio and ensuring different donor streams. Beyond current strategic partners such as Sida, ADA, PONT, DBU, the target during the next period will be on EU funds, hereby lobbying efforts to identify a person in Brussels will be explored
<p><b>Staff inspiration (internal)</b> The best value of CNVP is its staff. The organisation has invested a lot on capacity building and development of its human capacities. Hence, due to lack of projects being funded by donors, skilled and experiences staff might be leaving the organisation.</p>			X	The risk is getting lower from the previous year	Executive Board is being very transparent and holding regular meetings with its employees. The staff inspiration/morale is increased by the gain of new regional projects, but also increased their role, challenges and uncertainties. EC and employees are being fully and regularly informed about the financial situation of the organisation, its perspectives and projects which will be ended. The staff is urged to proactively contribute in business development so that more sustainable incomes are assured for the organisation.
<p><b>Financial risk (Internal)</b> a) The organization's midterm financial liquidity and its sustainability. b) Exchange rate changes can limit the Euro value of project revenues earned and expose CNVP to losses</p>		X		The risk is stable and similar to the previous year	<p>a) The organization is ensuring timely monitoring reports on incomes and expenditures, hereby indicating an early warning financial risk if arises. Additionally, timely reporting to donors, on time sending the disbursement requests.</p> <p>b) Closely monitoring the fluctuations of exchange rates and we'll try to envisage bad scenarios with the banks we are</p>

Risk	High	M	Low	Trend	Mitigation measures
					working with. In case of any big gap, donors will be contacted for early warning signs aiming not to impact the project outcomes
<b>Political situation (External)</b> The political situation might have an adverse effect on programme results and impacts.		X		The risk is getting higher from the previous year.	The political instability for 2022 is hectic. The opposition in Albania is divided and new circumstances might arise during 2023. A new government is also expected in North Macedonia during 2022. CNVP is monitor very closely the situation from its program perspective and whenever required, programme activities will be reviewed/adjusted with partners.
<b>Corruption and Fraud.</b> The risk of corruption or fraud by staff can expose CNVP to financial losses, fines and sanctions, loss of reputation clients, and reputational damage.			X	The risk is stable and similar to the previous year	CNVP has zero tolerance approach to fraud and corruption. Internal Control Framework (manuals on fraud and whistle blowing policy), daily and month internal control. During all staff meetings, at least once per year, a particular session is dedicated on the issues of corruption and fraud. Good experiences on fighting the corruption and fraud from different project activities and stakeholders
<b>Inflation Impact</b> High increase of inflation due to increase of energy prices and war in Ukraine can lead to cash flow problems and successful implementation of projects based on the approved contracts	X			The risk is getting higher from the previous year.	CNVP is aware of the risk that might lead to problems with successful project implementation. CNVP management in close cooperation with the donors will try to mitigate the risk by: a) by trying to add contingency budget that will be used for the inflation spike b) redefining budgets based on realistic level c) reducing loses
<b>Global crises. e.g. war in Ukraine (external)</b> influencing energy crises, increased prices, inflation,		X		This risk is stable with	CNVP is monitoring this situation and keeping regular contact with donors and implementing partners and due

Risk	High	M	Low	Trend	Mitigation measures
delays in implementing signed contracts.				trend to increase	to increase of prices it is reviewing existing contracts and checking to amend where it is possible.
<b>Pandemic Covid 19 crisis (external)</b> Covid 19 crisis may negatively affect timely interventions and achievement of results.			X	The risk is getting lower from the previous year	CNVP has adapted to the new circumstances created from Covid 19 crisis (using online meeting platforms) and prioritized some of interventions towards advising vulnerable groups how they can be protected from Covid 19.

*Table 1 Uncertainties, risks, and mitigation measures*

The risks of the organization, particularly the financial one, and its mitigation are kept under continuous review by the CNVP Executive Board Members. This includes assessing alternative financial, project and manpower scenarios for the organization as a whole and in each of the operating countries where CNVP is active.

## **8. Governance human resources and internal organisation**

CNVP across the Balkans operates with an annual budget of 2.3 million euros and has a team of 25 professionals with diversified backgrounds. CNVP implements projects in various fields, mainly sustainable forestry, climate change, local economic development, community mobilization, etc.

The highest supervisory authority of the Organization is the Supervisory Board, which main purpose is to oversee the governance of the Organization, Executive Board and on the general state of affairs in the Foundation.

The highest executive/implementing body of the organization is the Executive Board (currently three members). Since July 2019, CNVP has developed its internal capacities and the leadership was handed over to the existing directors from Albania, Kosovo and North Macedonia, who comprise the Executive Board. Sharing the same organizational culture but more important having a good understanding of the local contexts, CNVP continues to pursue its core values, commitment, innovation and teamwork.

CNVP Executive Board assisted by the regional finance administrator met four times up to 31 December 2022. The Supervisory Board met 5 times up to 31 December 2022.

Concerning human resources, CNVP up to 31 December 2022 has following number of staff per country: Albania: 8 full time employees ; Kosovo: 6 full time employees; N. Macedonia: 4 full time and 3 part time employees; Regional finance : 1 full time employee, operating from N. Macedonia; Montenegro: 1 full employee and the legal representative of the office;

In 2022, CNVP addressed several HR and governance issues:

- Employee Council election were held and new EC members were elected, representing all employees from the Balkans.
- Two all-staff meetings were organised, in Ohrid from 24-26 June 2022, and Pristina on 16 December 2022. CNVP team members from Albania, Kosovo, North Macedonia and Montenegro met also the CNVP Supervisory Board members.

During the retreat in Ohrid, an anticorruption and anti-fraud training session was organized for all staff. Arno Willems, who had been member of the CNVP Supervisory Board till June 2022, retired, and a new board member was welcomed Marianne Meijboom, effective from 25 June 2022.

During the all staff meeting in Pristina, a session on Communication and visibility of CNVP and MSD presentation was organized for all staff to exchange experiences.

CNVP employees in different occasions have participated in the training, exchange visits and studies during 2022. Two employees had a study trip and gained knowledge on technologies for harvesting. Two others participated in an exchange visit on biodiversity and nature conservation, one in climate change and land rights. One employee participated in an exchange visit in Brussels regarding EU chapter 27, on the environment. Two employees participated in a chestnut exhibition in Italy.

During 2022 CNVP organization based on the project requirements has been involved in several external project audits:

- CSO Montenegro Project for the full project ordered by the EU commission audited by BDO England. No factual findings arisen from the audit.
- LED project audit for the year 2022 conducted by Crowe Albania. Few small findings on the time writing of the employees which will be addressed in the next year.
- SSPDF project audit for the year 2021 conducted by RSM Kosovo. No factual findings arisen from the audit.

All audit reports indicated that implemented projects are in order and follow all procedures outlined in project documents, manuals, and standards. CNVP is very proud to have a transparent and responsible tender mechanism in place. This is an organizational culture that applies to all projects, whether they are large and regional or small and local.

### ***8.1. CNVP's Supervisory Board***

As above mentioned, Supervisory Board is the highest authority of CNVP, overseeing the governance of the organisation. Supervisory Board approves the organizational strategy, the annual plans, reports, and accounts.

The Supervisory Board consists of four members. There was a board rotation in 2022, with one member leaving (Mr. Arno Willems) and a new member being appointed (Ms Marianne Johanna Meijboom). A transition period for the incoming board member was provided. The board meets both physically and online.

**Chairperson**, CNVP Supervisory Board - Mr. Maarten Bremer, appointed: 16 January 2016, Assigned until: 15 January 2020. Reappointed: 16 January 2020, Assigned until: 31 August 2025

*Other functions: Vice-president of the Executive board of ArtEZ, university of the Arts*

**Member**, CNVP Supervisory Board - Mr. Thijs van Buuren Appointed: 01 January 2017, Assigned until: 31 December 2020. Reappointed: 01 January 2021, Assigned until: 31 August 2025

*Other functions: Controller at Médecins Sans Frontières*

**Member**, CNVP Supervisory Board- Mr. Arno Willems, Appointed: 16 January 2016, Assigned until: 15 January 2020. Reappointed: 16 January 2020, Resigned: 25 June 2022

*Other functions: Steward (Head Forester) at Het Loo, Royal Estate in the Netherlands*

**Member**, CNVP Supervisory Board - Mr Aurel Jupe, appointed: 16 January 2016, Assigned until: 15 January 2020. Reappointed: 16 January 2020, Assigned until: 31 August 2024

**Member**, CNVP Supervisory Board - Ms Marianne Johanna Meijboom, appointed: 25 June 2022, Assigned until: 31 August 2024.

*Other functions: Policy adviser biodiversity & bee health for the Dutch Beekeepers Association*

In 2022, the Supervisory Board convened 5 times (March, June, September, October and December); the minutes of the meetings were taken and distributed.

The Audit Committee convened once before the approval of the annual accounts 2021.

In 2022, the Supervisory Board formally approved the Annual Report 2021.

The annual accounts of the overall organisation, CNVP, have been audited regularly annually by an independent external auditor, Crow Peak NL. The external auditor reports to the Supervisory Board and the Executive Board. The auditor presented its findings to the Supervisory Board for the annual accounts 2021 and review statement 2021. CNVP obtained an unqualified review opinion for its financial accounts for 2021. The external audit report confirmed that everything was in order.

## **9. Conclusions**

CNVP is a unique organization with offices across the Balkans, and its regional structures and approach, enable cross-office activities in implementation and knowledge sharing, adding particular value to the organization.

CNVP in 2022 was very successful, exceeding its envisaged goals from a financial and content perspective. The organization exceeded the targets on contracted projects, from 2 million euros as initially planned to 3.5 million euros contracted. Two regional projects commenced in 2022, in the field of the environment. In 2022, donors increasingly focused on supporting the implementation of regional projects that covered multiple countries, providing support to communities in different areas. CNVP in 2022 has increased the number of staff in different projects, and the team is working regionally on cross cutting projects and topics.

A new strategy for the organization was developed for the next five years, 2022 – 2027. Within the strategy, CNVP expects to contribute in the Balkans, over the next five years (2022–2027), through the implementation of projects with a total value of €10,000,000; assuring 40,000 people from rural areas as direct or indirect beneficiaries; and supporting 150 beneficiary organizations from the public, private, and/or civil sectors. The four objectives in the new strategy that CNVP will be guided by are: a) quality project delivery with high impact for society; b) the mobilization of organizational resources; c) enhanced cost effectiveness; d) promotion, branding, and visibility.

At the end of 2022, CNVP celebrated its 10th anniversary with key partners from the donor community, central and local institutions from the region, the private sector, and civil society. The outcomes of the implemented projects were presented in front of the audience.

CNVP continued to strengthen networks with international organizations, such as partnerships with the International Land Coalition (ILC), the Partnership for Rural Europe (PREPARE), the International Union for Conservation of Nature (IUCN), CEE web for biodiversity network, Coalition 27, the European Green Belt Initiative, and others.

## Part B: 2022 Annual Accounts

Part B of the 2022 Annual Report contains the annual accounts of Connecting Natural Values & People Foundation (CNVP) registered in The Hague, The Netherlands.

CNVP's mission is to use evidence-based analysis to improve the sustainable livelihoods of rural communities within the ongoing process of environmental and climate change.

CNVP achieves its objectives by strengthening the capacities of local actors on a participatory basis through the provision of advisory services and technical assistance, using the expertise and experience of CNVP teams and its partners.

### **CNVP's Structure**

The Foundation is a not-for-profit organisation. It designs, implements and manages projects financed by international donors and other sources of finance. Its work is currently focused in the Balkans with registered branches active in North Macedonia, Albania, Kosovo & Montenegro.

The annual accounts constitute solely the aggregated financial statements of one legal entity, CNVP Netherlands. They reflect the main activities of the Foundation, including management of the externally financed projects and provision of advisory services.

CNVP's main activities are financed by international donors and own contributions. CNVP's initial capital contribution consists of cash and tangible fixed assets.

In the statement of financial performance, the income generated from CNVP's activities is reported under income from grants i.e. funds made available to CNVP by other parties and donors, to be managed for the benefit of third parties located in the Balkan countries where CNVP operates. Beneficiaries do not pay for services provided by CNVP. Funds are transferrable from donors to CNVP upon fulfilment and compliance with certain requirements as foreseen in the legal contracts that CNVP enters into with donors.

Expenditure includes expenses incurred during and for the implementation of projects, as well as expenses for the day-to-day operations of CNVP. The balance of income and expenditure, or the result for the period, is transferred to the capital base of the organisation, and is reflected in the balance sheet. This also includes: tangible fixed assets; current assets, which are mainly project related receivables; grants receivable; prepayments; and cash. Current liabilities consist of payables, accruals and pre-received grants.

CNVP's annual accounts consist of the following:

- Balance Sheet after appropriation of balance of income and expenditure until 31 December 2022
- Statement of Financial Performance for the period from 1 January to 31 December 2022
- Cash flow statement for the period from 1 January to 31 December 2022
- Accounting principles
- Notes to the Balance Sheet
- Notes to the Statement of Financial Performance



- Signed Financial Statements
- Independent Auditors Report

## Balance Sheet at 31 December 2022

After appropriation of result from 01 January to 31 December 2022

Assets	Note	2022	2021
<b>Tangible Fixed Assets</b>			
		EUR -	EUR -
Vehicles	1	-	-
Office equipment		960	1,610
Subtotal		960	1,610
<b>Current Assets</b>			
Grant receivable	2	0	12,473
Prepayment projects	3	11,455	18,625
Prepayments	4	7,713	1,601
Cash	5	2,494,562	2,504,010
Subtotal		2,513,729	2,536,709
<b>Total Assets</b>		<b>2,514,689</b>	<b>2,538,319</b>

## Balance Sheet at 31 December 2022

After appropriation of result from 01 January to 31 December 2022

Liabilities	Note	2022	2021
<b>Foundation's Capital</b>		<b>EUR -</b>	<b>EUR -</b>
General reserve	6	312,343	292,618
Appropriated reserve	6	0	0
Subtotal		312,343	292,618
<b>Provisions</b>			
Reservation severances	7	-	-
Subtotal		-	-
<b>Current Liabilities</b>			
Payables	8	45,857	85,219
Taxes, social security & pension	9	7,095	10,138
Grants provided	10	2,131,000	2,134,969
Accruals	11	18,394	15,375
Subtotal		2,202,346	2,245,700
<b>Total Liabilities</b>		<b>2,514,689</b>	<b>2,538,319</b>

## Statement of Financial Performance

For the period from 01 January to 31 December 2022

		Actuals	Budget	Actuals
		from 01 January to 31 December 2022	from 01 January to 31 December 2022	from 01 January to 31 December 2021
<b>Income</b>	Note	EUR -	EUR -	EUR -
Income from grants	12	1,395,028	1,191,913	1,391,956
Other income	13	1	0	2,217
<b>Total Income</b>		<b>1,395,030</b>	<b>1,191,913</b>	<b>1,394,173</b>
<b>Expenditure</b>				
Personnel	14	480,113	480,501	519,442
Depreciation fixed assets	15	650	11,900	281
Other expenses	16	894,541	1,845,769	942,476
<b>Total Expenditure</b>		<b>1,375,305</b>	<b>2,338,170</b>	<b>1,462,199</b>
<b>Balance Income &amp; Expenditure</b>	17	<b>19,725</b>	<b>(1,146,256)</b>	<b>(68,027)</b>
<b>Appropriation Balance Income &amp; Expenditure</b>				
to:				
General reserve		19725	1328	(68,027)
Appropriated reserve		0	0	0
<b>Foundation Capital</b>		<b>19,725</b>	<b>1,328</b>	<b>(68,027)</b>
<b>Balance Income &amp; Expenditure after Appropriation</b>		<b>0</b>	<b>0</b>	<b>0</b>

## Cash flow statement at 31 December 2022

	Note	2022	2021
Operating result	12;14-16	19724	(70,243)
Adjustment for :			
Depreciation	15	650	281
Receivables	2;3	19,643	65946
Prepayments	4	(6,112)	772
Payables	8	(39,362)	(27,465)
Provisions	7		0
Taxes, and leave of employees	9;11	(25)	(5,221)
Project payables	10	(3,968)	721,079
Interest received	13	1	22
Gain /loses on sale of fixed assets	1	0	361
<b>Net Cash from Operating Activities</b>		<b>(9,449)</b>	<b>685,532</b>
Purchase of fixed assets	1	0	(1,717)
Sale of fixed assets			2,195
<b>Cash from investment activities</b>	1	<b>0</b>	<b>478</b>
<b>Net increase in cash and cash equivalents</b>		<b>(9,449)</b>	<b>686,010</b>
Cash and Bank at January 1,2022	9	2,504,010	2,504,010
Cash and Bank at December 31,2022	9	2,494,562	2,494,562

## Accounting Principles

### General information and structure

Connecting Natural Values & People (CNVP) Foundation, with RSIN no. 851792479 at the Chamber of Commerce, with its registered seat Tolakkerweg 68 3739 JP Hollandsche Rading, The Netherlands, currently has four registered and active branches in the Balkans in North Macedonia, Albania ,Kosovo & Montenegro.

The annual accounts of CNVP cover the period from 1 January 2022 to 31 December 2022. They reflect the financial information of the Netherlands based on foundation along with the financial information including the local branches. For the purposes of these financial statements, internal transactions and relations have been eliminated.

The mission of the Foundation is to improve the livelihoods of rural people through providing quality services in forestry, rural development, environment and biomass for renewable energy to increase the capacity of local actors to achieve their sustainable development in, but not restricted to, the Balkans, and anything which may directly or indirectly relate, or be conducive, to these activities in the broadest sense of the terms.

### General accounting principles for the preparation of the annual accounts

The annual accounts are prepared in accordance with the IFRS.

Valuation of assets and liabilities and determination of the result takes place under the historical cost convention, unless presented otherwise. If assets and liabilities are stated in foreign currencies, the calculations are based on the exchange rates prevailing on the balance sheet date at 31 December 2021. Exchange rate differences are included in other operational costs, in the statement of financial performance. Incomes and expenses are accounted for on accrual basis. Profit is only included when realized on balance sheet date. Liabilities and any losses originating before the end of the financial year are taken into account if they have become known before preparation of the annual accounts.

The financial statements are presented in euros, which is the functional currency of CNVP.

### Financial instruments

Financial instruments are both primary financial instruments (such as receivables and debts), and derivative financial instruments (derivatives).

The notes to the specific items of the balance sheet disclose the fair value of the related instrument if this deviates from the carrying amount. If the financial instrument is not recorded in the balance sheet, the information on the fair value is disclosed in the notes to the 'contingent assets and liabilities'.

## **Accounting principles for the valuation of assets and liabilities**

### **Assets**

#### **Tangible fixed assets**

Tangible fixed assets are presented at cost less accumulated depreciation and, if applicable, less impairments in value. Depreciation is based on the estimated useful life and calculated as a fixed percentage of cost, taking into account any residual value. Depreciation is provided from the date an asset comes into use.

The assets are depreciated by asset group over their expected economic lives, using the linear method. Residual value is not taken into account. Any new assets purchased from CNVP are included at historical costs and are converted using the exchange rates prevailing at the date of the purchase. The tangible fixed assets purchased by or for the externally financed programmes are also capitalized under the fixed assets and expensed immediately.

Annual rates used of depreciation for CNVP assets are:

- Vehicles, 25%
- Office equipment, 33%

Any costs of repairs or maintenance are reported in the statement of financial performance for the period.

### **Current Assets**

#### **Receivables**

Upon initial recognition the receivables are valued at fair value and then valued at amortised cost. The fair value and amortised cost equal the face value. Provisions deemed necessary for possible bad debt losses are deducted. These provisions are determined by individual assessment of the receivables.

Receivables consist mainly of project related receivables for work carried out by CNVP on projects, for which the funding has not been received as of the date of the balance sheet.

**Prepayments** consist of short term rent deposits and prepaid expenses for 2023.

### **Cash and bank**

The cash and bank is valued at face value. If cash equivalents are not freely available, this has been taken into account upon valuation.

### **Capital and Liabilities**

**The Foundation's Capital** consists only of a general reserve. The account includes the initial donation of SNV to CNVP both in cash and fixed assets. At the end of the period, the balance of income and expenditure for the period is also appropriated to this account.

The general reserve is for unrestricted use of CNVP, and it is maintained to ensure the continuity of the organisation.

### **Provisions**

Provisions are recognized for legally enforceable or constructive obligations that exist at the balance sheet date, and for which it is probable that an outflow of resources will be required and a reliable estimate can be made. Provisions are measured as the best estimate of the amount necessary to settle the obligation at the balance sheet date, and are carried at the nominal value of the expected settlement value.

**Current liabilities** include mostly project-related items and project funds received in advance to be utilized within the coming year. A lesser amount is made up of payables and accruals related to payroll and other employee benefits.

**Transactions in foreign currency** are recorded based on exchange rates updated monthly. At the end of the year, the foreign currency denominated receivables, payables, cash and bank balances are revalued. Results are posted in the statement of financial performance.

### **Social security and pension**

CNVP contributes the employer share of social security schemes in compliance with local legislations of its branches. It also reimburses the employer share of contributions for pension, in case the employee cannot be covered by the state owned social security.

### **Accounting principles for determining the balance of income and expenditure**

#### **Principles for the determination of the result**

Income and expenses are accounted for on accrual basis. Income is recognized only when realized at the balance sheet date. Income generated by CNVP is categorized under income from grants, since CNVP manages donor funds for the benefit of third parties. On their part, beneficiaries do not pay for services received from CNVP work. Revenues from services are recognised in proportion to the services rendered, based on the cost incurred in respect of the services performed up to balance sheet date, in proportion to the

estimated costs of the aggregate services to be performed. All expenses related to activities carried out prior to the balance sheet date are taken into account within the year's expenses.

The balance of income and expenditure, or the result for the period, is determined as the difference between income generated by CNVP activities and expenditure related to implementation of these activities.

### **Principles for preparation of the consolidated cash flow statement**

The cash flow statement is prepared according to the indirect method.

The funds in the cash flow statement consist of cash and cash equivalents. Cash equivalents are considered to be highly liquid investments.

Cash flows in foreign currencies are translated at an estimated average rate. Exchange rate differences concerning finances are shown separately in the cash flow statement.

Transactions that do not result in exchange of cash and cash equivalents are not presented in the cash flow statement.

### **Notes to the Balance Sheet at 31 December 2022**

#### **1. Tangible fixed assets**

CNVP purchases assets that are paid mainly through project funds received.

New assets purchased are recorded in the books as of the date the assets were put in use. Depreciation expense starts from that date. Depreciation is based on the estimated useful life of each asset group and it is calculated as a fixed percentage, not taking into account any residual value for the asset. Asset life extends to 4 years for vehicles and 3 years for office equipment. The assets purchased for project purposes are expensed immediately. Depreciation expense is accounted for in the statement of financial performance. Costs for periodic major maintenance are also charged to the statement.

	Vehicles	Office equipment	Total
	EUR	EUR	EUR
Acquisition cost as at January 1, 2022	253,675	57,060	310,735
Cumulative depreciation and other impairments as at January 1, 2022	(253,675)	(55,450)	(309,125)
Carrying amount as at January 1, 2022	0	1,610	1,610
Investments	0	13,380	13,380
Expensed project assets	0	(13,380)	(13,380)
Depreciation	0	(650)	(650)
Carrying amount as at December 31, 2022	0	960	960

Acquisition cost as at December 31, 2022	253,675	70,440	324,115
Cumulative depreciation and other impairments as at December 31, 2022	(253,675)	(69,480)	(323,155)
Acquisition cost as at December 31, 2022	<u>0</u>	<u>960</u>	<u>960</u>

## Current Assets

### 2. Grants Receivables

The balance of receivables consists primarily in receivables for project work done for which the funds were not received as of the balance sheet date. There were no receivables in 2022.

At 31-12-2022	At 31-12-2021
EUR - 0	EUR - 12,473
0	12,473

### 3. Prepayment projects

Prepayment projects s represent a balance of advance payments given to the partners and consultants etc. The amount of 11,455 € is mainly the balance of the advance given to the project partners related to Sharr & PONT Rural women of Prespa

At 31-12-2022	At 31-12-2021
EUR - 11,455	EUR - 18,625
11,455	18,625

#### 4. Prepayments

Prepayments include prepaid expenses related to items such as rent deposits, and work advance payment and advance payment of tax in Albania.

	At 31-12-2022	At 31-12-2021
	EUR -	EUR -
Rent deposits	1,601	1,601
Debtors	6,112	0
Total	<u>7,713</u>	<u>1,601</u>

#### 5. Cash and bank

Cash and bank balance represent liquidity at the disposal of CNVP as of the date of the balance sheet. The total balance consists of the balances of bank accounts owned by CNVP, three dedicated project bank accounts for Sida, (LED, SUNREED) , project accounts in Macedonia & Albania and cash on hand at 31 December 2022.

The total of project bank balances at 31 December 2022 was € 2,090,190 which was pre-received donor funds. Some of the projects bank accounts includes income from 2022. This will be settled in the first months of 2023.

The remaining amount of € 404,371 reflects the balance of cash that belongs to CNVP as of the balance sheet date.

At	At
31-12-2022	31-12-2021

	EUR -	EUR -
<b>CNVP bank balances</b>		
Rabobank Netherlands	253,004	229,503
ProCredit Bank Albania	119,239	92,721
Procredit Bank Kosovo	26,818	17,642
Uni Bank Macedonia	1,904	5,561
NLB Bank Montenegro	257	42
Subtotal	401,223	345,469
<b>Project bank accounts</b>		
Rabobank Netherlands, Project SIDA SSPDF	0	106,227
Rabobank Netherlands, Project Sida LED2	773,286	1,188,197
Rabobank Netherlands, Project Sida Sunreed	978,656	777,490
Rabobank Netherlands, Project Norad	0	26,304
Uni Bank Sida Horison Moving	336	262
Uni Bank Sida Action for Climate	57,901	42,623
Uni Bank PONT 3-EUR	2,958	11,760
Uni Bank PONT 2-EUR	108,669	0
Procredit PONT 3-EUR	168,385	0
Subtotal	2,090,190	2,152,862
<b>CNVP cash on hand</b>		
CNVP Albania	2,218	4,022
CNVP Kosovo	499	1,112
CNVP Macedonia	379	492
CNVP Montenegro	53	53
Subtotal	3,149	5,678

Total	2,494,562	2,504,010
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Note: due to rounding, difference of 1 euro may occur

## Liabilities

### Foundation's Capital

#### 6. Reserve

The Foundation's Capital consists of a general reserve. The general reserve is for unrestricted use of CNVP, and serves to ensure the continuity of the organisation.

The balance of income and expenditure over 2022 is appropriated to the general reserve.

The summary of movements in the reserve accounts is given below.

	At 31-12-2022	Add result for period	At 31-12-2021
	EUR -	EUR -	EUR -
General reserve	312,343	19,725	292,618
<b>Total</b>	<b>312,343</b>	<b>19,725</b>	<b>292,618</b>

The movements in the general reserve are as follows:

	At 31-12-2021	Add result for period	At 31-12-2020
	EUR -	EUR -	EUR -
General reserve	292,618	68,027	360,645
<b>Total</b>	<b>292,618</b>	<b>68,027</b>	<b>360,645</b>

The movements in the general reserve are as follows:

	At 31-12-2020	Add result for period	Balance at 31-12-2019
	EUR -	EUR -	EUR -
General reserve	360,645	(97,014)	457,660
<b>Total</b>	360,645	(97,014)	457,660

## Provisions

### 7. Reservation severances

There have been no reservation of severances for 2022

## Current Liabilities

### 8. Payables

The amounts to be paid consist of organisational expenses incurred in 2022 that will be paid in 2023. The pre-received amounts is a balance of the donation of the Pieter Baastian Foundation related to the organisational development.

Interest payable on donor funds consists of interest earned in project accounts.

	At 31-12-2022	At 31-12-2021
	EUR -	EUR -
Amounts to be paid	40,761	65,558
Debtors	5,067	19,644
Interest payable to donor funds	29	16
<b>Total</b>	45,857	85,219

## 9. Payroll taxes, social security and pension payable

This consists of the payroll tax withheld from CNVP staff salaries, social security and pension premium, both employee and employer share. Amounts payable for this item are withheld from employees, as well incurred as expenses from CNVP from December 2022 staff salaries to be paid in January 2023.

	At 31-12-2022	At 31-12-2021
	<b>EUR -</b>	<b>EUR -</b>
Payroll tax, social security & pension payable	7,095	10,138
Total	<hr/> 7,095 <hr/>	<hr/> 10,138 <hr/>

## 10. Grants provided

These are pre-received funds from the grant contracts that continue to be implemented beyond 31 December 2022. Part of the amount was recognised as income at the end of the year. The remaining amount is recognised as a liability.

In 2022, based on the grant schedule and approved financial reports, grant amounts from Sida and Norwegian MFA were provided. The new PONT Korab Koritnik Shara project was granted in October 2022, and the donor transferred funds for implementation after signing of the agreement. The remaining amounts relate to smaller projects such as Action for Climate, PONT, Sharr, ADA, Horizon2020 Moving etc.

The following table shows the balance of grants provided by donors to be used after 31 December 2022.

At	At
31-12-2022	31-12-2021

	EUR -	EUR -
Sida SSPDF	0	792
Norad	0	20,618
Sida LED 2	825,749	1,192,375
Sida Sunreed	934,284	777,495
H2020 MOVING	31,206	34,995
EU CSO project	1,505	6,822
ADA	0	30,122
Sida Action for Climate	51,012	37,321
Sharr Euronatur	25,603	27,022
Pont RWoP Empowerment	3,195	7,405
Pont Korab Koritnik Sharr	258,446	0
<b>Total</b>	<b>2,131,000</b>	<b>2,134,969</b>

## 11. Accruals

Accruals consist of amounts of outstanding leave days accrued for 2022, disaggregated below.

At	At
31-12-2022	31-12-2020

	EUR -	EUR -
Outstanding leave days	18,394	15,375
<b>Total</b>	<b>18,394</b>	<b>15,375</b>

## **Contingent assets and liabilities**

There are no long term commitments on rental agreements or other contingent liabilities

## **Notes to the Statement of Financial Performance at 31 December 2022**

### **Income**

#### **12. Income from grants**

Income generated from CNVP activities is classified as income from grants. Funds are made available to CNVP by donors, and are used for the benefit of third parties.

Beneficiaries do not pay for services provided by CNVP. Funds are transferrable to CNVP upon fulfilment and compliance with certain stipulations, as foreseen in various legal contracts that CNVP enters into with different donors. Income is recorded on an accrual basis, meaning that it is recognized when earned, not received.

Income from grants is divided into advisory services that CNVP offers to third party beneficiaries, and project expenses which are covered by donor contributions. In projects with cost sharing, such as the Sida projects, CNVP fulfils its financial contribution by sharing in the costs of advisory services. 297,344

250,959

The income for 2022 from Sida LED2 project was € 548,304 of which € 297,344 came from advisory services and 250,959 from recoverable project expenses. The LED project subsidy period is from October 2019 to March 2023.

The income for 2022 from Sida SUNREED was € 578,475 of which €260,461 from advisory services and € 318,014 was from recoverable project expenses. The SUNREED project subsidy period is from January 2022 to 31 December 2026.

The income for 2022 from PONT Korab Koritnik Sharr was € 41,554 of which €34,534 from advisory services and € 7,020 was from recoverable project expenses. The project subsidy period is from September 2022 to 31 August 2025.

The other projects range in small size and were financed by the EU (Moving), PONT, Euronatur ,ADA. The subsidy period of these projects varies from January 2019 to December 2026.

The following table gives a breakdown of income from grants for 1 January to 31 December 2022.

	<b>Actuals</b> from 01 January to 31 December 2022	<b>Budget</b> from 01 January to 31 December 2022	<b>Actuals</b> from 01 January to 31 December 2021
<b>Income</b>			
<b><u>Income from grants</u></b>	<b>EUR -</b>	<b>EUR -</b>	<b>EUR -</b>
Project SIDA SSPDF - Advisory services			217,494
Project SIDA SSPDF - Reimbursable project expenses			87,689
Subtotal	<u>0</u>	<u>0</u>	<u>305,183</u>
Project Norad - Advisory services			72,118
Project Norad - Reimbursable project expenses			129,698
Subtotal	<u>0</u>	<u>0</u>	<u>201,816</u>



Project SIDA LED 2 - Advisory services	297,344	278,988	300,073
Project SIDA LED 2- Reimbursable project expenses	250,959	1,020,000	360,462
Subtotal	<u>548,304</u>	<u>1,298,988</u>	<u>660,535</u>
Project SIDA SUNREED - Advisory services	260,461	302,491	0
Project SIDA SUNREED 2- Reimbursable project expenses	318,014	388,160	0
Subtotal	<u>578,475</u>	<u>690,651</u>	<u>0</u>
Project PONT - Advisory services	34,534		0
Project PONT Reimbursable project expenses	7,020		0
Subtotal	<u>41,554</u>	<u>0</u>	<u>0</u>
Other projects - Advisory services	117,852	121,660	81,013
Other projects - Reimbursable expenses	108,843	228,199	143,408
Subtotal	<u>226,695</u>	<u>349,859</u>	<u>224,421</u>
Total Income from grants	<u>1,395,028</u>	<u>2,339,498</u>	<u>1,391,956</u>

### 13. Other income

Other income in 2022 consisted of interest earned on CNVP funds & sale of assets.

#### Other Income

Net gain from sale of assets	0	0	2,195
Interest income from CNVP funds	1	0	22
Miscellaneous income	0	0	0
Subtotal	<u>1</u>	<u>-</u>	<u>2,217</u>
Total Income	<u>1,395,030</u>	<u>2,339,498</u>	<u>1,394,173</u>

Note on the difference between actual and budget figures of income

The project income is with 60% realisation. There is a less realisation than the planned due to the fact that LED 2 project part of the programme cost were not realised due to the complexity of the project and the contribution of the partner companies.

**Expenditure**

**14. Personnel**

CNVP at 31 December 2022 had 19 full time employees (FTEs) and three consultants engaged for implementation of projects.

Details about the remuneration of the Executive Board, the Supervisory Board, staff salaries and benefits, as well as other personnel related expenses are given below.

Remuneration for the Executive Board members consisted in 2022 of salary earned as well as other benefits, totalling € 100,527.

Supervisory Board members receive no remuneration for their activities. They are compensated for reasonable travel and business expenses incurred for board meetings and attendance fee. The total expense incurred for board meetings was € 3,516.

	<b>Actuals</b>	<b>Budget</b>	<b>Actuals</b>
	from 01 January	from 01 January	from 01 January
	to 31 December	to 31 December	to 31 December
	2022	2022	2021
	<b>EUR -</b>	<b>EUR -</b>	<b>EUR -</b>
Executive Board member salary Nehat Ramadani 01-01-2022 until 31-12-2022	29,594	29,594	29,594
Executive Board member other benefits Nehat Ramadani	5,425	0	0
Subtotal	<u>35,019</u>	<u>29,594</u>	<u>29,594</u>

Executive Board member salary Janaq Male 01-01-2022 until 31-12-2022	29,995	29,995	29,097
Executive Board member Janaq Male -other benefits	2,665	2,665	2,440
<b>Subtotal</b>	<b>32,660</b>	<b>32,660</b>	<b>31,537</b>
Executive Board member salary Xhevat Lushi 01-01-2022 until 31-12-2022	30,240	30,240	29,350
Executive Board member Xhevat Lushi -other benefits	2,607	2,232	1,467
<b>Subtotal</b>	<b>32,847</b>	<b>32,472</b>	<b>30,817</b>
Board members - remuneration	0	0	0
Board meetings	3,516	7,500	3,632
<b>Subtotal</b>	<b>3,516</b>	<b>7,500</b>	<b>3,632</b>
Staff salaries	318,437	332,405	357,726
Social security contribution	22,792	23,849	23,655
Other benefits & expenses	3478	4020	508
Outstanding Leave Days	3,019	0	1,340
<b>Severances for NS</b>			<b>24,213</b>
<b>Subtotal</b>	<b>347,726</b>	<b>360,274</b>	<b>407,443</b>
	28,345	18,000	16,419
External & Temporary Support	28,345	18,000	16,419

Total personnel expenses

480,113

480,501

519,442

## 15. Depreciation of tangible fixed assets

The following shows the details of depreciation incurred in the period.

	<b>Actuals</b>	<b>Budget</b>	<b>Actuals</b>
	from 01 January	from 01 January	from 01 January
	to 31 December	to 31 December	to 31 December
	2022	2022	2021
	EUR -	EUR -	EUR -
Depreciation vehicles	0	0	0
Depreciation office equipment	650	11,900	281
<b>Total depreciation expense</b>	<b>650</b>	<b>11,900</b>	<b>281</b>

## 16. Other expenses

Other expenses include operating business expenses and project expenses.

	<b>Actuals</b>	<b>Budget</b>	<b>Actuals</b>
	from 01 January	from 01 January	from 01 January
	to 31 December	to 31 December	to 31 December
	2022	2022	2021
	EUR -	EUR -	EUR -
<b><u>Other expenses</u></b>			
<b><u>A. Operating expenses</u></b>			
Fuel & vehicle expenses	34,987	40,320	29,575

Travel & lodging	31,140	37,440	18,004
Office rent	32,319	37,680	30,547
Utilities & office maintenance	16,914	18,740	11,974
Communication & mailing	6,646	7,680	7,366
Office expense	27,424	36,000	26,661
Accounting & audit fees	40,938	73,250	66,182
Bankcosts & x-rate differences	11,587	6,200	8,699
Other expenses	7,751	12,100	10,348
<b>Subtotal</b>	<b>209,705</b>	<b>269,410</b>	<b>209,356</b>

B. Project expenses

Programme Support	371,352	929,818	414,849
Local Capacity Building	21,942	74,758	41,064
Consultancy	219,090	496,000	95,472
Partnership cost	72,452	75,782	181,735
<b>Subtotal</b>	<b>684,837</b>	<b>1,576,359</b>	<b>733,119</b>

<b>Total expenditure</b>	<b>1,375,305</b>	<b>2,338,170</b>	<b>1,462,199</b>
<b>Balance of income and expenditure</b>	<b>19,725</b>	<b>1,328</b>	<b>(68,027)</b>

Note on the difference between actual and budget figures of expenditure

The overall cost is 59% realisation due to the fact that the LED2 project programme cost were not realised.

**17. Result for the period**

Appropriation of balance of income and expenditure

	<b>Actuals</b>	<b>Budget</b>	<b>Actuals</b>
	from 01 January	from 01 January	from 01 January
	to 31 December	to 31 December	to 31 December
	2022	2022	2021
General reserve	19,725	1,328	(68,027)
Appropriated reserve	0	0	-
<b>Result for the period</b>	<b>19,725</b>	<b>1328</b>	<b>(68,027)</b>

Note on the difference between actual and budget figures of result

CNVP aims to establish long-term sustainability by enhancing its budgeting practices for indirect costs from projects, resulting in an expected surplus of 19,725€.

### **Subsequent events**

The situation in Ukraine indirectly creating pressure to the organisation. CNVP is indirectly affected by sanctions related to rising energy costs, supply-chain issues and inflation. The reorganization measures are necessary for the continuation of the organisation activities. CNVP Executive Board sees risk in the increase of fuel prices, increase of prices of commodities, shortage of materials and inputs for implementation of the projects. There are few options of limitation the impact of the geo(political) situation:

- Screen and calculate the envisaged assets to be purchased whether its prices has substantially changed up. If so, proceed the communication with the donors and possibility to postpone certain activities (purchasing machinery and inputs for the farmers), for "better times" within the project framework;
- Reduce the travel to certain extent and organise meetings via online or using partners organisation that are operating in regions;
- The inflation might lead to higher general prices, making the living standard much expensive. This situation might raise demands from employees for salary increases. In such cases, the management will have constantly to communicate with the Employee Council and the donors, and find the proper solution if any.

### **Executive Board**

Mr. Janaq Male

Mr. Xhevat Lushi

Mr. Nehat Ramadani

### **Supervisory Board**

Mr. Maarten Bremer

Chair of Supervisory Board

Mr. Thijs van Buuren

Supervisory Board member

Ms. Marianne Johanna Meijboom

Supervisory Board member

Mr. Aurel Jupe

Supervisory Board member

**Independent auditor's report**

Reference is made to the auditor's report attached below.

**Appropriation of result according to articles of association**

The CNVP Foundation articles of association do not indicate specific requirements for appropriation of the result. Appropriation of the result will be made by the Foundation Board after adoption of the annual accounts by the Supervisory Board within the limits of the goals of CNVP as set out in the articles of association.

**To:  
The Supervisory Board and the Executive Board of  
CNVP - Connecting Natural Values & People**

## **INDEPENDENT AUDITOR'S REPORT**

We have audited the accompanying financial statements of CNVP (in the following text "Foundation"), which comprise the Balance Sheet as of 31 December 2022, the Statement of Financial Performance, and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory notes.

### ***Management's responsibility for the financial statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the IFRS. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### ***Auditor's Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **knowing you.**

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Kreston Macedonia dooel  
Pandil Siskov str. no. 5-1/45, 1000 Skopje,  
Republic of North Macedonia  
Tax no. 4032022552493 | ID 7569530  
+389 79 263 220  
kreston.mk | info@kreston.mk

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**To:  
The Supervisory Board and the Executive Board of  
CNVP - Connecting Natural Values & People**

**INDEPENDENT AUDITOR'S REPORT (Continued)**

***Auditor's opinion***

In our opinion, the financial statements of CNVP give a true and fair view of the financial position of the Foundation as of 31 December 2022, as well as the operating results and the cash flow for the year than ended, in accordance with the IFRS.

***Other matter***

The financial statements of the Foundation for the year ended 31 December 2021 were reviewed by another auditor who expressed an unmodified review report on those statements on 01 September 2022.

July 05, 2023

Certified Auditor  
Zvonko Kocovski

Managing Partner  
Nenad Torteovski

**knowing you.**

Kreston Macedonia DOOEL Skopje is a member firm of Kreston Global. Kreston Global is a global network of accounting firms, each of which is a separate and independent legal entity, and as such has no liability for the acts or omissions of any other member firm. Kreston Global provides no professional services in any country. Kreston member firms are separate, independent firms and are responsible for the professional services they provide.

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## Part D. Projects under implementation during 2022

- Afforestation, training and education on sustainable community forestry, Albania, 1 March 2019 – 30 June 2022 (Austrian Lenzing company and ADA)
- MOVING \_ Mountain Valorisation through Interconnectedness and Green Growth;(EU)
- Women empowerment Prespa (PONT) 01 June 2021 to 31 May 2024;
- CSO's Action for Climate 01 November 2021- 31 May 2024 (SIDA);
- Sustainable Future of Sharri/Korab-Koritnik , May 2021 October, 2023 (EURONATURA)
- Sustainable use of natural resources for transboundary socio-economic development of protected areas in North Macedonia and Albania (Korab-Koritnik, Sharra and Albanian Alps (PONT);
- Sustainable Use of Natural Resources for Environment and Economic Development (SUNREED), Kosovo 01 January 2022 to 31 December 2026;

### 1. Local Economic Development (LED), Second phase, Albania

#### Metrics

	LED 2	Donor	CNVP
Total budget planned project	€ 2,478,370.84	€ 2,478,370.84	
Total budget realisation	€ 1,313,318.25	€ 1,313,318.25	
Total budget plan 2022	€ 1,358,987.74	€ 1,358,987.74	
Total budget realisation 2022	€ 548,303.74	€ 548,303.74	no contribution
Total days project	5040		
Total days realisation	3706		
Total days plan 2022	1650		
Total days realisation 2022	1485		

Advisory days: 6 advisors and 2 financial staff, all salaries are project based

Local Economic Development (LED) project aims to improve the performance of the MAPs sector in Albania through the design and implementation of a variety of interventions which aim to address key constraints impacting the growth and development of the sector. These interventions will be implemented in a way which will result in long-term tangible benefits, particularly income increases, for poor and disadvantaged households and groups involved, especially women, in the production of MAPs respecting the environment and climate change. The project will use **Market System Development (MSD) Approach** working through MAPs private enterprises in order to bring about **changes** in the functioning of the market system by focusing on the introduction of 10 Value Chains of Medicinal and Aromatic Plants (MAPs) and other NTFPs. The project builds on the inception phase achievements by further upscaling interventions as well as launching new ones based on the MAPs Market

System Analyses conducted in 2019. Introduction of new productivity enhancing plant Varieties , improved storage and mechanisation technologies increased MAPs organic cultivation, improved mutual benefits of MAP companies and producers through Contract Farming, consolidation of extension driven extensions service, are among crucial interventions expected to unlock the sectors potential in favour of poor and disadvantaged groups involved in the production of MAPs.

### ***Project outcomes***

#### **Outcome 1: Improved MAPs (and other NTFPs) productivity**

Interventions under this area aim to improve the MAPs (and other NTFPs) productivity so that it generates enhanced incomes for rural households, which will involve partnering with the private sector to introduce and test new drying and storage facilities; introduction of new mechanisation services ; and testing and introduction of new plant varieties.

#### **Outcome 2: MAPs (and other NTFPs) private sector market actors have sustainable pro-poor business models.**

This intervention area involves partnering with a range of private sector actors to stimulate new investments which aim to: improve MAPs producers' access to the products (e.g. new drying and storage technologies, improved inputs) and services (e.g. extension, mechanisation) they need to increase their productivity; as well as improve coordination between producers and buyers to better meet market standards.

#### **Outcome 3: Enabling environment policies and regulations promote fair and sustainable practices**

Interventions under this area aim to improve the general enabling environment for MAPs market actors, which will involve partnering with the public sector to support them to create policies and regulations which are consistent, unbiased and equitable, thereby incentivising socially and environmentally responsible practices.

#### **Main activities during period January-December 2022**

- Implement and monitoring of existing partnership agreements with companies
- Negotiation of new partnership agreement with selected companies for interventions
- Identification of farmers that will be supported in each region
- Provision to farmers of training and extension service
- creating of project monitoring system
- negotiation with companies for other project interventions
- Implement and monitoring of MOU between Municipalities and CNVP

## 2. Afforestation, training and education on sustainable community forestry, Albania

### Metrics

	ADA	Donor	CNVP
Total budget planned project	€ 300,087	€ 300,087	
Total budget realisation	€ 298,809	€ 298,809	
Total budget plan 2022	€ 47,584	€ 47,584	
Total budget realisation 2022	€ 48,931	€ 48,931	no contribution
Total days project	900		
Total days realisation	938		
Total days plan 2022	110		
Total days realisation 2022	152		

### Objective, outcomes and outputs

The Project's objective is to support the development of rural areas in Albania with a special focus on the broader region of Shkoder (Ana e Malit) and Diber (Peshkopi) by using natural resources in a sustainable manner and fostering alternative income possibilities for the rural communities.

The outcomes of the Project are increased local expertise and awareness amongst rural communities for sustainable forest management by establishing a holistic best practice example, including: 1) the sustainable afforestation and re-cultivation of 10ha of degraded community managed forests; 2) the empowerment of rural communities to improve their forest management and related income possibilities; and 3) the modernisation of vocational training for forestry.

The outputs of the Project are: 1) afforestation of 10ha of degraded area in Ana e Malit; 2) modular pilot training on forest management for communities; and 3) interdisciplinary vocational training for forestry.

During this project reporting time, afforestation activities are done in 6 ha, 150 m<sup>3</sup> of anti-erosion in Ana e malit administrative unit, measures and vocational training is being conducted for Forest Federations and municipalities staff in Shkodra and Dibra region following strict measures from COVID. Project leaflet is prepared for the high technical school and is distributed to all stakeholders and municipalities that have potential for sending students to follow this high technical school. Communication strategy is prepared for the project and is being followed as a good guide for project promotion and activity realizations and monitoring. Donor satisfied with the strategy and the work being done so far in the field and with the communication and coaching with the high technical school. Partnership agreement with Forest technical school and IT ustrina Scholl is signed and under implementation for improving IT infrastructure and capacities of forest technical school in Shkodra.

### 3. Sustainable Use of Natural Resources for Environment and Economic Development (SUNREED), Kosovo

#### Metrics

	SUNREED	Donor	CNVP
Total budget planed project	€ 3,359,995	€ 3,359,995	
Total budget realisation	€ 578,475	€ 578,475	
Total budget plan 2022	€ 690,651	€ 690,651	
Total budget realisation 2022	€ 578,475	€ 578,475	
Total days project	7,260	7260	
Total days realisation	1,384	1384	
Total days plan 2022	1,250	1250	
Total days realisation 2022	1,384	1384	

Advisory days: 5 advisors and 2 financial staff, all salaries are project based.

#### Project description

The Sustainable Use of Natural Resources for Environment and Economic Development (SUNREED) project, funded by Sida aims to contribute to poverty reduction through additional income and jobs derived from forest products such as wood biomass, Non-Wood Forest Products (NWFP including Medicinal and Aromatic Plants (MAPs), and carbon sequestration, backed up by an enabling policy environment and by sustainable service provision by the National Association of Private Forrest owners (NAPFO) and Associations of Private Forestry Owners (APFO) in Kosovo. The project goal will be achieved by improving their access to markets, technologies and knowledge, allowing them to improve their performance and increasing production and quality of wood processing, NWFP and MAPs. Achieving this involves firstly understanding the broader context or system which impacts their performance and then intervening to tackle the underlying system-level constraints or the root causes of underperformance - this is, in essence, the market systems development approach (MSD)<sup>1</sup>.

The project will be implemented into 23 municipalities and in cooperation with a number of stakeholders from central and local government institutions, civil society, organizations of private forest owners (women and men), businesses, etc. The economic benefits will be combined with issues that address use of resources in a sustainable way, climate change mitigation measures, protection of biodiversity and environment.

The project will work towards improving the situation for women, men, girls and boys living in poverty by affecting four dimensions of poverty: resources, power and voice, opportunities and choice, and human security. The beneficiaries will be supported to

<sup>1</sup> It is important to keep in mind that even though the ultimate objective of the project is to improve the performance of and realise benefits for Private Forest Owners, NWFP and MAPs producers, this does not necessarily require the project to work directly with them to benefit them- on the contrary sustainable change at scale, requires the project to work with and stimulate behaviours changes in the wider set of actors (both public and private) in the wider system.

become better engaged in forest management markets, and benefit from support related to the wood biomass markets.

### ***Project outcomes***

#### **Outcome 1: Increased incomes for Private Forest Owners (PFO) including women as a result of improved forest management and engagement in NWFP / MAP market systems.**

The aim of these intervention's is to improve PFOs' access to forestry advisory & technical services, making advisory services more accessible to PFOs, creating long-term partnerships between biomass buyers and suppliers (PFOs) by increasing transparency and estimating the potential to source biomass through preparing forest management and business plans for PFOs.

#### **Outcome 2: A market system for wood biomass (wood chips), providing incentives for proper forest management and income generation for PFOs, and leading to reduced greenhouse gas impact;**

This intervention area involves partnering with a range of public and private sector actors to stimulate new investments which aim to: improve the participation of PFOs in the wood biomass market in Kosovo, particularly in the supply of biomass to produce modern wood-based fuels such as wood chips and pellets, and to build local knowledge and understanding of the role of wood biomass and wood-based bioenergy in Kosovo's transition towards a cleaner renewable energy system and its impact on the livelihoods of rural communities and forests.

#### **Main activities during period January-December 2022**

- Based on the findings and interventions from MSD analysis, negotiation of new partnership agreement with selected companies and PFOs
- Negotiation of the partnership agreement with selected nurseries in NWFP and MAPs sector
- Select a local service provider to provide extension advice on MAPs and NWFP to farmers and businesses operating in the sector
- Monitoring of Carbon Sequestration sample plots, and additional sample plots will be set up
- Promote and advocate the implementation of the roadmap on wood biomass, share experience and information with stakeholders and working groups members
- Provide technical assistance to the partner municipalities to build their in-house capacities to assess wood-biomass-based heating systems and develop feasibility plans to raise finance to support these investments; and potentially finance cost investments in these heating systems.
- Increase local capacities on quality management (planning and operating) with the heating systems
- Negotiation of the partnership agreements to establish biomass collection point center

- Provision of capacity building trainings of operators and planners on the design, installation, operation, and maintenance of biomass heating systems
- Implement and monitoring of MOU between Municipalities and CNVP for promotion of biomass district heating systems.

#### 4. Civil Society Action for Climate

Project Duration: 1 November 2021-31 May 2024

Project Area: Climate change, ecology

Donor: Sida

	SIDA MK	Donor	CNVP
Total budget planned project	€ 249,000.00	€ 249,000.00	
Total budget realisation	€ 70,261.18	€ 8,898.98	
Total budget plan 2022	€ 69,358.24	€ 0.00	
Total budget realisation 2022	€ 61,362.20	€ 8,898.98	
Total days project	990		
Total days realisation	391		
Total plan 2022	220		
Total days 2022	334		

#### Project brief

The project is implemented in cooperation with Eco-svest as lead partner and Macedonian Young Lawyer Association, where CNVP is responsible for activities to support overall project implementation.

**Project Objectives** is Strong and vibrant civil society that plays a meaningful role in the process of decarbonization, transformation and renewal of the society, resulting in a clean environment, green economies and healthy citizens in North Macedonia

The project has two specific objectives: 1) Strengthen and empower the civil society to take part in climate related decision making and take local action through improving their capacities, knowledge and skills and providing the necessary resources for this work. 2) Increase public awareness about the possibilities for low carbon economies and green transformation and build public pressure on institutions to ensure these developments through policy and programme changes.

As project results are expected the following five: Strengthened capacities of civil society organization; Ensured participation of CSOs in policy change; Support to CSO organization for climate actions; Improved visibility, communication and advocacy of CSOs and Increased credibility of CSOs and mobilization of citizens for climate action

**Key project impacts/achievements** Support the work of regional coordinators (RC) is an ongoing activity during the project implementation of three years, till now by the RC several climate actions were undertaken at the local level which led to increased cooperation with local institutions/municipalities, also with their support the membership of CSOs Climate coalition was increased. The activity Cooperation with governmental institutions is also an ongoing activity during the project

implementation. With this activity, we are doing positive changes in promoting the CSOs Climate coalition and its regional representatives in front of the national and local governmental institutions, and at the same time, the conducted meetings had led to increased awareness of the Mayors and public servants on the importance to mainstream the climate issues in local policies and to undertake climate actions for adaptation and mitigation at a local level. Through this activity, the project team took participation in working groups on the new Forestry Law and Law on Climate Action and 18 MoUs were signed with Municipalities and National institutions.

### **Main activities implemented in 2022**

- Organised Regional online Conference on Just transition
- Round table meetings
- Annual meetings of the Climate Coalition
- Support the work of Regional coordinators
- Cooperation with governmental institutions, signing of MoU

**Donor concerns:** There are none to date

## **5. Sustainable Future for Sharr/ Korab-Koritnik**

Project Duration: April 2021 – October 2023

Project Area: Kosovo, North Macedonia and Albania

Donor: **Euronatur**

	EURONATUR SHARR	Donor	CNVP
Total budget planed project	€ 143,870.00	€ 139,870.00	€ 4,000.00
Total budget realisation	€ 94,396.88	€ 22,977.57	
Total budget plan 2022	€ 67,200.00	€ 0.00	
Total budget realisation 2022	€ 71,419.30	€ 22,977.57	
Total days project	150		
Total days realisation	124		
Total days plan 2022	55		
Total days realisation 2022	73		

### **Project brief**

The vision of the project is to prepare the basis for a sound and long term conservation of the outstanding mountainous landscape as well as sustainable development of the region with the local population as active drivers in both regards.

### **Project Objectives**

The project has the following objectives:

- Reduction of threats to biodiversity;
- Improvement of habitats;
- Increase engagement of local people;

- Support of sustainable regional development;
- Strengthening of transboundary cooperation, learning and exchange;
- Increase visibility of the transboundary area;

### **Key project impacts/achievements to date**

During the development of activities in the preparatory phase and the phase of preparation of project proposals, CNVP has given the necessary contribution by supporting local actors in finalizing the project proposals, coordination between the parties for certain meetings, especially those related to field visits, but also on the occasion of their presentation for the first cross-border workshop with broad participation of beneficiaries and local actors from the three participating countries: Kosovo, Albania and Northern Macedonia as well as EURONATUR where project activities were presented, mutual cooperation planned for the future and ideas and proposals related to cross-border activities.

The main achievements are as following:

- Finalising three project proposals including detail of the project implementation;
- Setting objectives and results through the theory of change;
- Addressing the current situation and problems through project proposals;
- Setting the main objectives and their impact on biodiversity risk reduction and the sustainable development of National Parks Sharr/Korab/Koritnik;
- Planning activities and detailed explanations of modalities for their implementation; and
- Identification and adequate clarifications of the expectations on the impact of project activities on the improvement of the future situations; and

### **Main activities implemented in 2022**

- Preparation draft project proposals and discussion plans of activities with beneficiaries;
- Implementation of 3 model projects by local actor;
- Support and monitoring of model projects;
- Evaluation of model projects;
- Exchange of actors involved in model projects;
- Cross-border activities to support model projects

**Donor concerns:** There are none to date.

## **6. MOVING - Mountain Valorisation through Interconnectedness and Green Growth**

Project Duration: 01 September 2020 – 31 August 2024

Project Area: region of Maleshevia, North Macedonia

Donor: EU Horizon 2020

	Moving	Donor	CNVP
Total budget planed project	€ 93,165.00	€ 93,165.00	
Total budget realisation	€ 29,388.16	€ 29,388.16	
Total budget plan 2022	€ 30,825.00	€ 23,375.00	
Total budget realisation 2022	€ 19,354.16	€ 9,314.70	
Total days project	480		no contribution
Total days realisation	154	154	
Total days plan 2022	120	120	
Total days realisation 2022	91	91	

### Project brief

A deeper understanding of how the context, trends and potential evolution of mountain communities, territories and businesses, is needed to design new policies that protect mountain areas from the existing threats of climate change, helping them to seize emerging opportunities.

MOVING (Mountain Valorisation through Interconnectedness and Green growth) aims to build capacities and co-develop – through a bottom-up participatory process that involves value chain actors, stakeholders and policy-makers – relevant policy frameworks across Europe for the establishment of new or upgraded/upscaled value chains that contribute to the resilience and sustainability of mountain areas to climate change.

### Project Objectives

**Establishing a European-wide Community of Practice (CoP)** on Mountain Value Chains, including actors from the Agricultural Knowledge and Innovation System (AKIS), value chain and policy-making stakeholders and society.

**Developing a conceptual and analytical framework** that describes and interprets the diversity of Mountain Value Chains and assesses their contribution to the sustainability and resilience of mountain areas and their population.

**Providing visual tools** to raise awareness of AKIS, value chain actors, civil society and policy-makers, about the diversity of land use and production systems of mountain areas, threats faced, bio-physical assets, their sustainability and resilience to climate change.

**Studying** the configurations, strategies, dynamics, the value distribution of the value chains to assess **their contribution to sustainability and resilience.**

**Developing in-depth, participatory, critical benchmarking of clusters of Mountain Value Chains** to identify enablers and blocking factors affecting the sustainability and resilience.

**Carrying out foresight exercises** to capture and anticipate the long-term trends affecting mountain areas, co-constructing shared visions and strategies for a balanced mix of public and private goods.

**Elaborating an evidence-based policy roadmap and design** to include performance-based recommendations for policy interventions that enhance the connectivity, sustainability and resilience of mountain regions.

#### **Key project impacts/achievements to date**

- Kick of project meeting
- The project governance structure with Steering Committee completed
- Project registration in the central donor database of North Macedonia completed
- Indicative list of Value chains completed.

#### **Main activities implemented in 2022**

- Value Chain on Rural tourism was selected for the region of Maleshevija;
- Vulnerability workshop with physical participation took place.
- Vulnerability Analysis developed
- Policy Brief for Maleshevski mountain developed and published

**Donor concerns:** There are none to date. Project activities in general are going according to plan.

### **7. Empowering women for NTFPs development of Prespa**

Project Duration: 1-st of June 2021 to 31-st of May 2024

Project Area: Prespa region

Donor: PONT

	PONT Women	Donor	CNVP
Total budget planed project	€ 72,034.00	€ 53,672.00	€ 18,362.00
Total budget realisation	€ 40,621.98	€ 40,621.98	
Total budget plan 2022	€ 16,910.00		
Total budget realisation 2022	€ 20,310.99	€ 20,310.99	
Total days project	261		Matching funds from Sida LED
Total days realisation	145	145	
Total plan 2022	12	12	
Total days 2022	102	40	

### **Project brief**

The project will be focused in the Wider Prespa Area (WPA), covering cities and villages in Albania and North Macedonia, which are part of the Prespa region. Prespa is an interesting and very rich region, with many natural resources, herbs, medical plants and other NTFPs. The project will target primarily the Municipality of Resen from the part of Macedonia, and the Municipality of Pustec from the side of Albania. Prespa being a very rich region, requires population of that region, including the local stakeholders to care and maintain the nature, preserve it, but also wisely use natural products for local economic development. The location of the project, is expected to have an impact to the three national parks in the WPA (Wider Prespa Area) in Albania and North Macedonia: "Galicica", "Pelister", and "Prespa", as well as the Nature Park "Ezerani".

"Empowering women for NTFPs development of Prespa" will support the women of Prespa, on both sides of the border (North Macedonia and Albania) for future sustained actions in the field of NTFPs. The project aims to increase the internal capacities of the RWoP organization (Rural Women of Prespa) to use the bio products and NTFP from the region of Prespa for catering activities. Individual collectors and cultivators of NTFPs (MAPs) are in the focus of the project, while attempts to strengthen the linkages with the business sector, are the main goal of the project. Having a consolidated approach in the region of Prespa, this action will impact positively the efforts for conserving the nature and using wisely natural products for economic benefits, contributing thus to the overall green economy.

### **Project Objectives**

The overall objective of the project is to enhance the role of the women, aiming contribution to the local economy through sustainable use of the NTFPs in the WPA. This will be achieved with the actions proposed in this project, by developing the capacities of the women local producer organisations to act together and in a consolidated manner. The project will further contribute to a better networking of women across the border, increasing their knowledge on planting and cropping NTFPs, increasing visibility of the local producers and strengthening the NTFP's value chain until products achieve the end users.

### **Specific objectives**

Specific objective 1. Promotional activities of women increase its visibility and contribution to NTFPs.

Specific objective 2. Women from Prespa region are consolidated as a key actor for development;

Specific objective 3. NTFP 's collectors, cultivators and processors are unified contributing to a higher productivity;

Specific objective 4. CNVP provides long-term support to NTFP's actors in the WPA

### **Key project impacts/achievements to date**

The project started successfully

The new project office rented in the city of Resen

The gathering workshops with rural women of Prespa occurred  
Several articles published hereby increasing the awareness of the people in the region of Prespa

### Main activities implemented in 2022

Awareness increases on shifting from collecting to cultivation NTFP

- Database of the NTFP collectors in the region of Prespa
- MoU with key stakeholders in Prespa region;
- Capacity development of RWoP on internal roles and procedures.

**Donor concerns:** There are none to date. Project activities in general are going according to plan.

### 7.Sustainable Use of Natural Resources for Environment and Economic Development

Project Duration: 1 September 2022 to 31 August 2025

Project Area: Korab,Koritnik Shar Mountain (Albania, Macedonia)

Donor: PONT

	PONT5	Donor	CNVP	€
Total budget planed project	€ 2,607,000.00	€ 1,950,000.00	657,000.00	
Total budget realisation	€ 41,553.51	€ 41,553.51		
Total budget plan 2022	€ 0.00	€ 0.00		
Total budget realisation 2022	€ 41,553.51	€ 41,553.51		
Total days project	4840.00	€ 4,840.00		matching
Total days realisation	245.00	€ 245.00		SIDA LED,
Total days plan 2022	0.00	€ 0.00		Sunreed and
Total days realisation 2022	245.00	€ 245.00		Euronatur

### Project brief

“Sustainable use of natural resources for transboundary socio-economic development of protected areas in North Macedonia and Albania” project will support local communities in Protected Areas in the three countries to use natural resources in a sustainable way for their socio-economic development. The project focuses on Korab-Koritnik NP, Shar Mountain NP, Mavrovo NP and Albanian Alps NP and the ecological corridors between them and other protected areas in the PONT Focus Region. It will be achieved through monitoring and management of important habitats and species; good governance; building of partnerships (in nature-based tourism, the sustainable use of NTFPs); climate change resilience; transboundary cooperation, gender mainstreaming and women economic empowerment, all taking into account the EU Green Deal. The project will be implemented in the following regions: National Park Shara Mountain; National Park Mavrovo, National Park Albanian Alps and Natural Park Korab-Koritnik. Municipalities: In North Macedonia, municipalities of Tearce,

Jegunovce, Tetovo, Bogovinje, Vrapciste, Gostivar and Mavrovo-Rostuse, In Albania, municipalities of Dibra, Kukes Tropoja and Shkodra, In Kosovo, municipalities of Prizren, Dragash and Gjakova.

### **Project Objectives**

The overall objective of the project is promoting sustainable use of the natural resources, through provision and support to local communities for creating a better socio-economic life in harmony with nature.

### **Specific objectives:**

1. Sustainable use (SU) of NTFPs in Shar; Korab-Koritnik and Albanian Alps protected areas contributes to both nature conservation and local community development in these PAs
2. Nature-based tourism (NBT) in Shari; Korab-Koritnik and Albanian Alps protected areas contributes to both nature conservation and local community development in these PAs.
3. Governance mechanisms of Shar, Korab-Koritnik and Albanian Alps enable development of nature-based tourism and other ways of sustainable natural resource use in these PAs.

### **Key project impacts/achievements to date**

- The project started successfully
- The project staff was contracted in Macedonia
- Equipment for the project staff was purchased in Macedonia
- Mapping of the potential beneficiaries was started
- Consultants for NBT, NTFPs and MAPs and biodiversity in Albania were contracted
- MoU with Shar Mountains National Park was signed

### **Main activities implemented in 2022**

- Consultants for conducting the study on NBT, NTFPs and MAPs in Albania were selected
- Database of the NTFP collectors and NBT workers in the region of Mavrovo and Shar Mountains was started
- MoU with key stakeholders in project region were signed
- Coordinative meeting with the project unit was held in Prishtina

**Donor concerns:** There are none to date. Project activities in general are going according to plan.

## Annex 1 Detailed project progress

### CNVP Albania

CNVP Albania				
Project Name	Status	Link to CNVP's strategy	Key Project Interventions 2022	Milestones up to 31 December 2022
Local Economic Development (LED), Donor: Sida	1 October 2020 to 31 March 2023	<ul style="list-style-type: none"> <li>• Forestry, agro-forestry and sustainable forest management, including development of non-timber forest product value chains</li> <li>• Agri-rural development, including eco-tourism</li> <li>• Renewable energy, primarily from wood and crop biomass</li> <li>• Community mobilisation, governance and civil society</li> </ul>	<p><b>Outcome 1:</b> Improved MAPs (and other NTFPs) productivity</p> <p>Interventions under this area aim to improve the MAPs (and other NTFPs) productivity so that it generates enhanced incomes for rural households, which will involve partnering with the private sector to:</p> <ul style="list-style-type: none"> <li>• introduce and test new drying and storage facilities;</li> <li>• introduction of new mechanisation services;</li> <li>• and testing and introduction of new plant varieties</li> </ul> <p><b>Outcome 2:</b></p> <ul style="list-style-type: none"> <li>• Outcome 2: MAPs (and other NTFPs) private sector market actors have sustainable pro-poor business models.</li> <li>• This intervention area involves partnering with a range of private sector actors to stimulate new investments which aim to:</li> <li>• Introduction of private sector driven agricultural extension delivery models</li> <li>• Improve buyer awareness and understanding of export market standards and systems required to reach standards</li> <li>• Inform on the opportunities for financing instruments for MAPs producers &amp; buyers,</li> <li>• Introduction of new improved contract farming models between MAPs producers and buyers</li> </ul> <p><b>Outcome 3:</b> Enabling environment policies and regulations promote fair and sustainable practices</p> <p>Interventions under this area aim to improve the</p>	<p>Milestone 1/1: At least two further partnerships established to promote and test new drying technologies and service delivery models to MAPs producers.</p> <p>Milestone 1/2: At least one partnership established with supply-side actors focused on improving local access to machinery for MAPs producers.</p> <p>Milestone 2/1: Establish partnerships with at least 3 input suppliers (seedling producers, input retailers, suppliers of irrigation equipment etc.) to promote and improve producer access to a broader range of inputs.</p> <p>Milestone 2/2: Partnerships agreed with at least two MAPS buyers focused on improving the quality of extension they provide to MAPs wild collectors.</p> <p>Milestone 2/3: Signing of next round of partnerships with buyers. (i.e. MAPs buyers expand the number of households they have contract</p>

<b>CNVP Albania</b>				
<b>Project Name</b>	<b>Status</b>	<b>Link to CNVP's strategy</b>	<b>Key Project Interventions 2022</b>	<b>Milestones up to 31 December 2022</b>
			<p>general enabling environment for MAPs market actors, which will involve partnering with the public sector to support them to create policies and regulations which are consistent, unbiased and equitable, thereby incentivising socially and environmentally responsible practices</p> <p>Introduction of new improved contract farming models between MAPs producers and buyers;</p> <p>Improve local municipality capacity to manage and allocate land for MAPs cultivation</p>	<p>farming arrangements with).</p> <p>Milestone 2/4: Agree at least one partnership - involving a group of MAPs producers, a local consolidator, and an exporter - to co-invest in developing an organic certification internal control system compliant with organic certification requirements.</p> <p>Milestone 2/5: Undertake an analysis to better understand the constraints which MAPs market actors face in accessing finance.</p> <p>Milestone 3/1: At least one partnership with municipalities to get ownership rights for the areas they might use for renting.</p> <p>Milestone 3/2: At least three municipalities prepare annual utilization plan for MAPs</p> <p>Milestone 3/3: At least one partnership agreement with municipalities for wild MAPs rehabilitation.</p>

<b>CNVP Albania</b>				
<b>Project Name</b>	<b>Status</b>	<b>Link to CNVP's strategy</b>	<b>Key Project Interventions 2022</b>	<b>Milestones up to 31 December 2022</b>
Afforestation, training and education for sustainable community forest in Albania  Donor: ADA	1 May 2019 to 30 April 2022	<ul style="list-style-type: none"> <li>• Forestry, agro-forestry and sustainable forest management, including development of non-timber forest product value chains</li> <li>• Community mobilisation, governance and civil society</li> </ul>	<p>Outcome 1. Afforestation of 10ha degraded area in Ana e Malit, Shkodra region</p> <p>Outcome 2. Modular pilot training on forest management for communities in Shkodra and Diber</p> <p>Outcome 3. Interdisciplinary vocational training and communication</p>	<ul style="list-style-type: none"> <li>• Afforestation of 4ha of degraded area in Ana e Malit, Shkoder region;</li> <li>• Completion of work for building a new nursery by Eco social farm</li> <li>• promoting vocational training for forestry technical school in Shkodra.</li> <li>• Closing events, evaluation and reporting</li> </ul>
Sustainable use of natural resources for transboundary socio-economic development of protected areas in North Macedonia, Albania and Kosovo (Korab-Koritnik, Shar and Albanian Alps) Donor: PONT	Sept.2022-Aug.2025	Sustainable management of natural resources in Protected areas, biodiversity protection, including development of non-timber forest product value chains; - Agri-rural development, including nature based tourism	<p>1.Sustainable use (SU) of NTFPs in Shar; Korab-Koritnik and Albanian Alps protected areas contributes to both nature conservation and local community development in these PAs</p> <p>2.Nature-based tourism (NBT) in Shari; Korab-Koritnik and Albanian Alps protected areas contributes to both nature conservation and local community development in these PAs.</p> <p>3.Governance mechanisms of Shar, Korab-Koritnik and Albanian Alps enable development of nature-based tourism and other ways of sustainable natural resource use in these PAs.</p>	<ul style="list-style-type: none"> <li>-Prepare project presentation documents</li> <li>-Prepare and sign MOUs with 3 respective administration of PAs</li> <li>- Presentation meetings with local stakeholders in 3 regions</li> <li>-Presentations meetings with administration of 3 respective PAs</li> <li>-Prepare and hire consultants for three thematic areas</li> <li>-Monitoring of progress of three consultancies</li> <li>-Prepare a draft grants manual</li> </ul>

**CNVP Kosovo**

<b>CNVP Kosovo</b>				
<b>Project Name</b>	<b>Status</b>	<b>Link to CNVP's strategy</b>	<b>Key Project Interventions (2022)</b>	<b>Milestones up to 30 of Dec. 2022</b>
Sustainable Use of Natural Resources for Environment and Economic Development (SUNREED), Kosovo  Donor: Embassy of Sweden/Sida	01 January, 2022 to 31 December 2026	Forestry, agro-forestry and sustainable forest management, including development of non-timber forest product value chains; -Climate change, environment and natural resource management; -Renewable energy, primarily from wood and crop biomass; -Community mobilisation, governance and civil society -European accession and policy questions related particularly to Chapter 11 (Agriculture and Rural Development) and Chapter 27 (Environment)	<b>Outcome 1:</b> Increased incomes for private forest owners (including women) because of improved forest management and engagement in NFWP/MAP market systems  -Increased and diversified production from sustainable managed forest land;  -Increased capacities of APFO and NAPFO to deliver services to their members;  -Market systems development analysis for NFWP/MAPs, Biomass production and wood processing  -Enabling policy environment promoted including a roadmap for carbon marketing  -Study analysis on Gender analysis <b>Outcome 2:</b> Market system for wood biomass (wood chips) provides incentives for proper forest management, income generation for PFOs and leads to reduced carbon emissions greenhouse gas impact  -Development of a national roadmap on wood biomass production, marketing and use;  -Establishment of pilot wood-biomass collection points supported;	-Forest condition and business opportunities identified  -Trainings within different APFOs  -Started process (draft of ToRs, selection of group of experts) of study analysis on MSD  -Continuation of monitoring and measure of carbon sequestration  -Targeted activities where gender equality is the main objective, Integrated interventions into programmes and projects  -Set up Working Groups in selected Municipalities

<b>CNVP Kosovo</b>				
<b>Project Name</b>	<b>Status</b>	<b>Link to CNVP's strategy</b>	<b>Key Project Interventions (2022)</b>	<b>Milestones up to 30 of Dec. 2022</b>
			<p>-At least 9 heating systems based on wood biomass promoted;</p> <p>-Increased information, capacities and learning on wood biomass market systems</p>	
<p>Sustainable Future for Shar/ Korab/Koritnik Donor: DBU-Jensen Funds and EURONATUR</p>	<p>Started: May 2021 to October 2023</p>	<p>Forestry, agroforestry sustainable forest management, including development of non-timber forest product value chains; - Agri-rural development, including eco-tourism</p>	<p>Support and monitoring of model projects</p> <p>Exchange of actors involved in model projects</p> <p>Cross-border activities to support model projects</p> <p>Project coordination</p>	<p><b>Milestones up to 31 December 2022</b></p> <p>Monitoring of the progress from model projects through field visits and providing Capacity development measures, promotion of their products and cross border region</p> <p>Organized consultation meetings with beneficiaries on preparation of progress report</p> <p>Preparation meetings with expert regarding the analyses for NWFP/MAPs including communication with relevant stakeholders for being part of round table discussions on the analyses</p> <p>Support model projects on preparing the local products for the promotion fair to be organized.</p>

**CNVP North Macedonia**

<b>CNVP North Macedonia</b>				
<b>Project Name</b>	<b>Status</b>	<b>Link to CNVP's strategy</b>	<b>Key Project Interventions (2022)</b>	<b>Milestones up to 31 December 2022</b>
<b>„ Civil Society Action for Climate“</b>  <b>SIDA NM programme</b>	01.06.2021 to 31.05.2024	Climate change, Sustainable natural resource management, renewable energy, community mobilization	Regional coordinators work directly on local level in all 8 planning regions across the country, supporting CSOs through disseminating information and opportunities provided by the project.  Create and implement a national wide public awareness campaign targeting citizens  Engage municipalities to take action  Policy work to improve climate action	Narrative and financial report to be drafted and sent to the donor.  Trainings with the project staff and regional coordinators on anticorruption topic to be held.  At least one public campaign organised aiming the target group.  At least one conference on just transition to be organised with the key stakeholders.  At least one meeting with Climate coalition to be organised with national and local stakeholders.  MoU to be signed with at least 10 organisations.
MOVING - Mountain Valorisation Through Interconnectedness AND Green growth  EU, Horizon 2020 programme	01.09.2020 to 31.08.2024	Agri, forestry, rural development, including development of value chains	-European wide Community of Practices (CoP) on Mountain Value Chains: share knowledge, develop policy frameworks, strategic tools and clustering; -Virtual Research Environment (VRE): remote interaction among project components and offer reliable, secure, and trusted access to data and data mining tools; -Easy to read maps, indicators, simulations and digital stories: to raise awareness of vulnerability, assets and the strategies; -Explore value chains: 24 reference regions	Annual financial report to be drafted and send to the donor.  A multi stakeholder's vulnerability analysis to be drafted and submitted on time.  CoP is established and functional.  Deep analysis of the rural tourism value chain to be completed.  At least one policy paper to be shared to be developed for Malishevija and shared afterwards.

<b>CNVP North Macedonia</b>				
<b>Project Name</b>	<b>Status</b>	<b>Link to CNVP's strategy</b>	<b>Key Project Interventions (2022)</b>	<b>Milestones up to 31 December 2022</b>
			<p>focusing on a) local assets; b) socio ecological systems connections with the value chains c) the business models; d) women and young people as drivers of change; e) governance arrangements; - MOVING2 will carry out</p> <p>30 foresight exercises (24 at local level, 5 at cross regional level, 1 at European level) to deliver a knowledge and experience base for future policies at local, regional, national and European levels;</p>	
<p>Empowering women for NTFPs development of Prespa</p> <p>Donor: PONT</p>	<p>Started on 1-st of June 2021 to 31-st of May 2024</p>	<ul style="list-style-type: none"> <li>●Forestry, agro-forestry and sustainable forest management, including development of non-timber forest product value chains</li> <li>●Community mobilisation, governance and civil society including development of non-timber forest product value chains</li> <li>●Community mobilisation, governance and civil society</li> </ul>	<ul style="list-style-type: none"> <li>●Awareness increases on shifting from collecting to cultivation NTFP</li> <li>●Database of the NTFP collectors in the region of Prespa</li> <li>●MoU with key stakeholders in Prespa region;</li> <li>●Capacity development of RWoP on various topics.</li> <li>●Study visit to Albania on sharing experiences and knowledge on best practices</li> </ul>	<p>At least one full article on Rural Women of Prespa is developed and shared on media channels.</p> <p>At least one training on management is organised with RWoP.</p> <p>Knowledge sharing and a study visit from one country to another has occurred.</p> <p>RWoP are equipped with equipment ready for catering activities.</p> <p>The planted tea in three plots is growing well.</p>

<b>CNVP North Macedonia</b>				
<b>Project Name</b>	<b>Status</b>	<b>Link to CNVP's strategy</b>	<b>Key Project Interventions (2022)</b>	<b>Milestones up to 31 December 2022</b>
Sustainable use of natural resources for transboundary socio-economic development of protected areas in North Macedonia, Albania and Kosovo (Korab-Koritnik, Shar and Albanian Alps) Donor: PONT	Sept.2022-Aug.2025	Sustainable management of natural resources in Protected areas, biodiversity protection, including development of non-timber forest product value chains; - Agri-rural development, including nature based tourism	1.Sustainable use (SU) of NTFPs in Shar; Korab-Koritnik and Albanian Alps protected areas contributes to both nature conservation and local community development in these PAs 2.Nature-based tourism (NBT) in Shari; Korab-Koritnik and Albanian Alps protected areas contributes to both nature conservation and local community development in these PAs. 3.Governance mechanisms of Shar, Korab-Koritnik and Albanian Alps enable development of nature-based tourism and other ways of sustainable natural resource use in these PAs.	-Prepare project presentation documents -Prepare and sign MOUs with 3 respective administration of PAs - Presentation meetings with local stakeholders in 3 regions -Presentations meetings with administration of 3 respective PAs -Prepare and hire consultants for three thematic areas -Monitoring of progress of three consultancies -Prepare a draft grants manual

## Annex 2 Time management 2022

In general, the target for CNVP is to achieve full billable days for all its staff (220). Whereas for the management the target is 180 dues to their management roles.

According to the implemented projects and business development, the situation until 31

December 2022 is summarised below.

Country	Total days available/planned (leave excluded)	Total days till 31 December 2022 available (leave excluded)	Billable Days planned	Billable Days till 31 December 2022	Business Development plan	Business Development till 31 December 2022
Albania	1980	1808 (91%)	1960	1,796 (92%)	20	12(61%)
Kosovo	1320	1361 (103%)	1305	1,348 (103%)	15	14 (93%)
Macedonia	410	527(128%)	410	509 (124%)	30	18 (60%)
Montenegro	0	0	0%	0	0	0%
Netherlands	220	223 (101%)	220	223 (101%)	0	0%
<b>Total</b>	<b>3930</b>	<b>3919 (100%)</b>	<b>3895</b>	<b>3875 (99%)</b>	<b>65</b>	<b>44 (68%)</b>

3,390 available days were planned for 2022, excluding leave and the support staff. Realisation until 31 December 2022 was 3,919 overall i.e., 100%, with CNVP country variation (Albania (92%) Kosovo (103%), Macedonia (124%), Montenegro (0%) and the Netherlands (101%). There is higher realisation of days since employees were using more days for activities than averagely assigned (220).

There were 3,895 planned billable days in 2022 with 99% realisation by 31 December 2022 (3,875 days) with CNVP country variation i.e., Albania (92%), Kosovo (103%), Macedonia (124 %), Montenegro (0%), and The Netherlands (101%) realisation. The amount of contracted work on 31 December 2022 was with 99% covered from total available days.

65 days were allocated to business development in 2022, of which 262(68%) were realised by 31 December 2022.

## Building a Greener Economic Environment

CNVP is Dutch based organisation operates in the Balkan region countries that are seeking to join the EU.

### **CNVP's vision**

Green sustainable livelihoods in the Western Balkans, in harmony with nature and free from poverty.

### **CNVP's Mission**

Providing high-quality efforts for environmental protection, combating climate change, managing natural resources, forestry, developing organisational capacity, and sustaining green economic growth to improve the quality of life for rural populations.

### **CNVP's core values**

- CNVP is **committed** to always acting professionally, prioritizing the interests of the target audience, and establishing precise goals.
- We work hard to transform obstacles into chances and concepts into original **innovative** solutions.
- Our staff works in harmony, independence and **teamwork** where each member is driven by a shared goal and shared values.
- **Integrity** is what drives us, and our personnel are guided by high moral standards, which are a top priority for everyone in the organisation.
- By fostering trust both internally among employees and externally with donors and stakeholders, CNVP is **accountable** for its actions.
- By bringing people from all origins and life experiences together in a setting where everyone has an equal chance, we foster **diversity and inclusion**.
- As the cornerstone of a successful organisation, we support **shared learning and experience** among staff and performers.
- **Quality** is CNVP's guiding principle, ensuring that its services are carried out and kept up to the highest standards for donors and beneficiaries.

### **CNVP – Building a Greener Economic Environment**

Tolakkerweg 68,

3739JP, Hollandsche Rading,

The Netherlands

[www.cnvp-eu.org](http://www.cnvp-eu.org)

[info@cnvp-eu.org](mailto:info@cnvp-eu.org)