



CNVP
Building a Greener Economic Environment

Annual Report
1 January – 31 December 2023

Table of Contents

Abbreviations.....	6
Report of the Supervisory Board.....	7
About CNVP	8
Part A: 2023 Annual Report.....	1
1. Introduction.....	1
2. Business development and networking.....	2
3. Main projects, results, and success stories in 2023.....	3
Regional projects	4
I. Sustainable use of natural resources for transboundary socio-economic development of protected areas in North Macedonia, Albania, and Kosovo	4
II. ADA – ICEP	5
Albania	7
III. LED Project.....	7
Kosovo	9
IV. Sustainable Use of Natural Resources for Environment and Economic Development (SUNREED)	9
V. Sustainable Future for Sharr/Korab-Koritnik	9
North Macedonia.....	10
VI. Action for Climate	10
VII. MOVING project.....	10
4. Lessons learned	12
5. Risk assessment and mitigation measures	13
5. Governance, human resources, and internal organisation.....	16
6. CNVP’s Supervisory Board	17
7. Future Plans and Goals for 2024	18
Part B: 2023 Annual Accounts	19
Part C: Other Information.....	42
I. Annex 1 Detailed project progress	43



Abbreviations

ADA	Austrian Development Agency
APFO	Association of Private Forest Owners
BD	Business Development
CNVP	Connecting Natural Values & People
CSOs	Civil Society Organisations
EB	Executive Board
EC	Employee Council
EU	European Union
HR	Human Resources
IPA	EU Instrument for Pre-Accession
LCB	Local Capacity Builder
LED	Local Economic Development
LLE	Local Legal Entity
MAPs	Medicinal Aromatic Plants
MOVING	Mountain Valorisation through Interconnectedness and Green Growth
MSD	Market System Development
MT	Management Team
NAPFO	National Association of Private Forest Owners
NTFPs	Non-Timeber Forest Products
PONT	Prespa Ohrid Nature Trust
RWOP	Rural Women of Prespa
SB	Supervisory Board
SFM	Sustainable Forest Management
SIDA	Swedish International Development Cooperation Agency
SUNREED	Sustainable Use of Natural Resources for Environment and Economic Development



Report of the Supervisory Board

Dear Reader,

2023 was another intensive year for CNVP. Intense in terms of activities, developments and change. As Supervisory Board we have been impressed with all that is going on within CNVP in its Western Balkan context.

Of course, primarily the project work to help build the green economy: natural resource management in protected areas, integrated rural development and market system development for a wide range of products like wood processing, Medicinal Aromatic Plants and Non-timber Forest Products. During our visit to several of CNVP partners in the Shkodra-region, we were able to see ourselves the positive impact these activities have for a wide range of stakeholders, thus improving their livelihoods in the rural and forest areas. From the stories in this report, you get an impression of the essential role that CNVP plays in contributing to the sustainable development of people and the natural ecosystems in the Western Balkans in cooperation with its (local and international) partners.

As NGO, CNVP is not profit-driven: the financial income and resources are a pre-condition to do our work and create our impact. For that reason, we were happy to see that 2023 CNVP has realized a small positive financial result, after several years with a small negative outcome. 2023's result contributes to strengthening the financial base of the organization; something we deem necessary as Supervisory Board in view of the many uncertain external developments of our time: inflation and economic slowdown, political changes in the respective countries CNVP works in and of course the overall geopolitical situation that has its influence in the Western Balkans.

This resonates with one of the lessons learnt that you could read in this annual report: 'nature has no borders. This interconnectedness of nature and people is also at the core of the CNVP organization: you will read about several projects and activities where regional cooperation between the different country offices and their partners leads to good results.

Another lesson to be learnt from natural ecosystems is their dynamic balance between stability and change. Change is a given, also for CNVP. One of them was the stepping down of Janaq male as CNVP Albania's country director and member of the Executive Board. This is a major change for the organization: Janaq has been a senior manager from the very start of CNVP and has been of great importance to the development of CNVP and its work. We are happy that he will keep on working as senior advisor in CNVP.

In February Anila Karanxha – Aliaj was appointed as Country Director: we look forward to the cooperation with her. The smooth transition between both demonstrates the (st)ability and the confidence of the organization. A big compliment to all its staff.

2024 will be yet another challenging year: the external environment remains uncertain, and the urgency and demand for CNVP's contribution to the green economy in the Western Balkans is only growing. We look forward to another interesting year.

On behalf of the CNVP Foundation Supervisory Board

Maarten Bremer - Chairperson

Date, 26 July 2024 – Hollandsche Rading (NL)



About CNVP

The CNVP Foundation, established in 2012 as a legacy of the SNV Netherlands Development Organisation, is a Dutch-based non-profit dedicated to fostering environmental and sustainable development in the Western Balkans, including Albania, Kosovo, North Macedonia, and Montenegro. The organization is committed to ensuring that no one should live in poverty and that everyone has the opportunity to engage in sustainable development. CNVP achieves these goals by enhancing the capabilities of private sector organizations and delivering tangible results that empower rural communities to overcome poverty and lead their own development. Including marginalised individuals and focusing on youth and gender equity are pivotal to achieving sustainable development.

Governance at CNVP is carefully structured, featuring an Executive Board (EB) consisting of three Country Directors who manage day-to-day operations. Furthermore, an International Supervisory Board (SB) provides strategic guidance and oversight, ensuring projects are well-aligned with the organization's mission and integrated with national priorities. This alignment extends to adherence to respective government policies, the EU Green Agenda, and the Sustainable Development Goals (SDGs).

CNVP designs, manages, and implements projects funded by international donors, aimed at promoting responsible resource management and environmental conservation. These initiatives are specifically tailored to meet the needs of rural communities in the Western Balkans and include efforts to combat climate change, protect the environment, and foster sustainable agricultural and forestry practices.

The organization employs 26 specialised staff members who provide expert advice in natural resource management, forestry, agriculture, and community development. CNVP is also dedicated to building local capacities by providing training and technical assistance that enhance the skills of stakeholders. These efforts not only contribute to ecological preservation but also support sustainable economic growth by promoting green businesses and creating employment opportunities.



Part A: 2023 Annual Report

1. Introduction

This document presents the progress marked in implementing the Connecting Natural Values and People Foundations (CNVP) project portfolio in Western Balkan countries focused on Albania, North Macedonia, Kosovo and Montenegro - between January 01st and December 31st 2023. It highlights the major results, activities and findings.

CNVP is committed to improving the well-being of rural communities in the WB through sustainable development practices aimed at reducing poverty and promoting economic growth. By fostering collaborations with public, private, and civil society organisations and leveraging its regional infrastructure, CNVP executes cross-border initiatives that enhance biodiversity conservation, environmental sustainability, and socio-economic resilience.

The year 2023 marked a significant success for CNVP, achieving beyond its financial and content-related goals. Throughout the WB, the foundation provided robust support to rural communities, farmers, private forestry owners (PFOs), farmer associations, environmental NGOs, and the private sector, utilising branch offices in these regions to ensure widespread impact and support.

Based on the CNVP 2022-2027 strategy, the organization has strengthened its partnerships with public institutions at the central and local levels, increased contributions in implementing regional projects that promote natural resource management (protected areas) in the transboundary areas, and integrated rural development. These initiatives, aligned with major frameworks such as the EU's new funding cycle (IPA III), the EU Green Agenda, COP26, and Sida's strategy, have enabled the foundation to increase cooperation with local partners, donors, and both regional and international networks, ensuring robust support for our objectives across the WB.

Throughout 2023, CNVP continued its mission by focusing on Market System Development (MSD) initiatives in various sectors. These efforts have enhanced market access, technological advancements, and knowledge dissemination among local communities. By empowering stakeholders in wood processing, Medicinal Aromatic Plants (MAPs), Non-timber Forest Products (NTFPs), and other forestry-related industries, CNVP aims to improve production efficiency and product quality, thereby supporting sustainable livelihoods and fostering economic opportunities in the region.

Understanding the broader systemic factors that influence performance is crucial to achieving CNVP's objectives. Through the MSD approach, the foundation addresses systemic constraints and root causes of underperformance, ensuring impactful and sustainable interventions.

This report provides partners and a broader audience with an update on the progress made by the CNVP foundation team throughout 2023 across various project portfolios. The report is structured as follows:

Part A-

- Business development and networking
- Main projects and results in 2023
- Lessons learned
- Uncertainties, risks, and mitigation measures



- Governance of human resources and internal organisation
- CNVP's Supervisory Board
- Future plans and goals

Part B of the 2023 Annual Report offers detailed insights into CNVP's financial status, including:

- CNVP's Structure
- Accounting Principles
- General accounting principles for the preparation of the annual accounts
- Assets

2. Business development and networking

In 2023, CNVP demonstrated a strong effort in project proposal submissions and was trying to ensure additional funds for projects, underlining our commitment to driving impactful projects and initiatives. Over the course of the year, we submitted a total of 20 project proposals – 10 concept notes and 10 full project proposals. Six of these have been successfully selected for further consideration.

Financially, this effort ensured € 20,000 of additional budget for CNVP. This additional funding has enabled CNVP to extend the "Sustainable Future for Sharr/Korab-Koritnik" project—a regional, cross-border initiative that began in April 2021 and is set to continue through the end of 2024. The project receives financial support from **Jensen-Funds, and EURONATURA**.

Our business development activities have been a collaborative effort involving ten member organisations. This has strengthened our network and fostered deeper connections with international, regional, and local NGOs. In line with the CNVP Strategy 2022-27, we actively diversify our funding sources and negotiate with various donors, including the European Commission offices in Prishtina and Skopje, DBU, UNDP, and the French Agency For Development. Additionally, we have submitted applications for funding from EUKI (Germany) and the Embassy of the Netherlands, among others.

Event participation/Visibility/Networking

Throughout 2023, CNVP actively participated in various events, from virtual meetings to face-to-face workshops and conferences. These engagements covered many topics, including the EU Green Agenda, the Paris and Glasgow COP agreements, and biodiversity. This proactive involvement has enhanced our organisational capacity and expertise on relevant issues, boosted our efforts to promote strategic goals and enabled us to identify new funding opportunities for WB countries. Importantly, these activities provided valuable opportunities for networking, gaining insights, and establishing contacts for future projects. They also allowed us to disseminate the outcomes of our initiatives, strengthen cooperation with complementary projects, and share our achievements with a diverse audience of stakeholders.

Furthermore, the engagement strategy extended to promoting CNVP values and policy briefs, particularly to public institutions at the local and central levels and various donors operating in WB countries. This approach was intended to increase the engagement with national, regional and international decision-makers and a wide range of stakeholder groups. Additionally, social media platforms and specialised communication channels were leveraged — including the regular publication of news and success stories – to expand our influence and impact. This was achieved through the timely promotion of project activities and the introduction of a new PR strategy



that increased the number of followers on all official CNVP social media pages (Facebook, Instagram, LinkedIn). Several new social media sections were introduced, such as #FunFactsAboutShara, #ExploreSharMountainVillages, and #MeetOurGrantees. These sections creatively promote CNVP’s work and the beauty of the mountain regions in which CNVP operates. The PR department continually seeks fresh ideas to attract and engage a larger audience.

Metrics from our social media profiles indicate a significant increase in followers across all platforms:

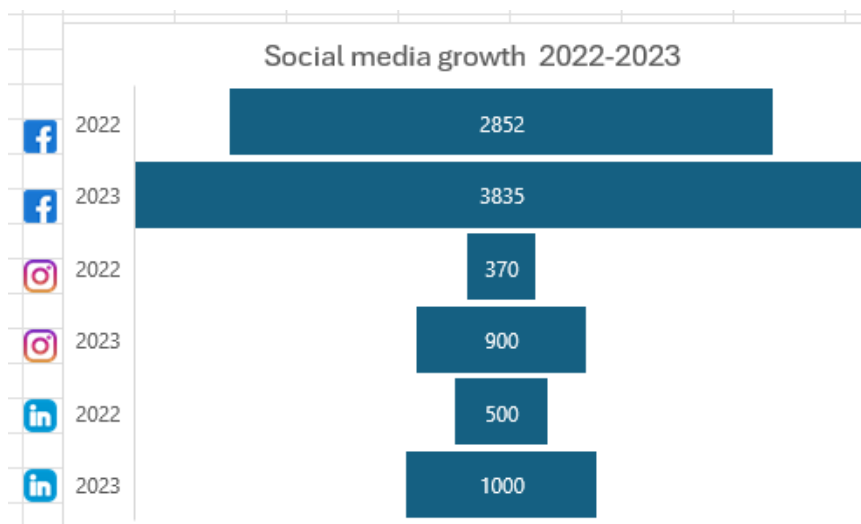


Figure 1 Social media presence

A notable addition was the creation of a PR plan that outlines content for various international, religious, and other holidays, which has further improved CNVP’s visibility. The consistent increase in followers on Facebook, Instagram, and LinkedIn reflects the success of our new PR strategy and ongoing efforts to enhance CNVP’s visibility and engagement with a broader audience.

In support of continuous growth and development, CNVP staff is encouraged to identify and develop new project opportunities, learn from past proposal rejections, and enhance productivity. Staff members from all countries are invited to contribute to local, regional, and cross-border business development activities. We are also maximising support from our network of 30 Associate Experts to increase the technical skills provided by our internal staff, aiming to strengthen our overall capacity and effectiveness in business development.

In summary, 2023 has been a year marked by successfully establishing contacts or relationships (for fundraising), strategic collaborations, and implementing diverse and impactful projects, better positioning us for future actions.

3. Main projects, results, and success stories in 2023

CNVP is a unique foundation 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 foundation.

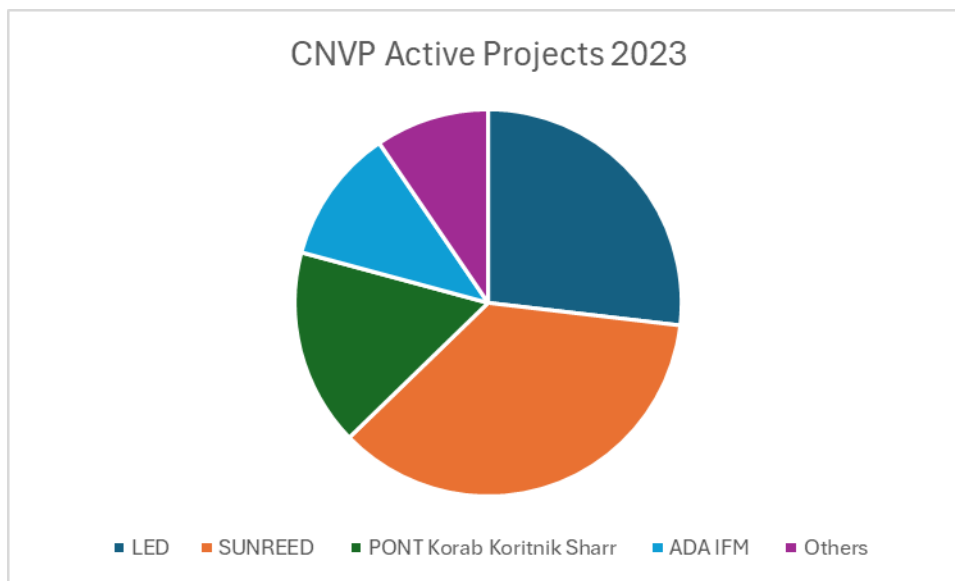


Figure 2 Active projects under implementation during 2023

During 2023, eight active projects were under implementation in the WB countries. Figure 2 shows the main projects under implementation based on project expenditures for each project in 2023.

Regional projects

I. Sustainable use of natural resources for transboundary socio-economic development of protected areas in North Macedonia, Albania, and Kosovo

The regional project funded by PONT continued successfully in its implementation. This project has a total value of 2.6 million euros (including CNVP's self-contribution) and is being implemented from mid-2022 until 2025. This project will contribute to biodiversity, environmental protection, climate change, and the socio-economic conditions of rural communities.

In Albania, three pivotal studies were conducted on Biodiversity, Medicinal Aromatic Plants (MAPs), Non-Wood Forest Products (NTFPs), and Nature-based Tourism in the National Park Albanian Alps and Korab -Kortnik Natural Park. The study on Biodiversity **identified 65 endangered species** according to IUCN categories: **21 endemic plant species, 72 sub-endemic species, 158 Balkan species and 75 sub-Balkan ones**. The study on MAPs and NTFPs identified **10 MAP/NTFP varieties** with the highest economic benefits for the areas and their potential cultivation, identification of the main businesses and lead farmers operating in the protected areas, as well as rules and regulations which apply for harvesting MAPs/NTFPs in the protected Areas. The study on nature-based tourism identified over **50 service providers** and analysed the tourism demand and supply in the protected areas under the project. The studies were instrumental in guiding the financial support of local communities through a comprehensive grant scheme which was launched. **A grant manual** was prepared, and **three calls for proposals** were announced, accompanied by informational sessions in Diber, Kukes, Shkoder, and Tropoja. To date, 45 applications were received and 17 subgrants have been awarded with a total value of €238, 444 to local organisations, farmers, and businesses in the protected areas of Korab Koritnik and the Albanian Alps, demonstrating substantial local engagement and support. Building capacities of local actors to apply for grants and implement projects goes hand in hand with our philosophy of enabling local actors to follow their own sustainable development.

In North Macedonia, the project in 2023 also conducted three research studies on NTFPs, Nature-Based Tourism, and Biodiversity. The findings from the studies have provided clear guidance on future project directions, identifying key areas of focus necessary for the conservation of natural resources and the enhancement of local livelihoods.

The study on NTFP marks the first-ever resource assessment of three medicinal aromatic species—*Sideritis scardica*, *Gentiana lutea*, and *Salvia officinalis*. The potential for their cultivation was evaluated, and the findings were shared with Shar and Mavrovo National Parks authorities. A comprehensive species analysis was conducted on **98 species**, providing a clearer picture of the biodiversity in the parks. Additionally, the project documented over **160 active local collectors** of NTFPs, creating an essential resource for sustainable harvesting practices.

The project announced an open call to support local initiatives, which received exceptional interest, resulting in 40 applications from local NGOs, municipalities, and small businesses. **The top 13 projects were selected and awarded a total of €160,000 in grants.** These sub-grants are more than just financial support; they serve as catalysts for change, supporting our mission to preserve nature and foster socio-economic development in the Shar and Mavrovo regions. These projects will act as ambassadors of our initiative, collectively promoting the sustainable use of natural resources and conservation efforts.



Figure 3 Signing Ceremony with 13 Grantees

II. ADA – ICEP

The other regional project in the Balkans, ADA – ICEP, with a total value of 1.5 million euros, commenced to be implemented along the Drin river basin, covering Albania, Kosovo, North Macedonia, and Montenegro. This project aims to enhance integrated forest management and foster economic benefits for communities along



the Drin River basin, addressing ecological and economic challenges through a comprehensive approach to forest and land management.

The first regional conference on Integrated Forest Management, held in November 2023 in Shkodra, Albania, provided a platform for the four implementing CNVP offices and ICEP to share their initial findings, reflect on their work, and plan future actions for each project. The event gathered high-level stakeholders from various sectors, highlighting the topic's regional importance and fostering dialogue among academic experts, farmers, community associations, government authorities, and more. The conference emphasized the value of participant exchange for mutual learning.



Figure 4 First regional conference on Integrated Forest Management

Furthermore, **Albania and Montenegro** have both organised kick-off events at the start of the project.

In Albania, the efforts have focused on preparing technical planning for afforestation, soil erosion control, capacity building, and sustainable forest management. The project involves the launching of afforestation activities, the identification of geological hotspots, the finalisation of technical projects and training for the implementation of soil erosion control measures. The planning of silvicultural measures, including reforestation, experimental thinning and the introduction of new reforestation techniques, have been initiated. A significant milestone was hosting the first regional conference on Integrated Forest Management in Shkoder in November 2023, bringing together high-level stakeholders from all sectors and clearly demonstrating the importance of the topic for the region.

In North Macedonia, the project commenced with a kick-off meeting where Memorandums of Understanding (MoUs) were signed with the main stakeholders. Focus groups in Debar and Skopje assessed gender dynamics within the forestry sector, resulting in the formulation of a Gender Action Plan. Part of the focus groups were representatives from municipalities, National Forestry workers, representatives from the local office of the Ministry of Agriculture, Forestry and Water Economy, representatives from the forest police (Struga), and University Hans Em – Faculty of Forestry.

Furthermore, the project was active with ecological assessment (identification of geological hotspots). An environmental impact assessment was prepared to identify potential areas for afforestation, regeneration, and building double fences in eroded areas and the area of Banjishte – Kosovrasti Debar was selected.



Figure 5 Kick-off Meeting: Signing of MoUs with municipality of Debar & Struga

In Kosovo, a kick-off event was organised, and it was designed as an interactive workshop to foster dialogue and exchange ideas among stakeholders from administration, politics, business, land ownership, academia, civil society, and forestry. This event set the stage for ongoing guidance and collaborative input throughout the project's lifespan.

Albania

III. LED Project

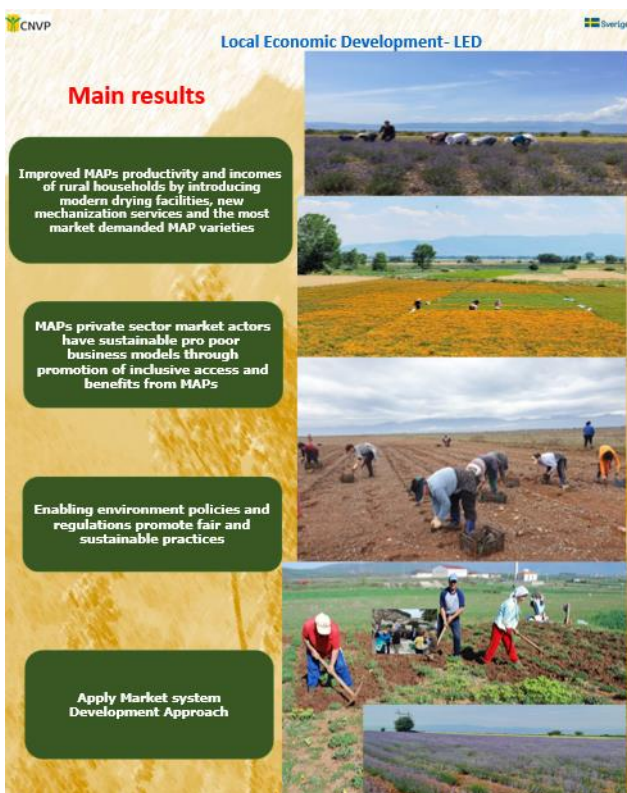


Figure 6 LED's project infographic

CNVP in Albania has successfully continued implementing the Sida-funded LED project, which started in 2020. Originally scheduled to conclude by March 31st, 2023, the project has received a no-cost extension and will continue until December 2024. This extension has facilitated several key activities designed to promote sustainable and resilient business models in rural Albania's Medicinal and Aromatic Plants (MAPs) sector. These activities include the implementation of innovative drying technologies utilizing clean, renewable energy, which has enhanced drying efficiency and MAP quality. The project has also advanced mechanization by linking local MAP exporters with international technology providers, expanded MAP nurseries to increase their production capacities by at least 20%, and improved market security and product quality through contract farming agreements.

These initiatives have produced significant results: **over 1,800 households now have access to advanced drying technologies**, and more than **730 households benefit from high-quality MAP seedlings**. The introduction of contract farming has involved 7 MAP companies and 530 households, which has led to enhanced market



security and improved product quality. Moreover, there has been a notable increase in the market access for certified organic MAPs, with sales increasing fourfold in the last six months—**prices are nearly 50% higher** than those of conventional MAPs, and the **volume sold has increased by 60%**. Additionally, the project has strengthened the collaboration between the National Forest Agency (NTE) and local municipalities, enhancing the regulatory system for the sustainable management of wild NTFPs and thereby supporting the sustainable growth of the green economy in the region.

Gender mainstreaming is an important aspect of the LED project’s implementation. The development of **Gender Action Plans** significantly supported women's empowerment, enhancing their capacity in agriculture and economically through the most market-demanded MAP varieties and contract farming. **Over 2,000 women** directly benefited from these project activities.

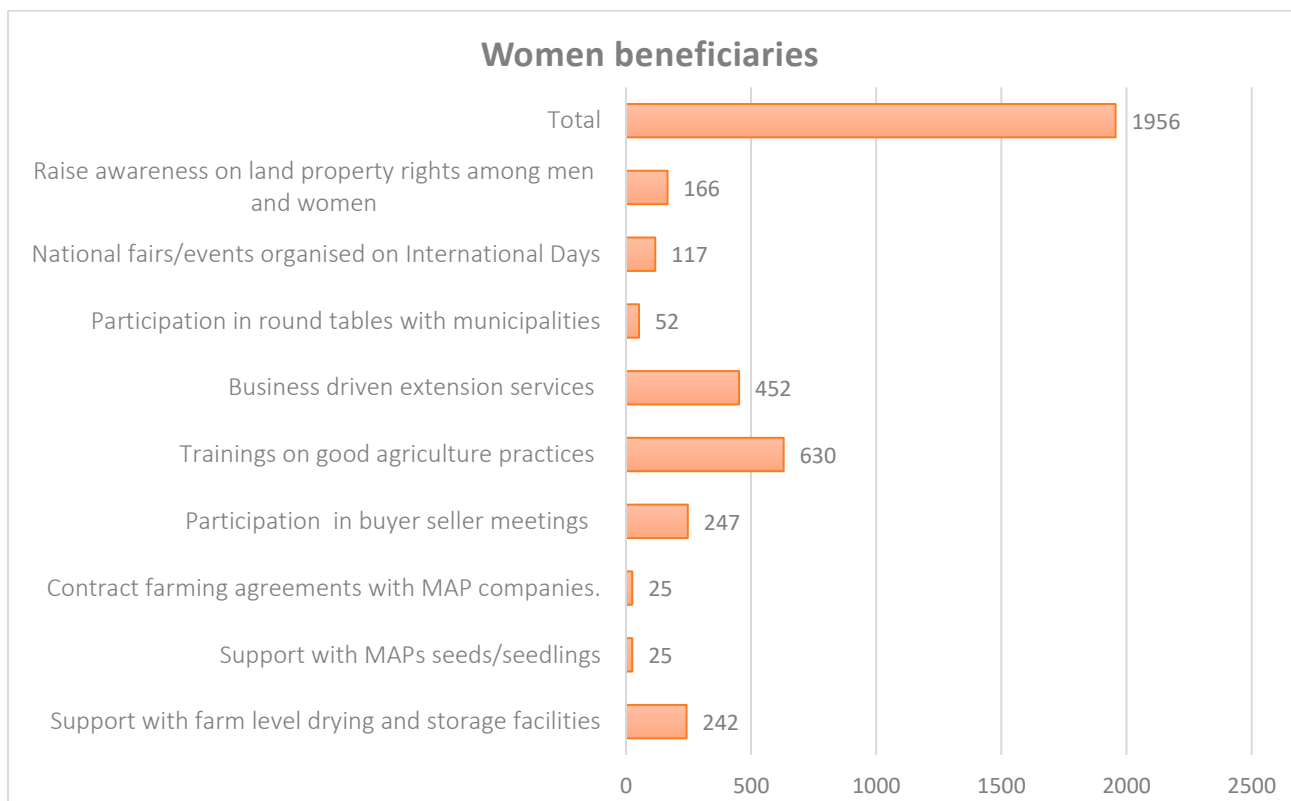
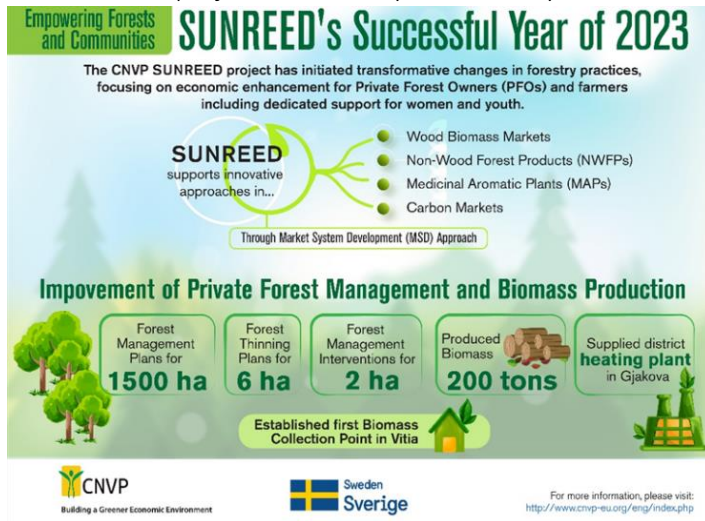


Figure 7 Data on gender LED project

IV. Sustainable Use of Natural Resources for Environment and Economic Development (SUNREED)

The SUNREED project is funded by the Embassy of Sweden/Sida in Prishtina. The project has achieved significant



milestones in promoting sustainable practices in forestry management and enhancing economic opportunities. The project's main goal for 2023 was to establish and organize the wood biomass market in Kosovo by sustainably managing forests. Through close collaboration with the entities and beneficiaries, **1,500 hectares now have Forest Management Plans** and forest thinning plans for 6 hectares.

A key development was the support to establish the **first biomass collection point in Vitia**, which produced 200 tons of biomass that supplied the district heating plant in Gjakova.

Figure 8 SUNREED's project infographic

Capacity building was a major focus, with SUNREED enhancing the capabilities of Private Forest Owners (PFOs) and Associations of Private Forest Owners (APFOs) through training in modern forestry management and sustainable practices. Furthermore, the project engaged 107 participants in training sessions covering **biodiversity, climate change, gender mainstreaming, and conflict resolution**, empowering them to manage and advocate for sustainable environmental practices effectively.

SUNREED supported the improvement of business models for Medicinal Aromatic Plants (MAPs) nurseries, producing approximately **1 million MAP seedlings** in 2021 and obtaining **organic certification for 14 types of MAPs**. This initiative boosted the quality of MAPs and supported the integration of Non-Wood Forest Products (NTFPs) into the market, increasing the participation of local communities, including women and youth. As a result, **income generation for up to 50 households** in the Malisheve region was notably increased.

V. Sustainable Future for Sharr/Korab-Koritnik

The implementation of the project was very successful and contributed to the sustainable development and reduction of threats to biodiversity in the region of Shar-Korab-Koritnik, with the local population as the main driver. In the frame of this project, a strong foundation vision was created along the **European Green Belt**, with the implementation of 13 model projects regarding sustainable agriculture and tourism in the Shar-Korab-Koritnik region. The model projects were implemented by **15 local organisations** or businesses between September 2020 and August 2023, involving **over 950 local people**. The model projects have illustrated different possibilities for using the natural and traditional values of the region for nature-friendly income generation. The model projects are already a great success with various positive effects for the region through fostering the sustainable use of natural resources, improvement of degraded areas, knowledge generation and dissemination, and strengthening of the

local civil society and cross-border exchange. The project received additional funding and will continue its implementation throughout 2024.

North Macedonia

VI. Action for Climate

CNVP in North Macedonia continued to implement its portfolio successfully with five active projects.

The project CSO Action for Climate raised awareness among citizens about sustainable practices in both urban and rural areas, highlighting ways they can adapt to and mitigate climate change through two award-giving public campaigns. The **first campaign**, focusing on Urban Green Infrastructure, ran from March 22nd to May 14th, 2023. It included a social media educative campaign emphasizing the importance of green infrastructure in climate change adaptation and mitigation and a photo contest showcasing the best-landscaped yards or balconies. **The campaign reached 705,558 people and engaged 2,492 women.**



Figure 9 Awarding winners of the 'Green Urban Infrastructure' Photo Competition.

VII. MOVING project

In 2023, the MOVING project focused on advancing the Mlaeshevski Region's sustainable development through workshops aimed at foresight and scenario planning up to 2050. These workshops resulted in a detailed analysis identifying key threats, opportunities, and vital policy recommendations that address the challenges faced by the region's rural tourism value chain and natural resource management.

A notable achievement of the MOVING project was fostering an open and safe environment for constructive dialogue among stakeholders in rural tourism and representatives of the local governments. Despite some intense discussions, these interactions led to exquisite findings about challenges and opportunities for developing a sustainable rural tourism model in the Maleshevski Region. The workshops facilitated the development of a baseline and vision for the region, where the stakeholders involved in the MAP and the rural tourism value chains discussed various factors, including the long-term effects of climate change and socio-economic dynamics, and developed scenarios for the region until 2050. Although the scenario painted a rather dystopian future, it prompted a focused effort on structural changes and intensified lobbying for increased support at both local and national levels, particularly in terms of budget allocations for regional development and policy adjustments.

As a result of these advocacy efforts, the Municipality of Berovo made a fundamental change to its tourism policy. It **eliminated local producers' fees for traditional food and beverages when renting promotional booths**, allowing them to sell their products at designated locations without any provisions to the local government. This policy shift is an excellent example of how local governments can respond effectively to facilitate market opportunities for the rural tourism value chain.

The MOVING project's legacy is its lasting impact on the cooperation between the rural tourism value chain actors and local governments, which have agreed to continue their cooperation beyond project's duration. They plan to use the findings from the project to shape future strategies and support from the donor community.



Figure10 Foresight exercise with local stakeholders

VIII. Empowering rural women of Prespa (RWoP)

This project, funded by PONT in the Prespa region across Albania and North Macedonia, focuses on enhancing the internal capacities of the Rural Women of Prespa (RWoP) organisation. One of the aims of the project is to equip RWoP with the skills necessary to utilise bioproducts and NTFPs from the Prespa region for catering activities.

In addition to catering and promotional endeavours, the project facilitated several capacity-building workshops that successfully strengthened the capabilities of RWoP in theoretical, strategic, and practical aspects of branding. Specifically, these workshops concentrated on the marketing and **branding of mountain tea**, a key local product. During these sessions, participants engaged in interactive activities designed to develop a comprehensive branding strategy for Mountain Tea, which included analysing and defining market needs and creating a preliminary branding document. To ensure the effectiveness of the training, a preliminary analysis was conducted to assess the participants' existing knowledge of the topics addressed in the workshops. This preparatory step guaranteed that the training was tailored to the attendees' specific skill levels and needs, thereby maximising learning outcomes and fostering a competitive edge for RWoP in the tea market.



Figure 11 Trainings on strengthening capacities of RWoP/coordination meetings

4. Lessons learned

This chapter draws together critical lessons learned from CNVP's projects across the WB, offering insights that enable regional offices to learn from each other's experiences. By sharing these lessons, our foundation aims to enhance the efficiency and effectiveness of future project implementations. Highlighted below are the key lessons learned by CNVP in 2023.

- The CNVP's ability to conduct comprehensive studies led to the launch of a robust grant scheme. Lessons learned include the necessity of flexibility in project execution and the importance of preparatory research in framing effective grant schemes that meet local needs.
- The high interest in the project's open call for grants illustrated the demand for conservation and development funding, underscoring the importance of transparent and well-managed grant processes that can effectively distribute resources to catalyse local initiatives. Furthermore, this intervention exposed the possibility of replicability and scalability tailored to different environmental and social contexts.
- Nature has no borders - The implementation of regional projects, such as IFM and PONT- demonstrated that addressing environmental and economic issues at a cross-border and regional level is both sustainable and comprehensive. The cross-border cooperation will be further enhanced and continued in the future.
- Effective communication, partnering with market actors, and encouraging them to adopt new practices and behaviours require time, coaching, and flexibility. Through the MSD approach, the project successfully engaged market actors and encouraged them to adopt new practices and behaviours.
- Utilising the MSD approach has enhanced the project's flexibility and adaptability to meet the specific needs of its partners. While joint investments, especially in the sectors where the emerging benefits for the partners are slow, such as in the wood biomass sector, the foundation's flexibility facilitated the

successful initiation of these joint investments. This adaptability has been key in overcoming initial resistance and demonstrating the long-term value of sustainable forest management.

- Transitioning from traditional to more sustainable and efficient technologies is crucial. It became clear that replacing old heating systems with modernised and digitalised technologies is vital for improving environmental sustainability and efficiency, particularly in biomass use.
- The creation of the biomass collection point illustrates the importance of integrating sustainable economic models with environmental projects. The dual focus can accelerate local buy-in and provide tangible economic benefits alongside conservation gains.
- CNVP's emphasis on extensive training for forestry management and sustainable agricultural practices indicates the necessity of ongoing education in sustaining impacts over the long term, particularly in fields requiring specialised knowledge.
- Securing lasting policy changes with local governments requires navigating significant challenges. Although successes have been achieved, such as the policy adjustment in Berovo Municipality, consistently influencing and implementing policy changes demands overcoming bureaucratic resistance and aligning diverse stakeholder interests. The complexities of these efforts are often intensified by the need for extensive lobbying and advocacy to reconcile varying interests and achieve desired outcomes.

5. Risk assessment and mitigation measures







During the process of preparing the Annual Report, EB and MT dealt with the risk uncertainties and formulated mitigation measures. A comparison of the risk uncertainties with the previous year was also made, and the trend was set. When designing the risks matrix, recommendations from audits on the project and organisational levels are considered.







CNVP's objective is to create financial stability in the mid-term. However, uncertainties exist due to a complete/partial lack of information, insights, or knowledge about an unexpected event, its consequences, or the probability that such an event might 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 project activities in 2023.

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., concerning 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);

Risk	Risk Level	Trend	Mitigation measures
<p>BD dynamics (Internal) Business development has been very intensive and competitive from different angles in recent years. Poor and passive business development (BD) might lead to a narrow project portfolio and limited donor revenue streams. Not winning additional and large projects/lack of long-term funding threatened CNVP's lack of financial sustainability, viability and performance</p>			<p>CNVP is implementing four big projects: SUNREED-Sida, LED-Sida, PONT, and ADA. This gives the organisation a sustainable position. Efforts continue to make a diversified portfolio and assure different donor streams. Beyond current strategic partners such as Sida, ADA, and PONT, the target during the next period will be on EU funds</p>
<p>Staff inspiration (internal) The best value of CNVP is its staff. The organisation has invested a lot in building and developing human capacities. Hence, due to a lack of projects being funded by donors, skilled and experienced staff might be leaving the organisation.</p>			<p>The Executive Board will be very transparent and hold regular meetings with its employees. Employees will be fully and regularly informed about the financial situation of the organisation, its perspectives, and the projects that will be completed. The staff will be encouraged to proactively contribute to business development to ensure more sustainable incomes for the organisation.</p>
<p>Financial risk (Internal) a) The foundation'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>			<p>a) The foundation will ensure timely monitoring reports on incomes and expenditures, hereby indicating an early warning of financial risks if they arise. Additionally, timely reporting to donors on time sending the disbursement requests. b) Closely monitoring the fluctuations of exchange rates, and we'll try to envisage bad scenarios with the banks we are working with. In case of any big gap, we'll contact the donors for early warning signs, aiming not to impact the project outcomes.</p>

Risk	Risk Level	Trend	Mitigation measures
<p>Subgrating scheme – financial support to local organisations</p> <p>There is a risk that subgrantees will not be able to follow the strict financial rules and guidelines and will not deviate from our expectations. Misusing funds is a risk, too.</p>			<p>Organise training sessions on finance (expenditures, procurement rules) to be held at the beginning of the subgrating process with subgrantees in finance management. Mentorship to each subgrantee all the time. A special customised financial manual/guidelines to follow by each beneficiary will be provided to each subgrantee. Ongoing monitoring and detection of early warning signs in case something is not going as envisaged.</p>
<p>Geopolitical situation (External)</p> <p>The political situation might have an adverse effect on programme results and impacts.</p>			<p>The situation with the war in Ukraine is highly concerning everywhere, especially in the Balkans, which are near the region. The political instability for 2023 seems to be hectic in the Balkan countries. The opposition in Albania is divided, and new circumstances might arise in 2024. The political situation in Kosovo is also not predictable, the same as in North Macedonia. CNVP will closely monitor the situation from its program perspective, and whenever required, programme activities will be reviewed/adjusted in collaboration with partners.</p>
<p>Corruption and Fraud.</p> <p>The risk of corruption or fraud by staff can expose CNVP to financial losses, fines and sanctions, loss of reputation clients, and reputational damage.</p>			<p>CNVP has a zero-tolerance approach to fraud and corruption. Internal Control Framework (manuals on fraud and whistle-blowing policy). During all staff meetings, at least once per year, a particular session will be dedicated to the issues of corruption and fraud. Good experiences in fighting corruption and fraud from different project activities and</p>

Risk	Risk Level	Trend	Mitigation measures
			stakeholders will be incorporated, and materials will be shared within the foundation, strengthening internal control.
Inflation Impact A high increase in inflation due to the increase in energy prices and the war in Ukraine can lead to cash flow problems and hamper the successful implementation of projects.	●	↑	CNVP is aware of the risk that might lead to problems with successful project implementation. CNVP management will try to mitigate the risk: a) in close cooperation with the donors; b) trying to explore the opportunity of having a contingency budget that will be used for the inflation spike b) redefining budgets based on realistic levels; c) reduce operating costs and travel where/when possible.

Table 1 Uncertainties, risks, and mitigation measures

- Risk High Trend: High
- Risk Medium → Trend: Stable
- Risk Low Trend: Low

The risks of the foundation, particularly the financial ones, and their mitigation are continuously reviewed by the CNVP Executive Board Members. This includes assessing alternative financial, project, and manpower scenarios for the foundation as a whole and in each operating country where CNVP is active.

5. Governance, human resources, and internal organisation

CNVP implements a diverse portfolio, mainly sustainable forestry, climate change, local economic development, community mobilization, etc. The foundation is overseen by the Supervisory Board (SB), which ensures proper governance, oversight of the Executive Board (EB), and the overall operations within the foundation. Since July 2019, the EB—composed of directors of CNVP Albania, Kosovo, and North Macedonia—has steered the foundation, embodying a shared culture and a deep understanding of the local and regional contexts essential for advancing CNVP's core values of innovation and teamwork. The boards have regular meetings – during 2023, the SB met three times, and the CNVP Executive Board, assisted by the regional finance administrator, met four times.

The organisational development was strengthened further, by integrating CNVP Local Legal Entities in North Macedonia and Kosovo, which enabled the foundation to preserve its role as regional leader CSO committed to fostering a greener economy. This strategic development has enhanced the foundation's visibility and broadened its network, improving outreach and engagement with new partners, decision-makers, local NGOs, and the private sector. This approach has positioned CNVP effectively for expanded regional collaboration and impactful community engagements.

2023 marked a significant leadership transition within CNVP. Janaq Male, the longstanding Country Director of Albania and EB member, stepped down. CNVP acknowledges his substantial contributions and has started an



open and transparent recruitment process that was open to both internal and external candidates, ensuring a smooth leadership succession. The new Country Director of CNVP Albania is set to be recruited in the first quarter of 2024.

Professional development was prioritised in 2023, with staff from various regions engaging in activities designed to enhance their professional expertise. The team members from Albania, attended an international event on agricultural products and market standards, supported by the LED project. Half of the team members from the Kosovo office participated in an international conference on biomass and sustainable energy, and the other half attended a sustainable energy event, delving into market trends and EU regulations, both funded by the SUNREED project. And the North Macedonia team members completed anti-corruption training supported by the AFC project. By the end of 2023, CNVP's workforce included eight full-time employees in Albania, seven in Kosovo, four full-time and three part-time in North Macedonia, one full-time regional finance employee based in North Macedonia, and one full-time employee in Montenegro.

CNVP underwent several external audits in 2023 for projects as follows:

- LED project audit for the year 2022 conducted by Crowe Albania. No factual findings arose from the audit.
- SUNREED project audit for the year 2022 conducted by RSM Kosovo. No factual findings arose from the audit.
- Sida ACF project audit for the year 2022 conducted by Grand Thornton. No factual findings arose from the audit.

All audit reports indicated that implemented projects are in order and follow all procedures outlined in project documents, manuals, and standards.

6. CNVP's Supervisory Board

The Supervisory Board (SB) is the highest governing body of CNVP, tasked with overseeing the foundation's governance, strategy, and operational accountability. This board is responsible for approving the organisational strategy, annual plans, reports, and financial accounts.

The SB is composed of four members who convene both in person and online to ensure continuous governance and oversight. Below are the current board members and their terms:

- **Chairperson:** Mr. Maarten Bremer
Appointed: January 16th, 2016
Current Term: January 16th, 2020, to August 31st, 2025
Other roles: Vice-president of the Executive Board of ArteZ, University of the Arts
- **Member:** Mr. Thijs van Buuren
Appointed: January 01st, 2017
Current Term: January 01st, 2021, to August 31st, 2025
Other roles: Controller at Médecins Sans Frontières
- **Member:** Mr. Aurel Jupe
Appointed: January 16th, 2016
Current Term: January 16th, 2020, to August 31st, 2024



- **Member:** Ms. Marianne Meijboom
Appointed: June 25th, 2022
Current Term: June 25th, 2022, to August 31st, 2025
Other roles: Policy adviser on biodiversity & bee health for the Dutch Beekeepers Association

In 2023, the SB met four times—in May, June, September (online), and December (live)—with all meeting minutes recorded and distributed. The Audit Committee also convened once before the approval of the annual accounts for 2022. Additionally, the SB formally approved the Annual Report for 2022 during this period.

7. Future Plans and Goals for 2024

During 2024, CNVP is set to expand and diversify its project portfolio, ranging from climate issues to local economic development, circular economy, environmental protection, and SME support cross Albania, Kosovo, North Macedonia, and Montenegro. Two big regional projects under implementation show that the foundation is upscaling its activities and is clearly recognised as a regional actor in the development sector.

Looking ahead, CNVP will seek to enhance relationships with both existing and new donors, including Sida, PONT, ADA, DBU, and EU delegations in the respective countries, aiming to secure new funding streams and project opportunities. This effort will support our staff's continuous expansion and enhance our work's impact.

2024 will be marked as a transformative year where CNVP, from an foundational point of view, is applying a holistic approach to development. This approach will be particularly evident in Kosovo and Macedonia, where local lead entities (LLEs) are leading regional projects and the capacities of these organisations are expected to grow significantly. New potential funds and projects for LLEs and the mother organisation will be sought during 2024, while the prospects are very encouraging, including cross-border opportunities where the niche market of the foundation is detected.

Furthermore, CNVP will continue to manage the sub-granting schemes also during 2024, where financial support to local actors will be provided. This includes entering into new partnership agreements and supporting initiatives of the partners for the implementation of the MSD approach in the key sectors: forest, wood processing, MAPs, NTFP. The progress in these areas is set to yield further results and will be meticulously documented throughout the year.

The collaboration with local actors remains a cornerstone of CNVP's strategy, providing multifaceted benefits that enhance the success, sustainability, and positive impact of community and regional initiatives. By building and maintaining trust within local communities, CNVP fosters a supportive environment where local stakeholders are more likely to engage with and champion development efforts. This community-focused approach, being newly emphasized in 2024, is set to strengthen over time, ensuring the long-term success of CNVP's projects and initiatives.



Part B: 2023 Annual Accounts

Part B of the 2023 Annual Report contains the annual accounts of **Stichting Connecting Natural Values & People Foundation (CNVP)** registered in The Hague, The Netherlands on 04 July 2012 with registration number 55627390.

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

CNVP achieves its objectives by helping to develop the capacity of local actors on a participatory basis through the provision of advisory services and technical assistance, using the expertise and experience of Team CNVP 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. CNVP established two Local Legal Entities (LLEs) in Kosovo with legal name **Connecting Natural Values and People Kosovo** with registration number 5200477-2 and North Macedonia **Connecting Nature and People -CNVP Skopje** with registration number 7655690 to enhance revenue streams. These LLEs are incorporated into the annual accounts overseen by the Executive Board (EB) of CNVP Netherlands.

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

CNVP's main activities are funded 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 and 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 foundation, 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 December 31st, 2023
- Statement of Financial Performance for the period from January 01st to December 31st, 2023
- Cash flow statement for the period from January 01st to December 31st, 2023
- Accounting principles
- Notes to the Balance Sheet
- Notes to the Statement of Financial Performance
- Signed Financial Statements
- Independent Auditors Report

Balance Sheet at December 31st 2023

After appropriation of result from January 01st to December 31st 2023

Assets	Note	2023	2022
Tangible Fixed Assets			
Vehicles	1	EUR - 50,773	EUR -
Office equipment		20,392	960
Subtotal		71,165	960
Current Assets			
Grant receivable	2	1,318	0
Prepayment projects	3	168,834	11,455
Prepayments	4	2,228	7,713
Cash	5	2,014,055	2,494,562
Subtotal		2,186,436	2,513,729
Total Assets		2,257,600	2,514,689

Balance Sheet on December 31st, 2023

 After appropriation of result from January 01st, to December 31st, 2023

Liabilities	Note	2023	2022
Foundation's Capital		EUR -	EUR -
General reserve	6	346,338	312,343
Appropriated reserve	6	70,782	0
Subtotal		<u>417,120</u>	<u>312,343</u>
Provisions			
Reservation severances	7	0	0
Subtotal		<u>0</u>	<u>0</u>
Current Liabilities			
Payables	8	38,267	45,857
Taxes, social security & pension	9	17,638	7,095
Grants provided	10	1,763,066	2,131,000
Accruals	11	21,508	18,394
Subtotal		<u>1,840,479</u>	<u>2,202,346</u>
Total Liabilities		<u>2,257,600</u>	<u>2,514,689</u>

Statement of Financial Performance
For the period from January 01st to December 31st 2023

		Actuals from January 01st to December 31st 2023	Budget from January 01st to December 31st 2023	Actuals from January 01st to December 31st 2022
Income	Not e	EUR -	EUR -	EUR -
	12			
Income from grants		1,752,441	3,032,719	1,395,028
Other income	13	99	0	1
Total Income		<u>1,752,539</u>	<u>3,032,719</u>	<u>1,395,030</u>
Expenditure				
Personnel	14	614,744	666,631	480,113
Depreciation fixed assets	15	8,292	9,300	650
	16			
Other expenses		1,024,726	2,338,029	894,541
Total Expenditure		<u>1,647,762</u>	<u>3,013,960</u>	<u>1,375,305</u>
Balance Income & Expenditure	17	<u>104,777</u>	<u>18,759</u>	<u>19,725</u>
Appropriation Balance Income & Expenditure				
to:				
General reserve		<u>33,995</u>	<u>18,759</u>	<u>19,725</u>
Appropriated reserve		<u>70,782</u>	<u>0</u>	<u>0</u>
Foundation Capital		<u>104,777</u>	<u>18,759</u>	<u>19,725</u>

Balance Income & Expenditure after
Appropriation

0

0

0

Cash flow statement at December 31st 2023

	Note	2023	2022
Operating result	12;14-16	104,678	19,724
Adjustment for :			
Depreciation	15	8292	650
Receivables	2;3	(158,697)	19,643
Prepayments	4	5484	(6,112)
Payables	8	(7,590)	(39,362)
Provisions	7		
Taxes, and leave of employees	9;11	13658	(25)
Project payables	10	(367,934)	(3,968)
Interest received	13	1	1
Gain /loses/write off of fixed assets	1		13380
Net Cash from Operating Activities		(402,107)	3,931
Purchase of fixed assets	1	(78,497)	(13,380)
Sale of fixed assets		98	
Cash from investment activities	1	(78,399)	(13,380)
Net decrease in cash and cash equivalents		(480,506)	(9,449)
Cash and Bank at January 1,2022	9	2,494,562	
Cash and Bank at December 31,2023	9	2,014,055	



Accounting Principles

General information and structure

Connecting Natural Values & People (CNVP) Foundation, with registration number no. 55627390 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 and Montenegro. Additionally, two Local Legal Entities (LLEs) has started to implement projects in 2023. The annual accounts of CNVP cover the period from January 01st, 2022, to December 31st, 2023. They reflect the financial information of the Netherlands based on the foundation along with the financial information, including the local branches. For the purposes of these financial statements, internal transactions and relations have been eliminated. Additionally, it's important to note that the accounting principles are applicable to Local Legal Entities (LLEs) and are incorporated into the annual accounts.

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 December 31st, 2023 balance sheet. Exchange rate differences are included in other operational costs in the statement of financial performance. Incomes and expenses are accounted for on an accrual basis. Profit is only included when realised on the 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 the 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 for depreciation for CNVP assets are:

- Vehicles, 25%
- Office equipment, 33%

Any repairs or maintenance costs 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 balance sheet date.

Prepayments consist of short-term rent deposits and prepaid expenses for 2024.

Cash and bank

The cash and bank are 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 foundation.

Provisions

Provisions are recognised for legally enforceable or constructive obligations that exist at the balance sheet date, 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 utilised 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's share of contributions for pension in case the state-owned social security cannot cover the employee.

Accounting principles for determining the balance of income and expenditure

Principles for the determination of the result

Income and expenses are accounted for on an accrual basis. Income is recognised only when realised at the balance sheet date. Income generated by CNVP is categorized as 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 the 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 the implementation of these activities.

Principles for preparation of the consolidated cash flow statement

The cash flow statement is prepared using 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 the exchange of cash and cash equivalents are not presented in the cash flow statement.

Notes to the Balance Sheet on December 31st, 2023

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 is calculated

as a fixed percentage, not considering any residual value for the asset. Asset life extends to 4 years for vehicles and 3 years for office equipment. Depreciation expense is accounted for in the statement of financial performance. Costs for periodic major maintenance are also charged to the statement. This year, the presentation of assets has been updated to reflect fair value, ensuring a more accurate representation compared to previous years when the project assets were fully depreciated. No changes have been made to the accounting policies, and prior year figures have not been adjusted.

	Vehicles EUR	Office equipment EUR	Total EUR
Acquisition cost as at January 01st, 2023	253,675	70,440	324,115
Cumulative depreciation and other impairments as at January 01st, 2023	(253,675)	(69,480)	(323,155)
Carrying amount as at January 01st, 2023	0	960	960
Investments	54,802	23,695	78,497
Depreciation	(4,029)	(4,263)	(8,292)
Carrying amount as at December 31st, 2023	50,773	20,392	71,165
Acquisition cost as at December 31st, 2023	308,477	94,135	402,612
Cumulative depreciation and other impairments as at December 31st, 2023	(257,704)	(73,743)	(331,447)
Carrying amount as at December 31, 2023	50,773	20,392	71,165

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. The amount consisted for of amount due to CNVP for the Sharr project.

	At 31-12-2023	At 31-12-2022
Grant receivables	EUR - 1,318	EUR - 0

Total	1,318	0
-------	-------	---

3. Prepayment projects

Prepayment projects represent a balance of advance payments given to partners, consultants, etc. The amount of €168,834 corresponds to the advance given to organisations based on the sub-granting agreements for Pont Korab Koritnik Shar & ADA IFM project.

	At 31-12-2023	At 31-12-2022
	EUR -	EUR -
Prepayments to project partners	168,834	11,455
Total	168,834	11,455

4. Prepayments

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

	At 31-12-2023	At 31-12-2022
	EUR -	EUR -
Rent deposits	1,601	1,601
Debtors	627	6,112
Total	2,228	7,713

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, PONT, ADA IFM), project accounts in Macedonia and Albania and cash on hand on December 31st, 2023.

The total project bank balances on December 31st, 2023 was € 1,134,584, which was pre-received donor funds. Some of the project's bank accounts.

The remaining balance of €879,471 reflects the cash held in CNVP's general account as of the balance sheet date.



	At 31-12-2023	At 31-12-2022
	EUR -	EUR -
CNVP bank balances		
Rabobank Netherlands	259,616	253,004
ProCredit Bank Albania	447,977	119,239
Procredit Bank Kosovo	99,473	26,818
Uni Bank Macedonia	6,564	1,904
NLB Bank Montenegro	16,347	257
NLB Bank LLE Kosovo	45,656	0
Uni Bank LLE Macedonia	23	0
Subtotal	875,655	401,223
Project bank accounts		
Rabobank Netherlands, Project Sida LED2	632,128	773,286
Rabobank Netherlands, Project Sida Sunreed	236,178	978,656
Uni Bank Horison Moving	32	336
Uni Bank Sida Action for Climate	70,048	57,901
Uni Bank PONT Korab Koritnik Shar	7,232	2,958
Uni Bank PONT RWOP	121,204	108,669
Procredit PONT Korab Koritnik Shar	46,770	168,385
Uni Bank ADA IFM	20,992	0
Subtotal	1,134,584	2,090,190
CNVP cash on hand		
CNVP Albania	965	2,218
CNVP Kosovo	1,445	499
CNVP Macedonia	958	379
CNVP Montenegro	13	53
CNVP Macedonia LLE	131	0
CNVP Kosovo LLE	303	0
Subtotal	3,816	3,149
Total	2,014,055	2,494,562

*Note: due to rounding, difference of 1 euro may occur

Foundation's Capital

6. Reserve

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

The appropriated reserves relate to the project assets reserve. The project assets reserve for the depreciation of fixed assets that are purchased from donor's project funds. The expenditure of these assets is charged to the donor, and funds are transferred to the reserve of CNVP. The value of those fixed assets represents the net book value at the end of the year 2023 that will be used for the depreciation till the asset life span.

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

	At 31-12-2023	Add result for period	At 31-12-2022
	EUR -	EUR -	EUR -
General reserve	346,338	33,995	312,343
Appropriated reserve	70,782	70,782	
Total	417,120	104,777	312,343

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

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

Provisions

7. Reservation severances

There have been no reservation of severances for 2023

Current Liabilities

8. Payables

The amounts to be paid consist of organisational expenses incurred in 2023 that will be paid in 2024. 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 31-12-2023	At 31-12-2022
	EUR -	EUR -
Amounts to be paid	36,144	40,761
Debtors	2,067	5,067
Interest payable to donor funds	55	29
Total	38,267	45,857

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 2024.

	At 31-12-2023	At 31-12-2022
	EUR -	EUR -
Payroll tax, social security & pension payable	17,638	7,095
Total	17,638	7,095

10. Grants provided

These are pre-received funds from the grant contracts that continue to be implemented beyond December 31st 2023. Part of the amount was recognised as income at the end of the year. The remaining amount is recognised as a liability.

In 2023, grant amounts from Sida and PONT and ADA IFM were provided based on the grant schedule and approved financial reports. The remaining amounts relate to smaller projects such as Action for Climate, PONT Women, Sharr, Horizon2020 Moving etc.

The following table shows the balance of grants provided by donors to be used after December 31st 2023.

	At 31-12-2023	At 31-12-2022
	EUR -	EUR -
Sida LED 2	706,172	825,749
Sida SUNREED	305,415	934,284
H2020 MOVING	10,084	31,206
EU CSO project	1,505	1,505
ADA IFM	369,479	0
Sida Action for Climate	64,845	51,012
Sharr Euronatur	0	25,603
Sharr Euronatur follow up	10,000	0
Pont RWoP Empowerment	8,590	3,195
Pont Korab Koritnik Sharr	286,977	258,446
Total	1,763,066	2,131,000



11. Accruals

Accruals consist of amounts of outstanding leave days accrued for 2023, disaggregated below.

	At 31-12-2023	At 31-12-2022
	EUR -	EUR -
Outstanding leave days	21,508	15,375
Total	21,508	15,375

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 December 31st 2023

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 recognised when earned, not received.

Grant income is divided into advisory services that CNVP offers to third-party beneficiaries, and project expenses covered by donor contributions.

The income for 2023 from the Sida LED2 project was € 470,736, of which € 225,270 came from advisory services and € 245,466 from recoverable project expenses. The LED project subsidy period is from October 2019 to December 2024.

The income for 2023 from Sida SUNREED was €628,869, of which € 299,857 was from advisory services and €329,012 was from recoverable project expenses. The SUNREED project subsidy period is from January 2022 to December 31st, 2026.

The income for 2023 from PONT Korab Koritnik Sharr was €288,420, of which €202,886 was from advisory services and € 85,534 was from recoverable project expenses. The project subsidy period is from September 2022 to August 31st, 2025.

The income for 2023 from ADA IFM was € 197,521, of which € 133,446 was from advisory services and € 64,075 was from recoverable project expenses. The project subsidy period is from January 2023 to November 2025.

The other projects were small in size and were financed by the EU (Moving), PONT, and Euronatur. The subsidy period for these projects varies from January 2019 to December 2024.

The following table shows income from grants from January 01st to December 31st, 2023.

<u>Income from grants</u>	EUR -	EUR -	EUR -
Project SIDA LED 2 - Advisory services	225,270	247,217	297,344
Project SIDA LED 2- Reimbursable project expenses	245,466	799,267	250,959
Subtotal	470,736	1,046,484	548,304
Project SIDA SUNREED - Advisory services	299,857	306,030	260,461
Project SIDA SUNREED 2- Reimbursable project expenses	329,012	583,299	318,014
Subtotal	628,869	889,329	578,475
Project PONT Korab Koritnik Shar - Advisory services	202,886	201,847	34,534
Project PONT Korab Koritnik Shar Reimb. project expenses	85,534	233,516	7,020
Subtotal	288,420	435,363	41,554
Project ADA IFM - Advisory services	133,446	147,216	0
Project ADA IFM- Reimbursable project expenses	64,075	342,672	0
Subtotal	197,521	489,888	0
Other projects - Advisory services	80,607	78,630	117,852
Other projects - Reimbursable expenses	86,288	93,025	108,843
Subtotal	166,894	171,655	226,695
	1,752,44		
Total Income from grants	1	3,032,719	1,395,028

Note on the difference between actual and budget figures for income

The project income is 58% realised. There is lower realisation than planned because the LED 2 project part of the programme costs were not spent due to the project's complexity and the partner companies' contribution.

13. Other income

Other income in 2023 consisted of interest earned on CNVP funds & sale of assets.

<u>Other Income</u>			
Net gain from sale of assets	98	0	0
Interest income from CNVP funds	1	0	1
Miscellaneous income	0	0	0
Subtotal	99	0	1

Total Income	1,752,539	3,032,719	1,395,030
--------------	-----------	-----------	-----------

Expenditure

14. Personnel

CNVP, on December 31st, 2023, had 26 employees.

Details about the remuneration of the EB, the SB, staff salaries and benefits, and other personnel-related expenses are given below.

Remuneration for the EB members consisted in 2023 of salary earned as well as other benefits, totalling € 110,787.

The SB members receive no remuneration for their activities. They are compensated for reasonable travel and business expenses incurred for board meetings and attendance fees. The total expense incurred for board meetings was € 5,542.

	Actuals from January 01st to December 31st 2023	Budget from January 01st to December 31st 2023	Actuals from January 01st to December 31st 2022
	EUR -	EUR -	EUR -
Executive Board member salary Nehat Ramadani 01-01-2023 until 31-12-2023	38,856	29,594	29,594
Executive Board member other benefits Nehat Ramadani	0	0	5,425
Subtotal	38,856	29,594	35,019
Executive Board member salary Janaq Male 01-01- 2023 until 31-12-2023	36,078	30,498	29,995
Executive Board member Janaq Male -other benefits	3,441	2,690	2,665
Subtotal	39,519	33,188	32,660
Executive Board member salary Xhevat Lushi 01- 01-2023 until 31-12-2023	30,240	30,240	30,240
Executive Board member Xhevat Lushi -other benefits	2,172	2,232	2,607

Subtotal	32,412	32,472	32,847
Board members - remuneration		0	0
Board meetings	5,542	12,000	3,516
Subtotal	5,542	12,000	3,516
Staff salaries	407,330	480,799	318,437
Social security contribution	28,371	29,170	22,792
Other benefits & expenses	5035	5020	3478
Outstanding Leave Days	3,114	0	3,019
Severances for NS			
Subtotal	443,850	514,989	347,726
	54,564	44,388	28,345
External & Temporary Support	54,564	44,388	28,345
Total personnel expenses	614,744	666,631	480,113

15. Depreciation of tangible fixed assets

The following shows the details of depreciation incurred in the period January-December 2023.

	Actuals from January 01st to December 31st 2023	Budget from January 01st to December 31st 2023	Actuals from January 01st to December 31st 2022
	EUR -	EUR -	EUR -
Depreciation vehicles	4029	0	0
Depreciation office equipment	4,263	9,300	650
Total depreciation expense	8,292	9,300	650

16. Other expenses

Other expenses include operating business expenses and project expenses.

	Actuals from January 01st to December 31st 2023	Budget from January 01st to December 31st 2023	Actuals from January 01st to December 31st 2022
<u>Other expenses</u>	EUR -	EUR -	EUR -
<u>A.Operating expenses</u>			
Fuel & vehicle expenses	37,361	47,820	34,987
Travel & lodging	28,458	66,200	31,140
Office rent	39,484	37,140	32,319
Utilities & office maintenance	16,836	19,940	16,914
Communication & mailing	8,198	8,940	6,646
Office expense	32,094	38,900	27,424
Accounting & audit fees	37,668	47,930	40,938
Bank costs & x-rate differences	9,742	7,280	11,587
Other expenses	4,510	12,100	7,751
Subtotal	214,351	286,250	209,705
<u>B.Project expenses</u>			
Programme Support	361,192	1,720,354	371,352
Local Capacity Building	41,465	52,158	21,942
Consultancy	251,798	261,267	219,090
Partnership cost	155,921	18,000	72,452
Subtotal	810,375	2,051,779	684,837
Total expenditure	1,647,762	3,013,960	1,375,305

Note on the difference between actual and budget figures for expenditure

The anticipated expenses for 2023 are 55% realised. A detailed analysis was undertaken for all specific projects, addressing discrepancies during 2023. The main issues tackled were the later start of the new project (ADA IFM)



and the complexities of negotiations with external partners that have Market System Development approach (Sida LED project).

17. The results for the period

Appropriation of balance of income and expenditure

	Actuals	Budget	Actuals
	from January 01st to December 31st 2023	from January 01st to December 31st 2023	from January 01st to December 31st 2022
General reserve	33,995	18,759	19,725
Appropriated reserve	70,782	0	0
Result for the period	104,777	18,759	19,725

Note on the difference between the actual and budget figures of result.

By enhancing its cost management, the organization achieved an **operational result of 33,995 €**. Additionally, the appropriated reserve of €70,782 will be gradually utilised to cover the depreciation of project equipment.

Subsequent events

There is a significant increase in inflation rates, it can affect the purchasing power of the foundation's funds. Non-profit organisations may face higher costs for goods and services, including operational expenses and program delivery. This could impact budgeting, financial planning, and realisation. This could trigger demands from employees for salary increases. In such cases, management will need to maintain open communication with the Employee Council and donors to find appropriate solutions.

Skopje, 24 August 2024

Executive Board

Mr. Xhevat Lushi
Mr. Nehat Ramadani

Supervisory Board

Mr. Maarten Bremer
Chair of Supervisory Board

Mr. Thijs van Buuren
Supervisory Board member

Ms. Marianne Meijboom
Supervisory Board member

Mr. Aurel Jupe
Supervisory Board member



Part C: Other Information

Independent auditor's report

A reference is made to the auditor's report, which is 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 the 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 2023, the Statement of Financial Performance, and the 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.

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.

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

An independent member of the
Kreston Global network

 MEMBER OF THE
FORUM OF FIRMS

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

INDEPENDENT AUDITOR'S REPORT (Continuation)

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 2023, as well as the operating results and the cash flow for the year then ended, in accordance with the IFRS.

Other matters

The Executive Board of the Foundation is also responsible for the preparation of the Executive Board's Annual Report. Our responsibility is to express an opinion on whether the Executive Board's Annual Report is consistent with the financial statements for the year ended 31 December 2023. Our work, which refers to the Executive Board's Annual Report, is carried out in accordance with ISA 720 and it is limited to reporting whether the historical financial information presented in the report is consistent with the audited financial statements.

The Executive Board's Annual Report of the Foundation is consistent in all material aspects with the financial statements of CNVP for the year ended 31 December 2023.

August 24, 2024

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.

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

An independent member of the
Kreston Global network

 **MEMBER OF THE
FORUM OF FIRMS**

I. Annex 1 Detailed project progress

Regional projects

Project Name	Status	Link to CNVP's strategy	Key Project Interventions 2023	Milestones up to 31 st Dec. 2023
ADA - ICEP	1 Dec. 2022 to 30 Nov.2025	Forestry, agro-forestry and sustainable forest management, including Integrated forest management and ecosystems services Community mobilisation, governance and civil society	Output 1. Degraded and/or damaged areas are afforested and regenerated through IFM practices	<p>(NM)</p> <ul style="list-style-type: none"> -Identified hot-spots for afforestation and regeneration in Banjishte – Kosovrasti Debar. -Two MoUs signed with the municipalities of Debar and Struga. -Selected a national expert for erosion controls. <p>(AL)</p> <ul style="list-style-type: none"> -Kick off event organised. -MOUs with stakeholders signed -Two areas selected, one in Ana e Malit and the second in Korthpule, Puke where around 20 ha of plantations will take place, 10 ha in Ana e Malit and 10 ha in Korthpule. -Forestry workers trained <p>(KS)</p> <p>Two areas have been collaboratively selected for forest plantations in Kosovo, the first one in Bishtrazhin, Gjakove where fast growing species will be tested and the second one in Vranishte, Dragash where modern plantation schemes will be applied.</p> <p>(MNE)</p> <p>One area of burned forest was selected in Niksic Montenegro. Afforestation was done on 2 hectares,</p>

Project Name	Status	Link to CNVP's strategy	Key Project Interventions 2023	Milestones up to 31 st Dec. 2023
			<p>Output 2. Improved conservation and eco-friendly income opportunities (Albania, North Macedonia)</p> <p>Output 3. Improved know-how and capacities for IFM along the Drin River Basin</p> <p>Output 4. Regional expertise in IFM and replicable good practices of related policies are available</p>	<p>(NM) -Selected and engaged business development experts for developing business plans for income generation of local population (on Natural tourism and NTFP) in Debar and Struga.</p> <p>(AL) -Several meetings were conducted with local stakeholders, and few observations have started, especially focusing on high-value forest conservation areas.</p> <p>(NM), (AL), (KS), (MNE)</p> <p>-Kick-off event were organised in Debar, Shkodra, Prizren and Nikshikj.</p> <p>-Many meetings were organised with a broad range of stakeholders, collaboration established with stakeholders</p> <p>(NM) -A field visit in Dragash for environmental impact assessment was organised.</p> <p>(AL) -The selection of academics has started, as well as the topic selection and planning for the academic research papers</p> <p>(NM) Contributing preparation of a Gender Action Plan.</p> <p>(AL) -Gender Assessment tool for four countries is prepared.</p>

Project Name	Status	Link to CNVP's strategy	Key Project Interventions 2023	Milestones up to 31 st Dec. 2023
			Output 5. Increased awareness for gender equality and mainstreaming in climate change and sustainable development	-Gender assessment is conducted in Ana e Malit and Puka. -Gender report for all countries is prepared. -Gender Action Plan for all countries is prepared.
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	(AL) -Preparation of project presentation documents -Preparation and signatures of MoUs with three respective administrations of PAs - Presentation meetings with local stakeholders in 3 regions -Presentations meetings with the administration of 3 respective PAs (NM) -MoU with key stakeholders in the project region were signed (AL) -Preparation of ToRs and hiring a national consultant to undertake the study on Biodiversity in the project protected Areas. -Organisation of introductory meetings with consultants, RAPAs, and local stakeholders. -Organisation of meetings to validate

Project Name	Status	Link to CNVP's strategy	Key Project Interventions 2023	Milestones up to 31 st Dec. 2023
			<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>	<p>the findings and finalise the study. (NM) 3 studies on NBT, NTFPs and MAPs finalised Documented over 160 active local collectors of NTFPs, creating a database for sustainable harvesting practices and conservation efforts. (AL) -Preparation ToRs and hiring one national consultant to undertake the study on Evidencing MAPs and NTFPs with high economic benefit for Protected Areas and one national consultant to undertake the study on nature-based tourism in the PAs. -Organisation of introductory meetings of consultants, RAPAs and local stakeholders. -Organise meetings to validate the findings and finalise the study (NM) -Received 40 grant applications, awarded €160,000 to top 13 projects from local NGOs, municipalities, and small businesses, promoting socio-economic development and nature conservation in Shar and Mavrovo regions. (AL) Preparation of a grant manual -Open call (three) for local communities(NGOs,</p>

Project Name	Status	Link to CNVP's strategy	Key Project Interventions 2023	Milestones up to 31 st Dec. 2023
				farmers, businesses) to apply for grants. -Organisation of info sessions. -45 applications received and valuated . 17 grants awarded with a total budget of € 238,444

CNVP Albania

Project Name	Status	Link to CNVP's strategy	Key Project Interventions 2023	Milestones up to 31 st Dec. 2023
Local Economic Development (LED), Donor: Sida	1 October 2020 to 31 December 2024	-Forestry, agro-forestry and sustainable forest management, including the development of non-timber forest product value chains -Agri-rural development, including eco-tourism -Renewable energy, primarily from wood and crop biomass -Community mobilisation, governance and civil society	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: 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	Two additional partnerships established to promote and test new drying technologies and service delivery models to MAPs producers. One partnership established with supply-side actors focused on improving local access to machinery for MAPs producers. Two PAs established to expand MAPs cultivation in the remote areas. Four Partnership Agreements signed with input suppliers (seedling producers, input retailers, suppliers of irrigation equipment etc,) to promote and improve producer access to a broader range of inputs.

Project Name	Status	Link to CNVP's strategy	Key Project Interventions 2023	Milestones up to 31 st Dec. 2023
			<p>actors to stimulate new investments which aim to:</p> <p>-</p> <p>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,</p>	<p>Partnerships agreed with two MAPS buyers focused on improving the quality of extension they provide to MAPs wild collectors.</p> <p>Signing of two partnerships with buyers. (i.e. MAPs buyers expand the number of households they have contract farming arrangements with).</p> <p>: 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>Organise regional roundtables to share insights on annual utilisation plans and lending of agriculture lands for MAPscultivation.</p> <p>Three municipalities prepared annual utilization plan for MAPs.</p> <p>Rehabilitation of 5 ha natural regeneration of sage area in Diber, Albania.</p> <p>Agreement with NFA for the methodology of conducting a MAPs inventory in Albania.</p>

Project Name	Status	Link to CNVP's strategy	Key Project Interventions 2023	Milestones up to 31 st Dec. 2023
<p>Sustainable Use of Natural Resources for Environment and Economic Development (SUNREED), Kosovo</p> <p>Donor: Embassy of Sweden/Sida</p>	<p>01 January, 2022 to 31 December 2026</p>	<p>Forestry, agro-forestry and sustainable forest management, including development of non-timber forest product value chains;</p> <p>-Climate change, environment and natural resource management;</p> <p>-Renewable energy, primarily from wood and crop biomass;</p> <p>-Community mobilisation, governance and civil society</p> <p>-European accession and policy questions related particularly to Chapter 11 (Agriculture and Rural Development) and Chapter 27 (Environment)</p>	<p>Outcome 1: Increased incomes for private forest owners (including women) because of improved forest management and engagement in NFWP/MAP market systems</p> <p>-Increased capacities of APFO and NAPFO to deliver services to their members;</p> <p>-Market systems development analysis for NTFP/MAPs, Biomass production and wood processing</p>	<p>Partnership agreements (PA) are established with the potential of increasing employment opportunities and income generation in forestry, NTFP and MAP sectors.</p> <p>Through the PA with NAPFO, training needs were assessed, modules were prepared, a coordinator was selected, and the expert pool was established to deliver diverse training topics.</p> <p>Three regional-level trainings and one central-level training were implemented with APFO members to enhance their capacities in biodiversity and climate change in forests.</p> <p>The PAs resulted in the creation of forest management plans for 6 hectares and a silviculture operational plan. Additionally, inventory and data collection were conducted for 1,450 ha, the production of about 200 tons of</p>

Project Name	Status	Link to CNVP's strategy	Key Project Interventions 2023	Milestones up to 31 st Dec. 2023
			<p>-Enabling policy environment promoted, including a roadmap for carbon marketing</p> <p>Outcome 2: 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</p> <p>-Development of a national roadmap on wood biomass production, marketing and use;</p> <p>-Establishment of pilot wood-biomass collection points supported;</p> <p>-At least 9 heating systems based on wood biomass promoted;</p>	<p>biomass for heating systems;</p> <p>The roadmap on carbon marketing was initiated.</p> <p>Finalised draft of the national roadmap outlining effective strategies for sustainable wood biomass production, marketing, and utilisation.</p> <p>A comprehensive feasibility study for the biomass collection point was conducted.</p> <p>Organised meetings with potential municipalities and signed MoUs for cooperation in the process of feasibility, information sharing, preparation of project proposals, and exploration of investment opportunities.</p> <p>Organised a study visit in Austria with mayors, the association of the municipalities, relevant ministries, and the Fund for Energy Efficiency.</p>

Project Name	Status	Link to CNVP's strategy	Key Project Interventions 2023	Milestones up to 31 st Dec. 2023
			<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 information of actors involved in model projects</p> <p>Cross-border activities to support model projects</p>	<p>The project team made several field visits to model projects and beneficiary spots to monitor and evaluate the project's impact and assess progress. Additionally, these visits strengthened the relationship between the project team and beneficiaries, ensuring better alignment of project goals with local needs and contexts.</p> <p>Regular cross-border meetings took place with Local Actions Groups (LAGs), and various stakeholders, which brought together key project partners, including EURONATUR, PPNEA, CNVP and MES. The purpose of this gathering was to facilitate collaboration and exchange experiences during the implementation of project packages.</p> <p>Project supported the sustainable collection and utilisation of NTFP and MAPs in three countries, including a</p>

Project Name	Status	Link to CNVP's strategy	Key Project Interventions 2023	Milestones up to 31 st Dec. 2023
				<p>study analysis for harvesting and sustainable collection. Training sessions on sustainable harvesting, processing, and marketing were organised to enhance local stakeholders' knowledge and skills. Additionally, a regional fair in Albania was organised, which promoted local products and rural areas from KS, AL, and NM, aiming to increase sales locally, regionally, and in EU countries.</p>

Project Name	Status	Link to CNVP's strategy	Key Project Interventions (2023)	Milestones up to 31 st Dec. 2023
<p>„ Civil Society Action for Climate”</p> <p>SIDA NM programme</p>	01.06.2021 to 31.05.2024	Climate change, Sustainable natural resource management, renewable energy, community mobilization	<p>Round table meetings of the CSOs Climate Coalition;</p> <p>Organization of Annual meeting of the Climate Coalition;</p> <p>Support the work of regional coordinators;</p> <p>2 Award giving campaign</p> <p>Study visit in Sweden for Mayors</p> <p>Covenant of Mayors event after the study visit</p>	<p>Two round table meetings organised</p> <p>Annual meeting with climate coalition was successfully organised</p> <p>The support is ongoing ,several activities organised by the RC</p> <p>1 award-giving campaign conducted on Green infrastructure from March-May 2023 & Sustainable Practices in Everyday Life for reducing household carbon footprints started in December.</p> <p>The study visit has been postponed for the next year</p> <p>Forty mayors signed the "Declaration for Active Protection of the Environment and Climate Change”</p>
<p>MOVING - Mountain Valorisation Through Interconnectedness AND Green growth</p> <p>EU, Horizon 2020 programme</p>	01.09.2020 to 31.08.2024	Agri, forestry, rural development, including development of value chains	<p>European wide Community of Practices (CoP) on Mountain Value Chains: share knowledge, develop policy frameworks, strategic tools and clustering;</p> <p>Virtual Research Environment (VRE): remote interaction among project components and</p> <p>offer reliable, secure, and trusted access to data and data mining tools;</p>	<p>Engagement with Local Government: Lobbying efforts led to changes in tourism policies in Berovo Municipality, benefiting local producers.</p> <p>CNVP created a video promoting the potentials and challenges of the Maleshevski Region for developing sustainable rural tourism, their offers and value chains, promoted via social media of the CNVP network, as well as on the MOVING Project social media.</p>

Project Name	Status	Link to CNVP's strategy	Key Project Interventions (2023)	Milestones up to 31 st Dec. 2023
			<p>Easy-to-read maps, indicators, simulations and digital stories to raise awareness of vulnerability, assets and strategies; Explore value chains: 24 reference regions 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;</p> <p>MOVING will carry out 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</p>	<p>CNVP facilitated changes in tourism policies in Berovo Municipality, benefiting local producers of traditional food and beverages.</p> <p>Workshop in Budapest to discuss and promote sustainable mountain value chains and local products.”</p> <p>Several workshop were organised developing future scenarios and policy recommendations, supporting local businesses and enhancing tourism diversification.</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>	<p>-Forestry, agro-forestry and sustainable forest management, including development of non-timber forest product value chains -Community mobilisation, governance and civil society including development of non-timber forest product value chains -Community mobilisation,</p>	<p>-Awareness increases on shifting from collecting to cultivation NTFPs -Database of the NTFP collectors in the region of Prespa</p> <p>Capacity development of RWoP on various topics. Considering the purchase of a dryer, preparing a new product for the market by RWoP, can be considered. In parallel with the branding training, to start the process of creating packaging for a</p>	<p>Continuously developed successful stories on NTFPs (mountain tea)</p> <p>Several meetings with NTFPs collectors have occurred in Prespa region</p> <p>Training on financial management is organised with and for RWoP.</p> <p>Two dryer machines were purchased for RWOP and given to their disposal.</p>

Project Name	Status	Link to CNVP's strategy	Key Project Interventions (2023)	Milestones up to 31 st Dec. 2023
		governance and civil society	new product placed on the market by RWoP The local population collectors of mountain tea can potentially join the project and start a plantation of mountain tea in larger areas in Prespa.	Contacts with a wider group of the local population are ongoing and increased awareness of the benefits of mountain tea plantations.